



LAHDEN AMMATTIKORKEAKOULU
Lahti University of Applied Sciences

BRANDING AND INTEGRATING MARKETING COMMUNICATIONS TO STRENGTHEN BRAND

Case: Bank X

LAHTI UNIVERSITY OF APPLIED
SCIENCES
Degree programme in International
Business
Bachelor's Thesis
Spring 2014
Nguyen, ThanhThuy

Lahti University of Applied Sciences
Degree Programme in International Business

NGUYEN, THANH THUY: Branding and Integrating Marketing
Communications to Strengthen Brand
Case: Bank X

Bachelor's Thesis in International Business, 86 pages, 6 pages of appendices

Spring 2014

ABSTRACT

In the market where many active competitors provide the same or similar products or services, branding is the strategic key indicator that facilitates a company in achieving its financial target, reputation and customer's loyalty.

This thesis concentrates on analyzing branding strategy and integrating marketing communications to strengthen brand with the case study of Bank X. Although the Bank has a long active history in both international and the Vietnamese markets, the brand is not yet widely-known compared to other banks. Therefore, this thesis attempts to assist the Case Bank in generating an improved plan to integrate marketing communications to strengthen the brand. However, the author only focuses on the Personal Banking operation – which means customers are private and personal.

The author employs both qualitative and quantitative research methods with the deductive approach. The author utilizes a variety of sources, ranging from her observation, interviews and survey to academic database.

The research is structured into two parts: the theoretical framework and the empirical part. In short, the theoretical framework contains theory about branding and integrating marketing communications planning process. The empirical starts with the introduction about the Vietnamese banking sector and then it is followed by the analysis of the Case Bank. The most important part is the suggested integrated marketing communications plan for the Case Bank. The plan is based on the theory that has been presented in the theoretical framework. With this new marketing communications plan, the author aims to support the Case Bank to successfully achieve its objectives.

However, it should be noted that this is the improved plan for the Bank only and it plays a supportive role to the Bank's current marketing strategy.

Key words: marketing, communications, promotional tools, Bank X, banking sector, private customers.

CONTENTS

1	INTRODUCTION	1
1.1	Background	1
1.2	Thesis objectives and research questions	2
1.3	Research methodology	3
1.4	Thesis scope and limitations	5
1.5	Thesis structure	5
2	BRANDING AND INTEGRATING MARKETING COMMUNICATIONS TO STRENGTHEN BRAND	8
2.1	Principle knowledge of branding	8
2.1.1	Branding and its importance	8
2.1.2	Brand equity	9
2.1.3	Brand identity and positioning	11
2.2	Integrating marketing communications to strengthen brand	13
2.2.1	Marketing communications mix	14
2.2.2	Integrated marketing communications concept	20
2.2.3	Integrating marketing communications to strengthen brand in the banking sector	22
3	VIETNAMESE BANKING SECTOR	28
3.1	Vietnam country overview	28
3.2	Vietnamese banking sector	32
3.2.1	Vietnamese banking system	32
3.2.2	Characteristics of Vietnamese banking sector	35
3.3	Main players in the Vietnamese banking sector	38
4	CASE: BANK X	49
4.1	Case Bank introduction	49
4.1.1	Overview	49
4.1.2	SWOT analysis	50
4.1.3	Personal Banking services	56
4.2	Current marketing communication mix	58
5	INTERGRATING MARKETING COMMUNICATIONS PLAN TO STRENGTHEN BRAND	60
5.1	Situation analysis	60
5.2	Promotional objectives	62

5.3	Targeting	63
5.4	Promotion mix strategy	64
5.5	Resources and budgeting	64
5.6	Promotional tools	65
5.7	Implementation	69
5.8	Monitoring, evaluation and control	73
6	CONCLUSION AND RECOMMENDATIONS	75
6.1	Findings	75
6.2	Reliability and Validity	77
6.3	Recommendations and suggestions	78
7	SUMMARY	79
	REFERENCES	80
	APPENDICES	89

LIST OF FIGURES

FIGURE 1. Research methodology	3
FIGURE 2. Deductive approach model	4
FIGURE 3. Thesis structure	7
FIGURE 4. Brand equity drivers (A.Aaker 2002, 9).....	11
FIGURE 5. Marketing communications mix (adapted from Keller 2008, 365)....	15
FIGURE 6. IMC planning process (adapted from the theory of Chris Fill 1999, 620).....	22
FIGURE 7. Promotional objectives elements.....	23
FIGURE 8. Vietnamese banking system	33
FIGURE 9. State – owned commercial banks (Banking reform in Vietnam 2011)	33
FIGURE 10. Joint venture banks (Banking reform in Vietnam 2011).....	34
FIGURE 11. Deposits and credits market share (Vietnamese banking sector report 2011).....	35
FIGURE 12. Minimum required level of capitalization by 2010 (Decree No. 141/2006/ND-CP dated 22 January 2006).....	37
FIGURE 13. Agribank’s logo	39
FIGURE 14. VietinBank’s logo	40
FIGURE 15. Indovina Bank’s logo	42
FIGURE 16. HSBC’s logo	43
FIGURE 17. ANZ Bank’s logo	45
FIGURE 18. Personal Banking services.....	56
FIGURE 19. Objectives identification	62

LIST OF TABLES

TABLE 1. Vietnam economy sectors 2013 (Anh Minh 2013).....	29
TABLE 2. Vietnam PEST analysis	31
TABLE 3. Agribank’s statistic in brief (Agribank 2013).....	39
TABLE 4. VietinBank’s statistics in brief (Annual Report 2012)	41
TABLE 5. Indovina Bank’s statistics in brief (Deloitte Vietnam 2012)	42
TABLE 6. HSBC Bank statistics in brief (HSBC Bank Vietnam Ltd 2013)	44
TABLE 7. ANZ’s awards (ANZ 2013)	46
TABLE 8. Main features of five main players in the Vietnamese banking sector	47
TABLE 9. Bank X’s SWOT analysis	55
TABLE 10. Business context and current promotional tools analyses	61
TABLE 11. Targeting segmentation.....	63
TABLE 12. Detail planning timeline for the football cup.....	67
TABLE 13. Gantt chart for television commercial	70
TABLE 14. Gantt chart for the Bank X Football Cup.....	71
TABLE 15. Gantt chart for the online marketing.....	72
TABLE 16. Major findings of the thesis	76

GLOSSARY

AMA	American Marketing Association
ATM	Automated Teller Machine
CIT	Corporate income tax
FB	Foreign bank
FDI	Foreign direct investment
GDP	Gross domestic product
IMC	Integrated marketing communications
JSCB	Joint stock commercial bank
JVB	Joint venture bank
POD	Points of difference
POP	Points of parity
POS	Point of sale
SME	Small and medium enterprises
SOCB	State – owned commercial bank
VAT	Value added tax
VND	Vietnam Dong currency
WTO	World Trade Organization

1 INTRODUCTION

1.1 Background

After the vast economic revolution in the 1980s and especially along with the accession to World Trade Organization (WTO) in 2006, Vietnam has become a great potential market for foreign investors all around the world with a large and young workforce, strong population and growing disposable income. In the past ten years, there has been more than 77 billion US dollars invested in Vietnam as “Foreign direct investment” (FDI) capital (Vietnam FDI 2012). The Vietnamese economy has changed its face and now is on the rise to develop. According to the 2012 Wealth Report, Vietnam is listed among the 10 fastest growing economies worldwide in the next 40 years with the growth rate about 7.5 percent (Knight Frank Research 2012, 11).

According to statistics, only 20% of over 90 million Vietnamese is using banking products and services (Leading Vietnamese Bank Reaches New Clients with IBM Smarter Computing 2013). Therefore, there is a huge opportunity for both domestic and foreign investors in the banking sector. Up to 10/2012, there are 35 joint stock commercial banks, five state-owned commercial banks, 54 branches of foreign banks and five wholly foreign-owned banks (Thuc 2013). In such a tough market where almost every bank provides customers with similar banking services, branding strategy is one of the most important elements that affect to the operation of each bank. Brand is a valuable asset which not only differentiates one seller from its competitors, but also represents its products, services, business identity and philosophy.

Marketing programs play an important role in branding strategy because they are direct or indirect channel that grab the consumers’ attention to the brand. Besides product, price, service or distribution strategies, marketing communications are the most adaptable elements in a marketing program. They are means of communication that help the brand represent its voice, create conversation and establish relationship with customers. (Keller 2008, 230.)

This thesis concentrates on analyzing branding strategy and integrating marketing communications to strengthen brand in the banking sector with the case study of Bank X. Currently, the Bank has two different sectors of banking services: Personal Banking and Wholesale Banking. Wholesale Banking is aimed to provide services for corporations, companies and SMEs. In this thesis, the author only centralizes in the Personal Banking operation– which means private and personal customers. The thesis aims to analyze the current situation of brand of the Case Bank in the Vietnamese banking sector and propose an improved marketing communications plan to enhance brand image. After a three - month practical training in the Bank X, the author finds herself deeply interested in this topic and the case study. From the author’s point of view, although the Case Bank is one of the biggest and oldest wholly foreign-owned banks, and has a long history in serving banking services globally; in the Vietnamese market the brand is not yet widely-known compared to other banks. The author believes there is a huge opportunity for the Bank to enhance its brand image and brand awareness and furthermore, aim towards a successful sustainable business in the Vietnamese banking sector.

During the interview with the Head of Marketing of the Bank, the author realized that the Bank has set a huge ambition in its objectives. The author strongly believes with this improved marketing communications plan, the Bank could successfully achieve its target and become the largest foreign bank in Vietnam.

1.2 Thesis objectives and research questions

The main objectives of this thesis are to analyze how marketing communications can be integrated to strengthen brand and propose an improved plan to enhance the brand of Bank X. The plan is suggested based on the author’s internal and external findings and observations, from interviews with the managers of the Bank and a survey collected from 200 people.

Research questions: Which promotional tools can be applied to strengthen brand in the Personal Banking operation? How are those elements integrated to enhance brand image of Bank X?

In order to achieve the main purpose of the thesis stated above and answer the main research questions, research sub - questions are identified as below:

- What is branding and why is branding important in the Vietnamese banking sector?
- What is the theory of integrating marketing communications plan?
- What is the current marketing communication mix of the Bank?
- What are the promotional objectives that the Bank would like to achieve through the integrated marketing communications plan?
- What promotional tools should be included in the improved marketing communications plan?

1.3 Research methodology

Research methodology is the premier thing that should be taken into consideration since it offers a scientific way to approach and solve defined problems. The overview of research methodology used in this thesis is illustrated below:

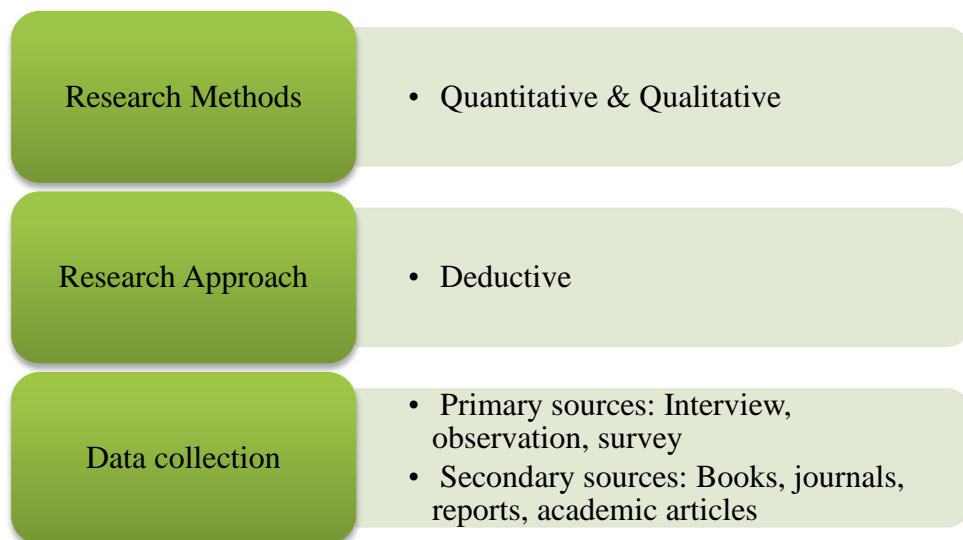


FIGURE 1. Research methodology

There are two types of research methods: quantitative and qualitative. The quantitative method is concerned with numerical measurements while on the other hand; qualitative research involves diversity of empirical materials and studies to

interpret concerning matter. (Thomas 2003, 1-2.). In this thesis, the author chooses to combine both methods because not only the qualitative data is processed, a survey is also conducted. The survey is done among 200 people who are currently using banking services in different age groups. Its purpose is to support the author to have a wide view on customers' choices for banking services, their needs, expectations and attitude towards the Case Bank's brand. Nevertheless, the qualitative method is the principle one and the remaining plays the role as a supporting element to the main purpose of the thesis.

Burney (2008) indicates two broad methods of reasoning, deductive and inductive approaches, which are also called "top-down" and "bottom up" approaches. Deductive method means the writer approaches a problem from the general to the more specific. In contrast, inductive method functions in an opposite way – based on observation and towards wider hypothesis and theory. In this thesis, the deductive method is chosen to support the author in presenting the work.

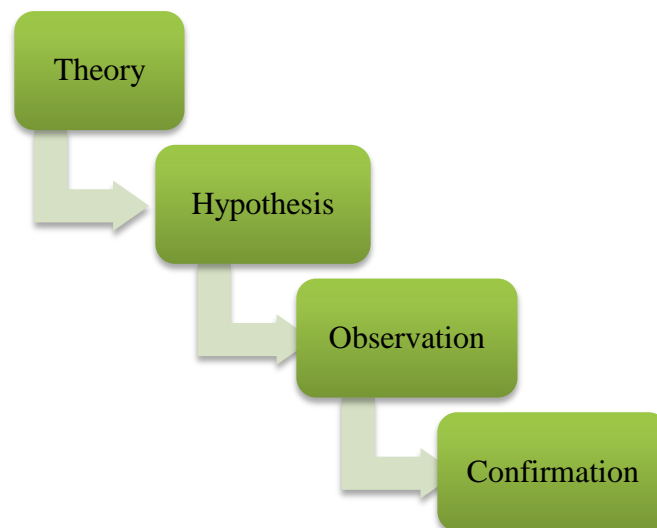


FIGURE 2. Deductive approach model

A variety of different sources is used in this thesis to support the author's work, including primary and secondary sources. The primary sources are from the author's observations during her internship at Bank X, the conducted survey and the interviews with the managers from the Bank. Along with primary sources, the

author also combines secondary sources from books, electronic journals, reports and academic articles to present the phenomenon.

1.4 Thesis scope and limitations

This thesis focuses on branding and integrating marketing communications to strengthen brand in the Vietnamese banking sector, which means that all tools and analysis are entitled to this market only. (deleted information). However, in each country, there would be some differences in promotional campaigns, targeted customers and strategic planning to adapt to the context of the local banking sector.

The Bank has already had a long active history in the Vietnamese market since 1904, when the Bank opened its first branch in Ho Chi Minh City. They have also done a variety of campaigns to promote their brand through different channels and received satisfactory responses. It should be noted that this thesis aims to propose an improved integrated marketing communications plan based on the current situation of the Bank. Due to limited information accessibility, the author only concentrates on the Personal Banking operation, which means that the targeted customers are private and personal. Wholesale banking customers will not be discussed in this thesis.

As mentioned earlier, a survey seeking for customer's attitude towards the Bank brand is planned to be conducted. However, the collected data is not able to give the Bank a whole picture of the current situation; they are considered to be a suggestion and supportive information to generate desirable marketing communications strategies.

1.5 Thesis structure

This thesis is structured into two different parts: the theoretical framework and the empirical part. The theoretical framework is presented in Chapter 2 with the principle knowledge of branding and integrating marketing communications to strengthen brand. This chapter provides necessary knowledge to tackle the empirical part.

The empirical part starts from Chapter 3 with the external analysis of the Vietnamese banking sector. In Chapter 4, the author gives brief information about the Case Bank, and SWOT analysis is presented to analyze the Case Bank situation in the Vietnamese banking sector. Furthermore, the author also examines the Bank's brand value, its targeted strategies and current on - track projects. These chapters explain the first three research sub-questions regarding the Vietnamese banking sector, SWOT analysis of the Case Bank and its message to customers.

Chapter 5 aims to give answer to the remaining research sub-questions, specializing on integration of marketing communications to strengthen brand. In this Chapter, the author uses the theory of integrating marketing communications plan which has been introduced in the theoretical framework.

Chapter 6 concludes the thesis by answering main research questions and recommending on further research. Chapter 7 summarizes the study and the main ideas are presented in the whole thesis.

This thesis structure is illustrated in the following figure:

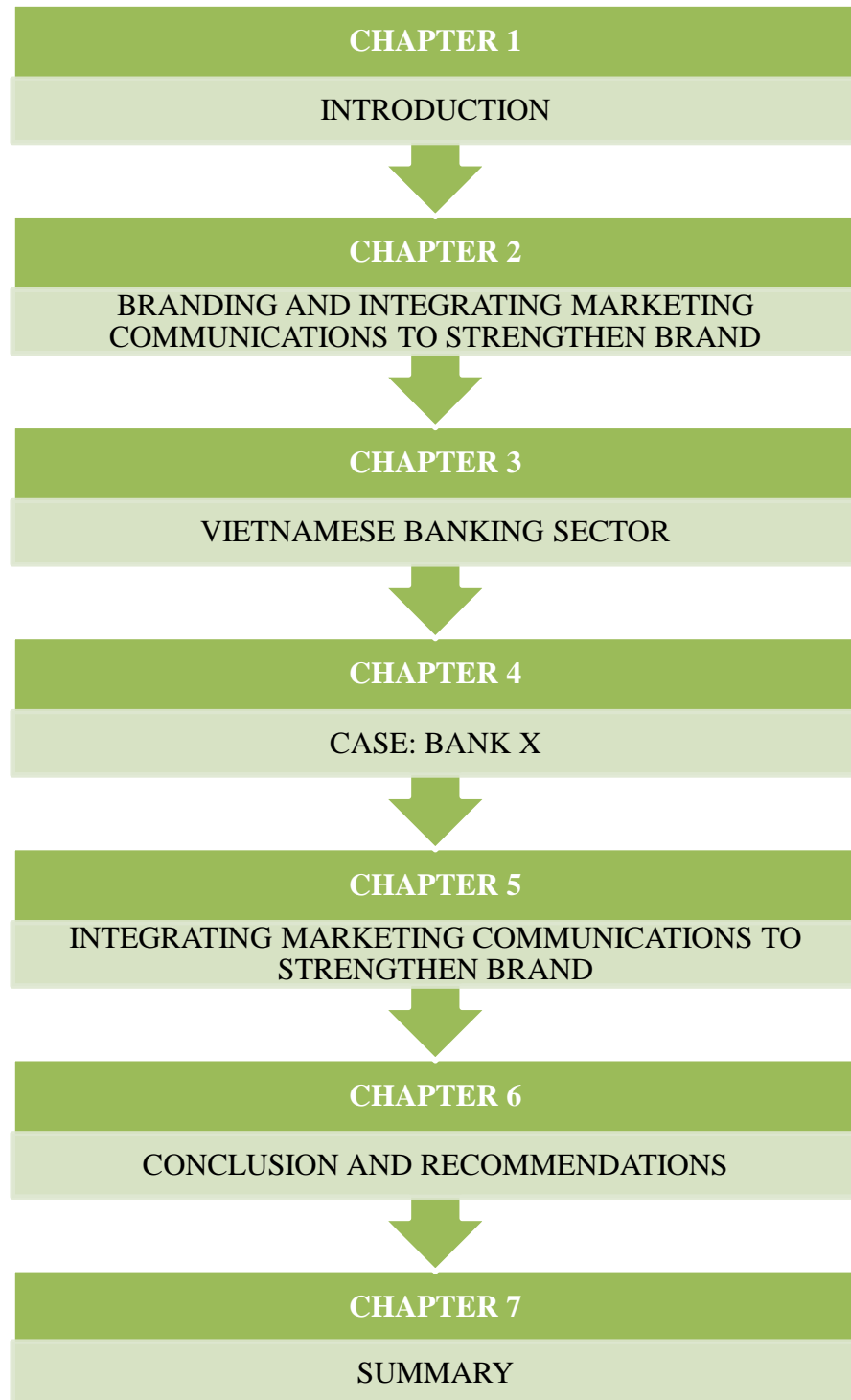


FIGURE 3. Thesis structure

2 BRANDING AND INTEGRATING MARKETING COMMUNICATIONS TO STRENGTHEN BRAND

As mentioned in the Thesis structure section, in this chapter, the author concentrates on defining theory about branding and marketing communications. This theoretical framework plays an important role as a base providing knowledge for the latter empirical part.

2.1 Principle knowledge of branding

Prior to the theory of integrating marketing communications to strengthen brand, principal knowledge of branding is presented initially. This section aims to explain thoroughly the definition of branding, its importance and related concepts.

2.1.1 Branding and its importance

For many centuries, branding has been considered as an efficient tool to differentiate goods of one producer from the others (Keller 2008, 2). According to the American Marketing Association (AMA), a brand is a “name, term, sign, symbol, or any feature that identifies one seller’s good or service as distinct from those of other sellers” (American Marketing Association 2009). In this situation, brand is defined as a tangible asset which helps company create a certain amount of awareness, reputation and value in marketplace. Therefore, a brand is more than a product or service as it provides; it has the power to differentiate itself from the others which supply the same or similar products.

Besides the definition of AMA, brand has been defined in many other ways; one of those is in accordance to customer relationship. Brand is a symbol that represents the experience of customers towards company’s services or products. The experience includes perception, feelings, image and identities of the brand perceived by customers. (Kotler et al. 2009, 426.)

Branding is the process in which a company manages to establish its own name, image, sign or symbol in customers’ mind through different marketing channels and campaigns. It aims to allocate its difference among other brands in the same

market to attract and retain loyal customers. A brand is also considered as a commitment between a seller and a buyer, a company and a customer, a manufacturer and a consumer – in which the value and quality of the brand is perceived, obtained and appreciated by people using its products or services.

In the market where many active competitors provide the same or similar products or services, branding is the strategic key indicator that facilitates a company to achieve its financial target, reputation and customer's loyalty. A brand represents everything that a product or service means to customers. As the former CEO of McDonald said, the brand is more valuable than the totality of all tangible assets company owns (Kotler& Armstrong 2010, 259). It can be clearly seen that branded commodity brings higher revenue to the company than the unbranded one. Customers are willing to pay for extra price to purchase the product that comes from a good brand with long – term reputation, trust, authenticity and perception of added value in their mindsets. Clark shoes, Apple computers, Diesel jeans or Marimekko clothing – these brands are top choices of buyers because it has been set in their minds that they are exceptionally well – reputed for their quality, authenticity and designs for a long time. Customers tend to put their trust in good branded commodities and believe that these will fulfill their needs. (Ind 2005, 4.)

In general, brand is a valuable asset which must be carefully managed and developed because it provides the primary points of differentiation between competitive offerings (Wood 2000). Furthermore, a brand also represents the company's image, value, mission and customers' experience towards it. Creating a presence of product in a customers' mind through a variety of marketing campaigns is branding. Through this process, the company obtains potential to increase their sales revenue, profit, reputation and competitive advantage.

2.1.2 Brand equity

Brand equity, which is one of the most essential and common marketing concepts, emerged during the 1980s (Hampf et al. 2011, 6). Since then, it has not only been used to define the relationship between customers and brands, but also fortified the importance of brand in marketing strategies. This concept explains the most

important aspect of marketing today, is how to measure value of the brand. Brand equity includes value of the brand, proprietary technologies, patents, trademarks and other intangible assets (Tuominen 1999). Although there have been many scholarly records defining the term “brand equity”, one of the most common one was specified by Kotler and Keller. They defined brand equity as the added value endowed on products and services, which may be reflected in the way consumers think, feel and act with respect to the brand (Creating Brand Equity 2011). Brand equity is closely related to customers, and they are those who will define the value of the brand. It is also a measure used to evaluate how well the brand is recognized, how capable it is to capture consumer preference and how large percentage of market share the brand comprises.

Brand equity has both a financial and a consumer perspective towards the firm (Elliott & Percy 2007, 81). Since it appeared; there has been an increasing awareness of the importance of strong brand names to company’s long –term financial success. It can be clearly seen that powerful brand has to face less risk in comparison to the weaker one. The hidden reason is that brand acquires solid income from high relative market share, which results in better margin and dominating return on investment. Kotler (2000, 189) also points out that the marketing cost is reduced because the brand has already had high awareness, loyalty and credibility from customers. Furthermore, high positive brand equity also stimulates the distribution network of brand’s product, which facilitates in retaining high market share.

A strong brand also has advantage in the consumer perspective. It can be understood simply that high brand equity allows a company to strengthen its brand awareness that set in the customers’ mind. This leads to the formation of their attitude towards the brand. This attitude is built by every associated aspect in relationship between the brand and its customers. Consequently, the brand preference and loyalty of customers are created, which are meaningful contributors to high positive brand equity. (Elliott & Percy 2007, 86.). The brand which receives more favorable reactions from customers is the one that has high positive brand equity.



FIGURE 4. Brand equity drivers (A.Aaker 2002, 9)

In this part, the author has gone through all drivers of brand equity, which are summarized in the figure above. These are contributors that bring both financial and consumer – oriented benefits to company. To gain high brand equity, a brand itself must stand out in ways that are relevant to the needs of consumers, differentiate from other competitors and understand how highly its products are perceived or appreciated.

2.1.3 Brand identity and positioning

One of the main contributors to brand equity is brand identity. As explained by A.Aaker (2002, 68), brand identity is a unique set of brand associations that brand marketers aim to create or sustain. In contrast to brand image – which concerns how customers perceive, feel or evaluate the brand; brand identity is about how company seeks to identify itself and represents what it stands for. Brand identity is originated from inside company; therefore, a strong brand should hold a rich and clear brand identity (Viot 2011).

Brand identity is the first step to establish the relationship between a firm and customers because it is the premier impressions about the brand in their minds.

Brand identity is more than logo, slogan, brand name or packaging – which are visual elements; it is also the commitment, promise, vision and business philosophy behind the brand that company seeks to convey to customers.

(Deleted figure and text due to confidentiality)

Positioning the brand has been long acknowledged as a core activity of the branding process (Romaniuk 2001). It is described as the act of establishing right brand identity and brand image based on points of parity and difference in relation to competitor's brand in the market (Keller 2008,97). According to Keller (2008, 98), brand positioning is about designing the company's offer and image in order to create distinct impression and occupy a valued place in the target customer's mind. To marketing strategist, it is exceedingly important to maximize the potential benefit to company through positioning the brand. In order to achieve that target, they need to define target customer, main competitors, similarities and differences between the brand and its competitors (Keller 2008, 99).

- Identification of target customer, which is also known as customer segmentation, is the first step that should be taken into action. However, it has both advantages and disadvantages. By concentrating on target customers, company can establish desirable marketing campaign which fully meets their needs. Furthermore, company is able to reduce its unnecessary cost and maximize the outcome of marketing strategies on certain customers. On the other hand, customer segmentation also restricts potential customers that the brand does not reach.
- Competition between brands which provide similar offers is always tough. Every brand tries to gain customers preference and dominates the market by its products. Therefore, marketers should not define the competition narrowly. Evaluating the competitors at proper level can support company to create suitable brand positioning strategies, take advantage of competitor's weaknesses and strengthen competitive advantage of the brand.

- Similarities and differences between the brand and its competitors:
Definition of positioning requires establishing correct points of difference (PODs) and points of parity (POPs). PODs are unique attributes that customers believe they could not find the same in competitor's offer. They are distinct, customer – oriented, positively evaluated and profitable to both company and customers. On the other hand, POPs concerns about associations that are shared by other brands. POPs is explained as the aspects of product offering that are mostly similar to the offerings of competitors (Market segmentation study guide 2012). In order to win the market share, company should not only meet the core need of product but also try to implement new features to the marketplace to differentiate itself from other competitors.

To sum up, both brand identity and positioning are core attributes to branding process. Brand identity is a set of brand associations that marketers aim to create or sustain. They could be visual elements – logo, brand name, packaging, and slogan; especially, they are also commitment, business value and vision behind the brand. Addressing brand identity into customers mind to create unique impressions and occupy valued place, is brand positioning. In order to tackle this process, it is necessary to (1) select customer segmentation, (2) define main competitors and (3) determine points of difference and points of parity.

2.2 Integrating marketing communications to strengthen brand

Within the first section of Chapter 2, the author has explained principle knowledge of branding, its relating terms and concepts. As mentioned earlier, branding is the process in which a company manages to establish its own name, image, sign or symbol in customers mind through different marketing channels and campaigns. In order to create and deliver appropriate brand identity, brand image and build strong brand equity; marketing plays an important role to brand marketers. As being explained by Kotler & Amrstrong (2010, 29), marketing is “the process in which companies create value for customers and build strong customer relationship in order to capture value from customers in return”. The

concept of marketing mix 4Ps – product, place, price and promotion; which has been widely used for a long time, is the fundamental tool for marketers to achieve their marketing targets or objectives. Nevertheless, in this thesis, the author only concentrates on the last variable, which is promotion. After creating customer value, company should utilize promotion as an effective channel to clearly and persuasively communicate that value to customers. However, promotion is not a single tool; it is a combination of different tools and methods. Marketing communications, or promotion as it was originally known, is an “audience centered activity which attempts to encourage engagement between participants and provoke communications” (Fill 2011, 5). In branding, marketing communications is used to build brand image, reinforce memories and understanding about brand’s product, inform and attract public attention to raise awareness of brand presence and finally persuade customers to buy or consume the products. In today’s marketing revolution, along with the huge development in technology, there have been remarkable changes in the ways of communication between brands and customers. Nowadays, the brand not only uses traditional or single tools to communicate and build relationship with customer, they are about moving towards integrating a variety of marketing communications to reach customers. Within this part, the author focuses on presenting the theory of integrating marketing communications to strengthen brand. Definition and importance of integrating marketing communications, promotion mix (IMC mix) and steps to involve IMC in strengthening brand are included. This theoretical framework is used to support the author’s imperial part with the case of Bank X.

2.2.1 Marketing communications mix

As mentioned earlier, marketing communications is an “audience centered activity which attempts to encourage engagement between participants and provoke conversations” (Fill 2011, 5). To achieve these targets, there is a variety of marketing communications tools that could be applied to support brand marketers. The figure below summarizes seven main tools which are widely used in

marketing strategy:



FIGURE 5. Marketing communications mix (adapted from Keller 2008, 365)

Advertising

Advertising, which is the best - known form of promotion, has been considered to be a significant means of communicating for a long time. It is defined as “a paid form of nonpersonal communications about an organization, product, service, or idea by an identified sponsor” (Belch et al. 2001, 15). Advertising is available in different channels of communication; ranging from television, radio, posters to magazines, newspaper, etc.

Advertising is commonly used because it is nonpersonal means of communicating, which means it has ability to reach huge audiences with cost – efficient budget. In branding, advertising is excellent at differentiating and positioning brands (Fill 2011, 223). It could be employed to create and stimulate brand awareness, promote brand image and develop positive customers’ perceptions towards products or services of brands. Popular advertising campaign has the ability to attract public attention and consequently generate sales for the brand (Belch et al. 200, 17).

Personal Selling

In the era when marketing strategies focus deeply on customer relationship, personal selling is considered to be the most customers – oriented communications tool. Personal selling involves intensive selling through person – to – person communication between vendors and buyers (Belch et al. 2001, 614). This communication tool allows the sellers to create direct contact to potential buyers and persuade them to purchase the brand’s product or service, through both face – to – face conversation and telephone sales (Belch et al. 2001, 24). Because of its nature, personal selling is able to gain immediate and direct feedback from customers, which empowers the seller to react or tailor the message to satisfy the customer’s needs or circumstances and solve their problems. Furthermore, person – to – person communication enables customers to pay thoroughly attention to the specifications of presented products or services.

However, besides many benefits that personal selling tool bring towards brand, there are many existing weaknesses also. Firstly, it is cost – consuming and requires great amount of human resources effort. Secondly, to ensure the quality and consistency of given information as well as avoid confusion for customers, specific and intensive training among sales personnel is necessary. Last but not least, personal selling communication could exclusively reach a limited number of customers. Because of those indicated weaknesses, instead of using this tool solely, marketers tend to integrate another marketing communications tool to maximize the outcome.

Event marketing and sponsorship

Event marketing occurs when the brand sponsors a specific event or activity related to sports, arts, entertainment or social causes. A compelling visible presence at the event is one of the strategic factors to successfully link the brand’s name with the program (Clow & Baack 2012, 377). The brand should carefully take the objective of the event into consideration, match it with the brand strategy and targeted customers in order to reach the maximum benefit of event marketing.

Sponsorship has increasingly become a popular element of the mix because of the huge benefit that it generates (Fill 2011, 265). Sponsorship marketing means that the brand ties its image to a person or group of people and sponsors by paying

money to support them. Sponsorship is an effective branding communications tool because it is able to reach large audiences and create strong impacts on brand image. Furthermore, it is also an excellent way to express the brand's commitment to the community or on social issues. (Keller 2008, 262.)

In general, by choosing the right event and target to sponsor, brand marketers could gain opportunity to enhance the brand – name recognition, increase brand awareness among the publicity, develop closer relation with vendors and customers and especially stimulate morale among employees to participate or attend in.

Public relations

As defined by the Institute of Public Relations, public relations practice is “the planned and sustained effort to establish and maintain goodwill and mutual understanding between an organization and its publics” (Fill 2011, 250). Public relation comprises a variety of activities that are designed to promote and preserve company's image and its products or services. They are press releases, press conference, newsletter, public affairs, event, lobbying, etc.

The target audiences of public relations vary greatly depending on different objectives of activities. It can be classified into two groups: internal audiences and external audiences. Internal audiences are employees of company, stockholders and investors, suppliers, customers and members of local community. External audiences are those who are not closely related to the brand, for example governments, financial groups or business organizations. (Belch et al. 2001, 584-587.)

Being identical to other promotional tools, public relations contribute huge advantages to enhance the brand image and equity. It is considered to be a cost – effective means of transmitting message to large target audience with high level of credibility.

Promotion

Sales promotion is the short – term incentives that the brand offers to encourage trial or usage of a product or service (Keller 2008, 256). Similar to advertising,

sales promotions have many variables, ranging from price deals, coupons, and sampling to gift vouchers, awards and free gifts. The main target of this tool is to accelerate the sales amount of product or service by offering customers more added values to the basic product.

There are two main types of sales promotions: consumer promotions and trade promotions (Clow & Baack 2012, 330). While consumer promotions concern about incentives that are straightly offered to brand's customers, the latter one is used to motivate distribution channels of brand. Trade promotions are aimed at wholesalers, retailers, sales agents and distributors. However, both types of sales promotions have the same objectives which are to accelerate the selling process and increase sales volume of the brand. Although promotions have a hand in gaining financial perspective of brand equity, they could affect negatively to brand loyalty and quality perceptions in customer's mind.

Internet marketing

Internet has changed the way people communicate to each other dramatically since its appearance in 1969 (History of the Internet 1999). Internet, which is considered to be the fastest – growing form of communication, has also strongly affected marketing strategies of companies around the world. Internet marketing is defined as the act that brands market, sell their products or services and build customer relationship over the Internet (Kotler & Amrstromg 2010, 528). The Web has given marketing strategists a brand new way to inform customers about their products, create value for them and establish close relationship.

There are many options for brands to choose to set up their presence on the Internet. Webpage is one of the most compulsory criteria because it is the premier engagement between the brand and their customers. Webpage allows them to get knowledge about products or services and make direct purchase or contact to the brand. Besides creating attractive and informative website, the brand could prefer to place appealing online advertisement. It has benefit to capture immediately customers' attention and link straightforward to website. With the increasing number of online social network users, the brand also obtains the opportunity to enhance relationship with customers by participating in those networks. They are

speedy, reliable and convenient for both the brand and their loyal customers. Viral marketing strategy is another option that brand could consider. It is defined as any strategy that encourages customers to spread a marketing message to the others (Wilson 2000). Viral marketing can be applied under many forms, such as video, e-mail message, Website, posters, etc. Last but not least, nowadays, there is a new trend in the Internet marketing called “Search Engine Marketing” (SEM). It contains strategies that using current search engines to attract customers to specific Websites and gain more site traffic.

Direct marketing

Direct marketing is one element of the marketing communications mix which focuses on communicating directly to customers. Through this tool, the brand attempts to generate responses and transactions from customers. (Belch et al. 2001, 471.). The revolution of communication technology has empowered the development of direct marketing. One of the most significant and fundamental conditions of direct marketing is customer data base. Therefore, it is required that the entire relevant information about customers’ needs to be collected to generate personalized message. The message must reach the customers’ needs and offer them the best available choice or solutions.

Equivalent to other mentioned marketing communications tools; direct marketing is composed of variety of forms, such as online catalogs, direct mails, telemarketing and infomercials. This promotional tool enables company to not only reach a large number of customers, reduce unnecessary cost, but also meet the right demand of customers.

Within the first part of Section 2, the author has introduced briefly about marketing communications and explained further about each tool in the marketing communications mix. Each of these tools has both its strengths and weaknesses that brand should carefully choose and integrate to maximize the outcome of marketing strategy. However, in today’s marketing world, instead of utilizing single tool, brand has moved forward to integrate different forms of marketing communications to take advantage of each tool and combine them into a comprehensive and strategic marketing plan. In the next two sections, the author

concentrates on delivering the IMC concept, its importance in branding and how to apply it to strengthen brand.

2.2.2 Integrated marketing communications concept

When people think about a brand's marketing communications, generally they are thinking of traditional advertising in mass media, such as radio, newspaper, television, magazines, outdoor banner (Percy et al. 2011, 129). Nevertheless, nowadays there are many other ways rather than the conventional ones that the brand could choose to deliver its message. Several factors are contributing to the change of the today's marketing communications. The first change is in consumer's purchasing habit. Living in the digital age has enabled consumers to approach closer to brand-related information, easily connect with other consumers to exchange experience and create their own marketing message based on their feelings towards the brand. Secondly, marketers are shifting the strategies from mass marketing to more specific and intensive marketing programs designed for target groups of customer. They are focusing on building closer relationship with customers to provide the best offerings to them. The last change is in communication technology. It has dramatically changed the way of communicating between customers and the brand. New communication tools have been invented and they are gradually enhancing their importance to our daily lives. Fifteen years ago, a cell phone was considered to be a valuable asset which had only functions of calling, texting and taking photos. Nowadays, smart phones or tablets with effective performance of connecting to Internet could be seen everywhere. The emergence of new communications tools has given potential opportunities for the brand to interact with their target customers. (Kotler & Armstrong 2010, 427.)

Because of those indicated reasons, the emergence of integrated marketing communications since 1990s has become one of the most remarkable exemplar of development in the marketing discipline (Holm 2006). It has influenced and modified thinking and acting of companies in marketing strategies. Shimp (2010, 10) defined the meaning of integrated marketing communications in his book:

IMC is a communications process that entails the planning, creation, integration, and implementation of diverse forms of marketing communications (advertisements, sales promotions, publicity releases, events, etc.) that are delivered over time to a brand's targeted customers and prospects.

According to Shimp, IMC aims to attentively integrate all marketing communication channels to maximize impact on customers by creating and transmitting constant message about the brand, building and sustaining strong customer relationships. IMC needs to tie into overall function, purpose and future direction of company to be competent with the brand's targeted value and mission.

One of the main reasons for the increasing importance of IMC over the past decade is that it plays a significant role in developing and sustaining brand identity and brand equity. As mentioned earlier, living in the digital age has changed not only the purchasing habit of customers but also the way they communicate with the brand. Therefore, the brand needs to adapt to this new trend to successfully deliver its message and identity to customers, remind and reinforce the brand's image in their minds, fulfill consumers' demands and build exceptionally strong relationship with them. These are great contributors for the brand to gain high and sustainable brand equity, which is the priority of every company.

However, IMC demands a more coordinated and strategic approach rather than simply employing a number of different marketing tools on the assumption to achieve desired results (Strategic direction 2006). The brand should carefully select and integrate communications tools which are appropriate to a comprehensive marketing strategy. Company's long – term direction, competitive advantage and relationship with customers should be taken into consideration to successfully structure and integrate marketing communications to strengthen brand.

2.2.3 Integrating marketing communications to strengthen brand in the banking sector

As mentioned above, IMC plan requires a more intensive and coordinated approach in order to achieve target outcome and maximize the impact of marketing strategy. The detailed planning process plays the key role in ensuring that strategy is set within the constraints of brand's resources and external environment for long, mid and short term (Brunello 2013). The figure below, which illustrates each step in the planning process of IMC, is modified based on the theory of Chris Fill (1999, 620). The author chooses this IMC plan as the theory to propose an improved plan to integrate marketing communications to strengthen the brand of the Case Bank. Although Belch et al. (2001,27) mentioned this planning process in their book also, there are no significant difference between them. Therefore, the author chooses to use the original one of Chris Fill and makes a minor change to be more adaptable to the situation of the case study.

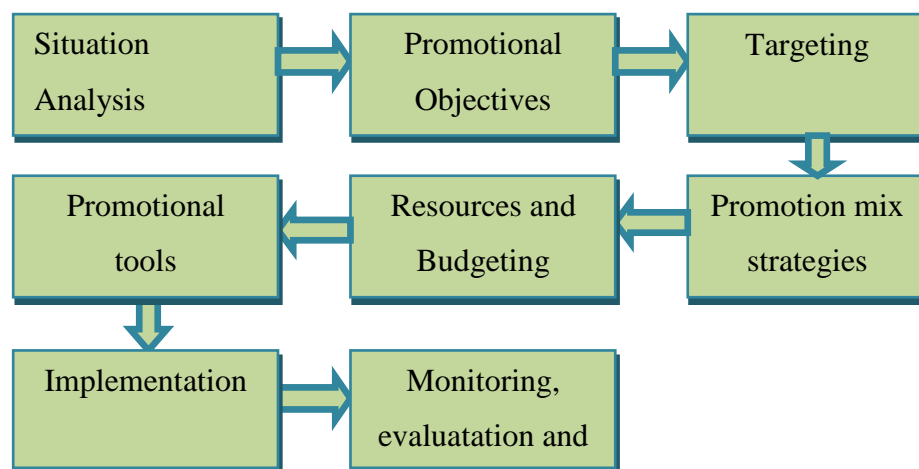


FIGURE 6. IMC planning process (adapted from the theory of Chris Fill 1999, 620)

Situation Analysis

The initial stage in any planning process is to identify and obtain an understanding of current position and the context within which the plan is operated. This step

involves gathering, analyzing and interpreting information from a wide range of sources. According to Fill (1999, 621), the compilation of situation analysis is essentially important because it contains information and clues about what the promotional plan needs to achieve. A deep and intense context analysis is beneficial to marketers in determining and understanding key market and communications drivers, which are probably to influence the brand and affect its long – term strategy and objectives.

It should be noticed that gathering information needs to be ongoing, updated, relevant and functional to the marketing communications plan. The components of situation analysis could be: business context, market segmentation, current marketing strategy, promotional tools and financial allowance. A comprehensive context analysis is the well – grounded base to drive the following steps in the planning process into appropriate direction.

Promotional Objectives

The following step after the brand gains sufficient information regarding about situation analysis is to set promotional objective. The promotional objective is related to the expected outcome that brand desires to achieve through marketing communications plan.



FIGURE 7. Promotional objectives elements

There are three main elements in promotional objectives (Fill 1999, 622).

Corporate objectives concern about the mission, value and position in the market that the brand believes it should be. Marketing communication objectives focus on the level of brand awareness, perception, knowledge, product/service preference or attitude that brand wants to achieve. The last element is marketing objectives, which go deeper in the output of marketing communications plan. These are sales – oriented objectives, mainly concentrate on targeting sales volume, market share, return on investment, profitability, etc.

Targeting

The author figured up this step into the planning process because she believes it is essential for the brand to identify their target audience after identifying promotional objectives and before reaching to the next steps of the plan. By specifying consumers' characteristics, preferences and concentrating on a particular group of audience, the brand could take advantage in developing proper marketing communications plan. Moreover, proper chosen promotional tools enable the brands to tailor their products or services in order to fully meet the demand of target audiences. Therefore, the promotional objectives that have been set will be successfully achieved.

Promotion mix strategies

The next step is the transition to strategy decision – making. Brand marketers can choose from two basic promotion mix strategies, which are push or pull strategy. A push strategy occurs when brand allocates its marketing activities to distribution channels (wholesalers and retailers) to instigate them carry the products and promote to final consumers. Meanwhile on the other hand, pull strategy means the brand directly promotes to customers and persuade them to purchase the products or services. Under the circumstance in which customers react positively to the marketing activities, they respond their demands to producer through distribution channels. Afterwards, the producer “pulls” their products to final consumers through wholesalers and retailers. These two strategies could be applied separately; however, most large companies use the combination of both. (Kotler & Amrstrong 2010, 422.)

Resources and budgeting

In the original structure of planning process presented by Chris Fill, the step for determining resources and budget is left behind the promotional tools. However, in this thesis, the author modifies by putting it ahead for the reason that in her opinion, having the idea on needed financial budget would lead the brand to precise marketing strategy, eliminate waste and avoid inappropriate selection of promotional tools. Especially in the Vietnamese banking sector, almost every bank is tightening their budgets due to financial crisis and reduction in banking investment from customers. Therefore, it is principal for brand to be knowledgeable about its internal and external resources, feasible financial budget and competitive advantage to generate preferable strategy

Promotional tools

The most significant step in the process is to adopt ideal promotional tools that thoroughly accomplish the situation, objectives, target customers and resources of the brand. Creative combinations of a number of marketing communications tools will ensure the success of the campaign. However, the brand should also clearly state the tools and the media to be used to formulate proper and comprehensive plan (Fill 1998, 623). Traditionally, there were only four main tools of marketing communications, regarded as advertising, sales promotion, public relations and personal selling. However, thanks to the rapid development of communication technology, nowadays there have been some changes in the way that a brand communicates with their customers. The brand not only creates and employs plenty of different practical tools, but also successfully combines and integrates them for a surpassing accomplishment. Furthermore, it is demanded for the brand marketers to update external emerging trends in the market to adapt promotional tools promptly.

Implementation

This aspect of the process is where all plans and strategies will be applied into reality and generates output. Brand should put sufficient emphasis in this step in an attempt to fulfill their target because even the best strategies will fail if they are wrongly implemented. The main features of implementation are summarized in

the term 3M: men, money and minutes. These features include the responsibilities of associated human resources, financial support and the timing and scheduling flow of the plan. The marketing strategies have to be applied at right time, right place and to right target audience. Therefore, it is essential for the brand to schedule the timeline for the application of each marketing communications tool.

Monitoring, evaluation and control

The last step in the process concentrates on how the brand monitors and evaluates the outcome and beneficial effect of the marketing strategies. Collecting feedback from internal and external sources is also significant for further plan and implementation. In this step, brand strategists are responsible for ensuring that the plan is being well – implemented as it should be and reaches the expected outcome. There are variety of methods could be used to measure and evaluate the efficiency of communications strategies. The brand could choose to do customer survey, statistical data analysis, sales amount interpretation, etc. However, it should be noticed that not every single one of the tools could generate expected outcomes instantly. Some marketing activities take time to be beneficial to the brand; however, it is the long – term and sustainable value that builds strong brand equity, enhances brand image and establishes prolonged customer relationship.

Within the Chapter 2 of this thesis, the author has clarified thoroughly theory about branding and the concept of integrating marketing communications to strengthen brand. This theoretical framework is the well – grounded foundation for the following empirical part of the thesis concerning about the case study analysis. In the first section of Chapter 2, essential knowledge about branding, its importance and related terms have been explained. In the market where many active competitors provide the same or similar products or services, branding is the strategic key indicator that facilitates company to achieve its financial target, reputation and customer's loyalty. In the latter section, the author gives an explanation of marketing communications, the integrated concept and involving steps to integrate marketing communications to strengthen brand. The planning process structure is modified from the theory about marketing communications plan of Chris Fill to be more appropriate to the application in the banking sector.

The empirical part starts from Chapter 3 with the introduction to the Vietnamese banking sector. In this part, the author is going to focus on the analysis about the Case Bank – Bank X, its current situation, competitive advantage and propose an improved plan to integrate marketing communications to strengthen the brand of the Bank.

3 VIETNAMESE BANKING SECTOR

As discussed in the earlier chapter, the empirical part starts from Chapter 3 with the analysis about the Vietnamese banking sector. The purposes of this chapter are to emphasize on analyzing the Vietnamese banking sector – where the Case Bank operates its business and determine main players in the market, which are also direct competitors of the Case Bank. Understanding the market and main competitors gives more support to Bank X to locate its position in the market, stays up – to – date to the latest situation and be well – prepared for any incoming trends in the future.

3.1 Vietnam country overview

According to Global Intelligence Alliance, Vietnam is ranked at the seventh position among top 10 emerging markets for 2012 – 2017 with 20.1 percent of 431 respondents planning to enter the country (Business Perspective for Emerging Markets 2012). It shows clear evidence that nowadays, Vietnam appears to be an attractive emerging market for investors from all over the world. Since the economic revolution in 1986, Vietnam has successfully overcome the crisis and reach remarkable economic growth rate with GDP annually is 7.5 percent. PEST analysis framework is utilized to give a broad knowledge about the country and its effect to the banking sector. PEST analysis covers political, economic, social and technological factors.

Political factor

The Socialist Republic of Vietnam is one of the world's few remaining one – party communist states. Political power lies with the Communist Party of Vietnam, currently led by General Secretary Nguyen Phu Trong. Since the country's reunification, the Party has led the Vietnamese in carrying out the country's renovation, modernization and industrialization. The State President, as the Head of State, is elected by the National Assembly from among its deputies to represent the Socialist Republic of Vietnam internally and externally. Besides the President, the Government with the head is Prime Minister, is in charge of tasks assigned by the State. (Political System 2013.)

A foreign enterprise with a permanent establishment in Vietnam must pay tax on all income arising in Vietnam and on foreign income that relates to the permanent establishment. The corporate income tax (CIT) is imposed to taxpayers at the standard rate of 25% currently. All organizations producing and trading in taxable goods and services in Vietnam must register for VAT. In banking services, the VAT rate is applied at 5% (Doing business in Vietnam 2011).

In 2006, the Government issued the Decree No 22/2006-ND-DP concerning the operation and organization of branches of foreign banks, joint-venture banks and representatives of foreign credit institution in Vietnam (Regulation on operation of foreign banks 2006). According to the Decree, the business license is granted if the bank or financial institutions successfully meet the requirements regarding about experience in international operations, total assets possession equal to USD 20 billion, ability and capacity to undertake financial commitment and registration to the State Bank of Vietnam.

Economic factor

Since the mass economic revolution in 1986, the Vietnamese economy has changed its situation dramatically. Moreover, the accession to the World Trade Organization in 2007 has facilitated Vietnam to further global integration.

TABLE 1. Vietnam economy sectors 2013 (Anh Minh 2013)

Business sector	% of GDP
Agriculture, Forestry and Fishery	18.4
Industry – Construction	38.3
Service	43.3
Total	100.00

Vietnam is an agricultural country with approximately 70% of population living in rural area. Therefore, although accounting for 18.4% GDP, this sector plays an important role to the exportation of Vietnam. However, in recent years, there has been a massive shift towards service and industry – construction sectors. The Vietnamese government offers both foreign and domestic investors a variety of great opportunities to attractive and potential sectors, such as: electricity, bio-industry, railway logistics, outsourcing, etc.

Banking service contributes significant role to the service sector of the economy. According to Deloitte Center for Financial Services (2012, 2), although the total assets of Vietnamese banking system is still relatively small in absolute terms, it has been an expeditious expansion. With the population of over 90 million in habitants, Vietnam is said to be a potential market place for retail banking development, with the increasing presence of foreign brands such as Standard Chartered, HSBC, ANZ, etc. (Vietnam Chamber of Commerce and Industry 2013.). Further details about the banking sector of Vietnam will be discussed in the latter part.

Social factor

Vietnam is ranked at the 15th of top 20 most densely populated countries in the world with population of more than 90 million (Central Intelligence Agency 2013). It has been proved that Vietnam has not only a giant but also young population. According to statistics, age groups 15 – 24 years and 25 – 54 years account for the largest percentage in the age structure, with the proportion are 19% and 44.1% respectively (Vietnam Demographics Profile 2013). This provides a great source of labor with high education level.

As mentioned in the beginning of this thesis, only 20% of over 90 million Vietnamese are using banking products and services (Leading Vietnamese Bank Reaches New Clients with IBM Smarter Computing 2013). Therefore, it can be clearly seen that there is a huge opportunity in the banking sector for both domestic and foreign investors.

Technological factor

Along with the revolution of economic structure, the speedy adoption to technology is another essential contributor to the development of Vietnam. Technology has not only changed and enhanced the economy but also accelerated the education level of the Vietnamese. Nowadays, Vietnam ranks the highest position in terms of Internet users in Southeast Asian region with the rate of 34.1% of country population (Vietnam NetCitizens Report 2011). Internet has contributed significantly to every aspect of economy: trading, exporting, importing, servicing, etc. Especially in the banking sector, internet is exceptionally essential because it provides customers with faster and more convenient service. To bank's perspective, Internet and other technologies are fundamental indicators to the bank's operation.

TABLE 2. Vietnam PEST analysis

Political factors	<ul style="list-style-type: none"> - One – party communist state - Corporate income tax is 25% - Business licenses are granted to foreign enterprises only if all requirements are satisfied
Economic factors	<ul style="list-style-type: none"> - Fast – growing economy - Increasing proportion of service sector in the economy - Potential market place for retail banking development
Social factors	<ul style="list-style-type: none"> - Growing population - Great source of labor with high education level - Low rate of people using banking services

Technological factors	<ul style="list-style-type: none"> - High rate of Internet users - Fast adoption in technology
------------------------------	--

In this section, the author has given a country overview in terms of four aspects: politics, economy, society and technology. It is aimed to give general knowledge about the market and other factors that might directly or indirectly affect to the banking sector. Therefore, in the following section, deeper analysis of the Vietnamese banking sector is acknowledged with the classification of banking system and evaluation of current situation.

3.2 Vietnamese banking sector

Commercial banks, which are the main type of banking operation in Vietnam, have been structured and developed in association with the development of the commodity economy. As being explained in the Oxford dictionary, commercial bank is a bank that offers services to both general public and companies.

Commercial banks offer a variety of financial services to customers, ranging from payment service, investment service, and insurance service to credit service and brokerage service.

3.2.1 Vietnamese banking system

The State Bank of Vietnam (hereinafter referred to the State Bank), which is a ministry – level agency under the administration of the Government, is the highest managerial standing of the whole Vietnamese banking system. The State Bank performs the function of the state management of currency, public services, banking operations and functions of the Central Bank of the Socialist Republic of Vietnam. The State Bank is responsible for activities of:

- Promoting monetary stability and formulating monetary policies
- Printing and issuing bank notes
- Supervising the operations of all commercial banks in Vietnam
- Controlling foreign exchange rate

- Provide banking facilities for financial institution
 - Supporting the Government in handling economic policies
- (The State Bank of Vietnam 2008)

Underneath the administration of the State Bank, the Vietnamese banking sector is classified into four primary types of institution: State – owned commercial banks (SOCBs), joint – stock commercial banks (JSCBs), wholly foreign – owned banks (FBs) and joint venture banks (JVBs). (Banking reform in Vietnam 2011.)

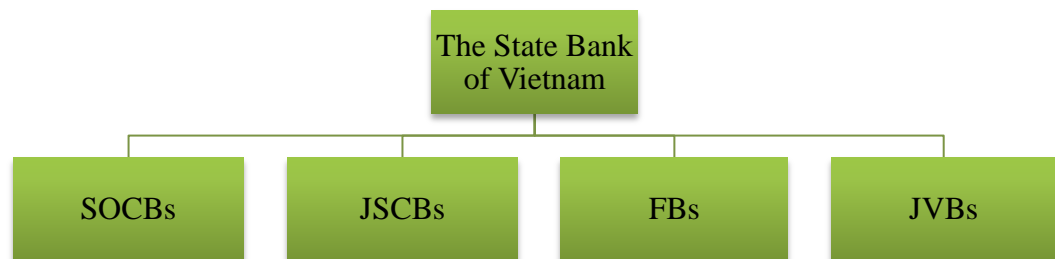


FIGURE 8. Vietnamese banking system

SOCBs are banks that are comprehensively owned by the Government or partially equitized but the Government remains the largest shareholder. Traditionally, customers of SOCBs were state – owned enterprises; however, these banks have moved towards the operation of commercial banking and served both personal customers and corporation.

State-Owned Commercial Banks (SOCB)	
Bank for Agriculture and Rural Development (Agribank)	100% Government Owned
Mekong Housing Bank (MHB)	
Vietnam Bank for Social Policies ¹	
Bank for Investment and Development (BIDV)	
Bank for Foreign Trade (Vietcombank)	Partially Equitized
Industrial and Commercial Bank (Vietinbank)	

FIGURE 9. State – owned commercial banks (Banking reform in Vietnam 2011)

On the other hand, JSCBs have more diversified shareholding structures than SOCBs with both public and private shareholders. Main customers of these banks are small and medium – sized enterprises, private customers and retailers. In recent years, there have been dramatic increases in both revenue and market share of this banking sector with 35 operating banks. The list of JSCBs can be found in the appendix 2 of this thesis.

In 2006, the State Bank started to grant licenses for foreign banks to function as wholly foreign – owned banks for limited years of operation in Vietnam (Banking reform in Vietnam 2011). This action has opened new opportunities for foreign investors to take the first step of penetration into the Vietnamese banking sector. The main target customers of this bank sector is foreign enterprises operating in Vietnam – due to their high demands in opening accounts in FBs for secure and advantageous exchange currency trading. In addition, FBs focus on high and middle class customers, who demand for better services in retail banking and wealth management. Currently, there are five wholly foreign – owned banks in the market: HSBC, Standard Chartered Bank, ANZ bank, Shinhan Bank and Hong Leong Bank.

Joint Venture Banks	
(JV Bank Name)	(Vietnamese and Foreign JV Bank Partners)
Indovina Bank	Vietinbank & Cathay United Bank (Taiwan)
VinaSiam Bank	Agribank & Siam Commercial Bank (Thailand)
Shinhanvina Bank	Vietcombank & First Bank Korea (Korea)
VID Public Bank	BIDV & Public Bank (Hong Kong)
Vietnam-Russia JV	BIDV & VTB Bank (Russia)

FIGURE 10. Joint venture banks (Banking reform in Vietnam 2011)

The last type of banking institution is JVBs – which are established under a joint venture between one Vietnamese bank and one or more foreign banks. The foreign investment in JVB must not exceed 49% of total bank capital according to Vietnam law of foreign ownership (Allens 2012).

Besides above four listed banking sectors, many foreign banks have opened their branches in Vietnam. Proximity to 10/2012, there are 54 branches of foreign banks operating in Vietnam, mainly focus on two big cities Hanoi and Ho Chi Minh. Therefore, it could be clearly seen that although the Vietnamese banking sector is huge, potential and attractive; the competition between different banking sectors is increasingly tough and severe. It is required that each bank should generate appropriate strategies, determine unique competitive advantages and develop in a proper direction in order to successfully achieve its targets.

3.2.2 Characteristics of Vietnamese banking sector

Domination of SOCBs in market share

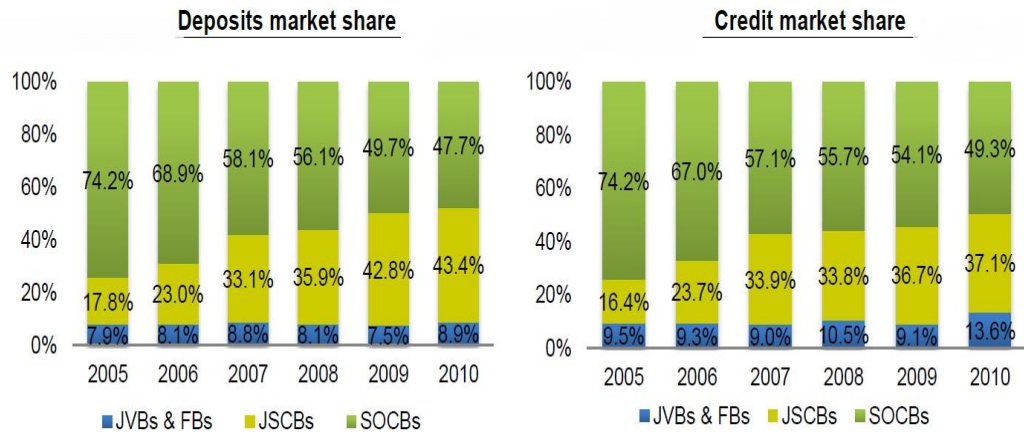


FIGURE 11. Deposits and credits market share (Vietnamese banking sector report 2011)

Since its reform in the 1980s, the Vietnamese banking sector has come a long way to accomplish several important changes both in structure, regulation and the operation to accommodate to the new industrial economy. However, although the banking sector is classified into different sorts, the group of SOCBs is predominantly dominated the market up to the present time. As can be seen from

the figure below, SOCBs obtains large percentage in both deposits and credit market share over years in comparison with other banking groups.

Nevertheless, there has been a gradual transition of market share moving towards the group of JSCBs. Both deposit and credit market share of SOCBs dropped intimately a half during period 2005 – 2010. Because of the presence of various banks, customers are about to head for flexible and miscellaneous services which are provided by JSCBs and foreign banks or branches. However, to supplement opening the banking sector to foreign and private players, the Government has done great effort to intensify the competitiveness of SOCBs by equitizing or partially privatizing the ownership of these banks.

Foreign banks and branches continues to expand business

The increasing presence of foreign banks and foreign bank branches has diversified remarkably the banking sector since the early 1990s when Vietnam started gradually opening doors to foreign investment. However, the access, operation and capital shareholding of foreign banks were limited and tightly controlled by the State Bank of Vietnam. The year 2008 marked a breakthrough in the banking sector when the Central Bank approved to grant the license to establish wholly foreign – owned bank in Vietnam for HSBC and Standard Chartered Bank (Vietnam Briefing 2008). This policy is complying with WTO commitment and has allowed foreign banks to provide identical banking services, deposit and lending rules to other domestic banks. Up to 10/2013, three more foreign banks have been granted the license: ANZ (2008), Hong Leong Bank (2009) and Shinhan Bank (2012).

Nowadays there are 54 branches/representative offices and 5 wholly foreign – owned banks operating in the market. Regardless of constituting modest proportion of deposit and credit market share, there has been a significant and consecutive growth in the banking sector of this group. As can be seen from Figure 12 above, from 2005 to 2010, the deposit and credit market share rose from 7.9% to 8.9% and 9.5% to 13.6% respectively. This statistic is predicted to fluctuate more considerably when the demand for international banking service expands due to increasing international trading activities and growing

establishment of foreign enterprises in Vietnam – the main target customers of this bank group.

Strengthening bank capitalization

During the period of 2010 – 2013, several commercial banks have been suffering from profit loss, increasing bad debt and low investment capital due to the financial crisis in the economy and the effect of strict policy issued by the State Bank. In 2006, the Vietnamese government issued No 141 Decree in which requires each financial institution (including all types of the banking sectors) to increase the minimum legal capital level by 2010. To supervise the compliance with the Decree, the State Bank requested all banks to submit recapitalization plans for approval; and for those banks which did not meet the requirements yet, a monthly progress report was needed additionally. The Decree also stated that if any bank could not meet the target by 2010 would be ready for mergers and acquisitions. (Mayer Brown JSM 2011.)

Types of banking group	Minimum level of capitalization (in VND currency, exchange rate: 1 EUR = 28000 VND)
State – owned commercial banks	VND 3,000 billion
Joint stock commercial banks	VND 3,000 billion
Wholly foreign – owned banks	VND 3,000 billion
Joint venture banks	VND 3,000 billion
Foreign bank branches	USD 15 million

FIGURE 12. Minimum required level of capitalization by 2010 (Decree No. 141/2006/ND-CP dated 22 January 2006)

Stronger capital is the key component to enhance the competitiveness of Vietnam's domestic bank under the context of increasing presence of foreign banks in the market. However, while a large number of banks reach or even exceed the target, numerous banks have to merge or be acquired by other financial institutions in order to maintain the operation.

In 2012, as a consequence of inability to reach the target of capitalization, several banks were forced to merge with other banks by the State Bank to raise enough capital funds.

- On 28/8/2012, Hanoi Housing Joint Stock Commercial bank (HABUBANK) officially merged into Saigon – Hanoi Joint Stock Commercial Bank (SHB).
- On 01/01/2012, the Saigon Joint Stock Commercial Bank was established based on the merger of three banks: Saigon Commercial Bank (SCB), De Nhat Bank (Ficombank) and Vietnam Tin Nghia bank.
- On 13/9/2013, the State Bank issued an approval for the merger between Western Joint Stock Commercial Bank (Western Bank) and Petro Vietnam Financial Company (PVFC) into Dai Chung Vietnam Joint Stock Commercial Bank (PVcomBank). (VOV Online 2013.)

Mergers and acquisition in the banking sector are hoped to strengthen banking operation, enhance competitiveness and increase financial capability. This is the first step not only in the banking reform progress of the Vietnamese Government, but also in creating a stronger economy for the country.

3.3 Main players in the Vietnamese banking sector

In order to deepen the knowledge of the Vietnamese banking sector, in this section, the author presents facts and figures of the five biggest banks in different groups: Agribank (SOCB), Vietinbank (JSCB), Indovina Bank (JVB), HSBC (FB) and ANZ (FB).

AGRIBANK



FIGURE 13. Agribank's logo

Agribank, which stands for Vietnam Bank for Agriculture and Rural Development, is the largest bank in Vietnam with an operating network of 2,400 branches across the country. Agribank is also Vietnam's only state – owned commercial bank playing a key role in credit markets for agriculture and rural areas. Agribank leads on top in almost measures: total assets, total fund resources, equity and operating personnel.

TABLE 3. Agribank's statistic in brief (Agribank 2013)

Total asset	VND 617,859 billion
Total fund resources	VND 573,480 billion
Equity	VND 29,605 billion
Operating network	<ul style="list-style-type: none"> - 2300 branches and transaction offices nation wide - Official branch in Cambodia
Personnel	40,000 staffs

The history of Agribank traces back to 1988, when the Council of Ministers (now the Government) issued the Decree to establish the first commercial bank in

Vietnam (Agribank 2013). During the 25 years of history, Agribank has achieved a variety of both national and international important awards: Top 10 Vietnam Gold Star Award, Top 10 largest enterprises in Vietnam, Top brand name of Asean, Top Asean Enterprises, Business with the Best products and Services in 2011, etc. To strengthen its leading position, Agribank has expanded its business to the Kingdom of Cambodia with the establishment of its first branch and created connection to 1,034 correspondent banks in 95 countries and territories for straightforward import – export payment of customers. The customer base of Agribank now consists of over 10 million farm households and 30,000 enterprises across the country (Agribank's network 2013). Especially the year 2011 marked a sustainable development of Agribank on the card market when the bank affirmed its leading position in number of card holders, card payment and card acceptance network. Proximity to 12/2011, Agribank encompassed 20% of card issuance market share with 8,400,000 card holders (Annual Report 2011).

VIETINBANK



FIGURE 14. VietinBank's logo

Vietinbank, abbreviated for Vietnam Joint Stock Commercial Bank for Industry and Trade, is the largest bank in JSCB group. VietinBank was established on March 26, 1988 and functioned as a state – owned commercial bank until 2009 when the equitization process was launched. The year 2012 marked a breakthrough in the development history of Vietinbank, as well as the Vietnamese banking sector, when it signed an agreement selling 20% of its stake to Bank of Tokyo – Mitsubishi UFJ, Ltd – the largest bank in Japan (Hanoimoi Online 2013).

It is transparent evidence to VietinBank's reputation and position as it is perceived by investors all around the globe.

During 25 years of history, VietinBank has developed an operation network comprising of 1 transaction centers, 150 branches and over 1000 transaction offices across the country. Furthermore, with the attempt to satisfy the increasing demand in foreign payment, VietinBank has established correspondent relationship with 900 banks and financial institutions in 90 countries and territories around the world (VietinBank 2013). With the ambition to achieve success in foreign market, VietinBank has opened three branches in Frankfurt (Germany), Berlin (Germany) and Vientiane (Laos).

TABLE 4. VietinBank's statistics in brief (Annual Report 2012)

Total asset	VND 503,530 billion
Total fund resources	VND 467,879 billion
Equity	VND 33,625 billion
Operating network	<ul style="list-style-type: none"> - 1150 branches and transaction offices nation wide - Official branches in Frankfurt, Berlin and Vientiane
Personnel	19,840 staffs

The achievements of VietinBank have been highly recognized with several awards. In 2012, VietinBank is the first Vietnamese bank to be listed in Top 2000 global enterprises by Forbes magazine. A variety of honor awards have been granted to VietinBank, such as "Top 500 banking brands" by The Banker, "Best

Lender in Vietnam” by FinanceAsia, “Leader in POS and initiatives about card payment” by Visa, etc. (Annual Report 2012.)

INDOVINA BANK



FIGURE 15. Indovina Bank’s logo

Indovina Bank, which was established in 1990, is the first joint – venture bank operating in Vietnam. The two main shareholders of Indovia Bank are: Cathay United Bank – the largest financial holding company in Taiwan and VietinBank - which has been mentioned above. In comparison to two large commercial banks mentioned above, size of operation and network range of Indovina Bank are relatively much smaller. (Indovina Bank 2013.)

TABLE 5. Indovina Bank’s statistics in brief (Deloitte Vietnam 2012)

Total asset	USD 1,110 million
Total fund resources	USD 165 million
Operating network	9 branches and 23 transaction offices in 8 cities and provinces
Personnel	670 staffs

Target customers of Indovina Bank are joint – venture enterprises and their employees, middle and upper class customers who have high demand in banking services. Therefore, branches and offices of the bank are principally located in large cities and nearby industrial parks: Ho Chi Minh City, Hanoi, Dong Nai province and Da Nang city. Despite being the leading bank in JVBs, Indovina Bank has not been well – known among the Vietnamese SMEs. Therefore, strongly focusing on this customer segmentation has been set as the main business strategy of the bank in the next few years.

HSBC



FIGURE 16. HSBC's logo

HSBC, which stands for the Hong Kong and Shanghai Banking Corporation, is the founding and principal member of the HSBC Group. With more than 60 million customers around the world, HSBC Group is one of the world's largest banking and financial services organizations. HSBC is the Group's flagship company in the Asia – Pacific region. Both HSBC Group and HSBC have possessed long active history and experience in financial and banking services since 1865.

HSBC Bank entered Vietnamese market by opening its first office in Ho Chi Minh City in 1870 and functioned as foreign bank branch. As mentioned earlier, the year 2006 marked an outstanding breakthrough in the Vietnamese banking sector when the Government started to grant license for operation of wholly foreign – owned banks. HSBC was the first one to be granted this license along with Standard Chartered Bank. In January 2009, HSBC started operating its

locally incorporated entity with 100 per cent owned by the Hong Kong and Shanghai Banking Corporation Limited. Nowadays, HSBC is the largest bank in FBs group in terms of investment capital, network, product range, personnel and customer base. (HSBC Bank Vietnam Ltd 2013.)

Being identical to domestic commercial banks, HSBC Bank provides a wide range of services to both individual and corporate customers. HSBC strongly focuses on accommodating customers with fast – track and reliable services in foreign and domestic money transfer, card payment, corporate insurance, securities and trading solutions.

TABLE 6. HSBC Bank statistics in brief (HSBC Bank Vietnam Ltd 2013)

Total asset	VND 65,876 billion
Equity	VND 6,174 billion
Operating network	<ul style="list-style-type: none"> - 1 transaction center - 17 branches and transaction offices across the country
Personnel	800 staffs

From the beginning with the first branch operating in Ho Chi Minh City, currently HSBC has 17 branches located in almost every big city of Vietnam. Main target customers of the bank are foreign enterprises operating in Vietnam, individual customers with middle and high class income, both corporate and personal customers who have high demand in foreign banking services and trading.

HSBC Bank is the representative for the brilliant success of foreign enterprise in Vietnam. The bank has been awarded the prize “Best Foreign Bank in Vietnam”

by FinanceAsia for seven consecutive years, “Best Bank in Vietnam” from 2008 to 2011 by the Asset Triple A, “Best Corporate Internet Bank in Vietnam 2011” by the Global Finance, “Golden Dragon Awards 2010 – 2011 by the Vietnam Economic Times and Ministry of Planning and Investment, etc.

As mentioned earlier, HSBC Bank is the largest bank in FBs group with huge operating network and strong customer base. Therefore, it could be determined as the greatest competitors to the Case Bank in the Vietnamese banking sector.

ANZ Bank



FIGURE 17. ANZ Bank’s logo

The Australia and New Zealand Banking Group Limited, commonly known as ANZ, is among top three largest banks in Australia. ANZ has a proud heritage of more than 175 years with the experience operating in 32 markets globally, ranging from Asia Pacific region, Middle East, Europe to America. ANZ is also ranked as the largest banking group in New Zealand and Pacific and among top 50 banks in the world. (ANZ 2013.)

ANZ started entering the Vietnamese market in 1993 with one branch in Hanoi and a representative office in Ho Chi Minh City. In comparison to other foreign banks in Vietnam, ANZ has a relatively younger history. Nevertheless, after 20 years of operation, ANZ currently is in possession of 10 branches and transaction

offices in three biggest cities of Vietnam. ANZ Bank concentrates principally on customers in big cities with the aim to provide excellent Retail Banking, Business Banking and Corporate financial solutions. In addition, global connection along with well – qualified customer services of the bank allows it to fully meet the demand of customer promptly.

Financial capacity of ANZ is not mentioned in this thesis due to the unavailability of the information to public.

In the pursuit of providing excellence to Vietnamese customers, ANZ has been given numerous awards. In the FBs group, ANZ is the second largest bank.

TABLE 7. ANZ’s awards (ANZ 2013)

2013	<ul style="list-style-type: none"> - "Best Retail Bank in Vietnam" in The Asian Banker's International Excellence in Retail Financial Services - "Leadership in Card Activation" in the Visa Vietnam Bank Awards
2012	"The Best International Trade Bank in Vietnam" by the Trade Finance Magazine
2011	"The Best International Trade Bank in Vietnam" by the Trade Finance Magazine
2010	<ul style="list-style-type: none"> - "Top Trade Services Award" in 2009 and 2010 by Ministry of Industry and Trade - "Excellence in Best Mortgage Business" in Asia by The Asian Banker

In this section, the author has interpreted the situation of five banks from different banking groups to provide overview of main players in the Vietnamese banking sector. These five banks are: Agribank (SOCB), VietinBank (JSCB), Indovina Bank (JVB), HSBC (FB) and ANZ (FB)..

The main features of those five banks are summarized in the table below:

TABLE 8. Main features of five main players in the Vietnamese banking sector

BANK	MAIN FEATURES
<p style="text-align: center;">Agribank (SOCB)</p>	<ul style="list-style-type: none"> - Biggest bank in Vietnam and owned by the Government - Large network of branches across the country - Encompasses 20% of card issuance market share
<p style="text-align: center;">VietinBank (JSCB)</p>	<ul style="list-style-type: none"> - The first Vietnamese bank signed an agreement selling 20% of its stake to Bank of Tokyo – Mitsubishi UFJ, Ltd. - Large network across the country - Official branches in Frankfurt, Berlin and Vientiane
<p style="text-align: center;">Indovina Bank (JVB)</p>	<ul style="list-style-type: none"> - The first joint – venture bank operating in Vietnam - 9 branches and 23 transaction offices in 8 cities and provinces across Vietnam - Target customers: joint – venture enterprises and their employees and SMEs
<p style="text-align: center;">HSBC</p>	<ul style="list-style-type: none"> - Entered Vietnamese market in 1870 and became the first wholly foreign – owned bank in 2009 - Largest foreign bank in Vietnam

(FB)	<ul style="list-style-type: none"> - 1 transaction center and 17 branches across the country
ANZ (FB)	<ul style="list-style-type: none"> - Started entering Vietnamese market in 1993 - Network of 1 transaction center and 10 branches - Is nominated as “Best retail bank in Vietnam” in 2013

With the purpose of providing a general scope of the market where the Bank operates; country analysis, Vietnam banking system and characteristics of the banking sector have been defined and analyzed in this Chapter. Although Vietnam is a potential marketplace for foreign banks to invest, the competition in the market is particularly harsh and requires each bank to act actively to maintain its position. In the following chapter, the author goes deeper in analyzing the Case Bank – Bank X. The Bank’s general information and SWOT analysis are presented along with the Personal Banking services introduction and its current branding strategy.

4 CASE: BANK X

This chapter is aimed to concentrate on analyzing the case study – Bank X. The chapter is divided into three main sections to interpret the overall current situation of the Bank in the Vietnamese banking sector. Along with the Case Bank introduction, a SWOT analysis is presented additionally to evaluate the strengths, weaknesses, opportunities and threats of the Bank. As mentioned earlier, this thesis focuses on branding strategy for the Personal Banking operation. Therefore, a list of Personal Banking services provided by the Bank is illustrated to guide readers to the selection of different promotion tools in the latter chapter. Last but not least, the author reveals current marketing communications that have been being applied in branding strategy by the Bank. This is the foundation for the improved marketing communications plan suggested by the author in the next Chapter.

4.1 Case Bank introduction

In this section, the author centralizes in presenting brief introduction about Bank X and its long active history in the Vietnamese market. It will be followed by a SWOT analysis, which aims to evaluate different aspects affecting the operation of the Bank in Vietnam.

4.1.1 Overview

(Deleted information due to privacy)

Bank X's history in Vietnam traces back to the 1900s when the first branch was opened in Saigon (now Ho Chi Minh City). Bank X now has one head office, two branches and one transaction center located in Hanoi and Ho Chi Minh City – two biggest cities in Vietnam. The Bank employs more than 700 staffs, including Vietnamese nationality and other nationalities. A full suite of Wholesale Banking products and services is provided with the attempt to support corporates and financial institutions in business solutions. Furthermore, the Bank also has Personal Banking to serve individuals and SME Banking for SMEs's demand in reliable banking solutions.

Bank X brings its international expertise and experience in other emerging markets across the globe to Vietnam, where it actively contributes to the development of the banking and finance sector in the country. The Bank also plays an active role in the Vietnamese community and has demonstrated this through a variety of social and charitable activities.

4.1.2 SWOT analysis

SWOT analysis is an analytical method which is used to determine and classify significant factors that an organization has to face up with. There are two main factors – internal (strengths and weaknesses) and external (opportunities and threats) factors. SWOT analysis is widely used since it is helpful in matching firms' resources and capabilities to the environment in which it operates. Furthermore, it contributes largely to the future planning process of the firm through identifying threats and opportunities. The author will apply this analytical tool into the Case Bank to figure out factors that might affect to its operation in Vietnam banking industry.

Strengths

As being mentioned earlier, with over 150 years of experience, Bank X has a prolonged history in international banking services – especially in emerging and developing markets. Therefore, it enables the Bank to apply these experiences and expertise into the Vietnamese market by providing wide ranges of services to customers. Financial supports are speedy, up – to – date, flexible and customer – oriented. Vietnam nowadays appears to be one of the most fastest – growing markets in the Bank's worldwide network with the growth rate up to Z% in 2012. Also in that year, Bank X was awarded “Best SME Bank” in Vietnam – which is an important milestone in the development of the Bank in Vietnamese market. (Annual Report 2012.)

Presenting in Vietnam since 1904 with the first branch in Ho Chi Minh City, nowadays Bank X has one head office, one transaction center and two branches. The Bank determines its main target customers are foreign enterprises, national and international corporations, SMEs and personal customers with demand in

high – class banking services. With the outstanding services and long history, Bank X is the financial supporter of several large enterprises in Vietnam.

Being as a part of the worldwide network, Bank X has advantage in international connection which enables the Bank to support customer efficiently in foreign trade within short turnaround time. Well – facilitated and secure infrastructure in communication, intranet, as well as working condition enables the Bank to serve customers at the highest quality.

Personnel play the key role in the development of any organizations. In Bank X, human resources are the main feature that leads to the success of the Bank. Highly educated and well – trained experts banking staffs are employed to assist customers under any circumstance. In addition, customer - oriented service and support are always available to solve problems and recommend solutions to customers. Bank X also has financial experts from foreign countries joining in its business operation.

Paying attention not only to the banking services and support but also to corporate social responsibility, Bank X aims to contribute to the development of the Vietnamese community as well. The Bank is well – known in the society for its social activities, fund raising and other charity events – which creates a friendly and reliable brand image in customers' mindset.

Weaknesses

Despite owning a variety of strengths, there are remaining weaknesses that lie within the Bank. Firstly, in comparison to both other foreign banks and domestic banks, Bank X has small – scale network of branches and transaction offices. Currently, the Bank has only one head office, one transaction center and two branches which are mainly located in Hanoi and Ho Chi Minh City. This feature limits the geographic operation of the Bank and potential customers in other cities are not able to reach the Bank's services. Nowadays, large enterprises do not only set up their business in those two mentioned cities anymore. On the other hand, they started to seek for opportunity in smaller cities which have good infrastructure and facility but with more reasonable operating costs. In order to gain more market share, Bank X should take into consideration the idea of

enlarging its operating network in the country. Therefore, it creates opportunity for customers to reach closer to the services.

The second weakness of Bank X is about its marketing activities. Although Bank X has its own Facebook page with many followers, the Bank does not take advantage of this channel to promote its brand to wider target audience. The Bank is exceptionally active in charity programs, environment – friendly activities and fund – raising events. Even though these activities play an important role in creating and building strong brand equity for the Bank, the outcomes are not highly evaluated by publicity due to lack of proper promotional strategies. In the survey conducted among 200 people who frequently using banking services, 67% per cent replied that they had never seen the logo of the Bank before. The author also took a small – scale random oral interview in Vietnam to ask whether they have heard about “Bank X”. The result was they have heard about HSBC or ANZ banks but never heard about the Bank X.

According to the survey, card service (ATM card and Visa/Master cards) is the basic service that has the hugest number of users. However, the network of ATM machine is relatively modest with only five machines. This is a huge obstacle to the development of the Bank as it hinders customer’s approach to the most needed service. In 2011, Bank X started to join the card network Smartlink, which enables its customers to use 5000 ATM machines in the network across Vietnam at more reasonable service fee (The New Hanoi Online 2011). Although this marked an important milestone in the development of the Bank in the Vietnamese market, customers always desire to have more ATM machines owning by Bank X. It contributes also to the brand building as it increases the brand presence and enhances the brand image.

Opportunities

However, being an emerging potential market, Vietnam in general and the Vietnamese banking sector in particular offer a variety of opportunities towards the Case Bank. As mentioned in the earlier part of this thesis, only 20% of nearly 90 million Vietnamese is currently using banking services. Therefore, it can be clearly seen that there is a huge available room for every bank to expand and

develop its business. Nowadays, there is an increasingly high demand for banking services in not only major cities but also other developing areas. A lot of new industrial parks which are located closely to important economic centers are under construction. This creates huge opportunities for the Case Bank to attract new customers which are both domestic and foreign enterprises, their employees and business partners. Furthermore, the demand for diversified personal banking products has gone up remarkably in other developing areas of Vietnam. Almost every foreign bank concentrates more intensively on expanding its business in the two biggest cities – Hanoi and Ho Chi Minh City than in other provinces. The Case Bank has large opportunity to occupy market share in these areas because the competition is less fierce than in the big cities.

According to the survey, 112 out of 200 people responded that they are more favorable in foreign banks rather than domestic banks. Therefore, the Case Bank could take advantage of this potential customer's preference to enlarge its market share gradually. The survey also shows that service promotion is the criteria ranking the highest level that affect the customers' choice of banking service provider. In order to compete successfully with other giant players, the bank should concentrate on meeting the demand of customers and understand their needs even they are not spoken out.

According to 2012 Wealth Report, Vietnam is listed among the 10 fastest growing economies worldwide in the next 40 years with the growth rate about 7.5 percent (Knight Frank Research 2012, 11). Along with the fast – growing economy, the GDP per capital of Vietnam is increasing steadily every year. From 2009 to 2012, the GDP per capital of Vietnam rose from 3,128 US dollars to 3,787 US dollars (The World Bank 2013). These statistics proves for the stable and constant development of the Vietnamese economy. Consequently, the living standard will be enhanced and the demand for financial services will continue to increase steadily, especially in new fast – growing provinces.

Threats

Besides there are huge opportunities for the Case Bank to grow, it has to face up with a variety of threats in the upcoming time. As mentioned in the earlier part,

there are currently 5 SOCBs, 35 JSCBs, 5 JVBs, 5 FBs and 54 branches of foreign banks in Vietnam. Therefore, it can be easily seen that the competition in the banking sector is exceptionally fierce. Especially, Vietnam nowadays is highly evaluated as a new potential market for international enterprises to invest. According to statistics, FDI inflows have reached US\$ 19.2 billion this year with a considerable amount is assigned to financial sectors (FDI Inflows Soar in Vietnam 2013). Therefore the rivalry among every bank in the system is increasingly competitive.

Although the economy of Vietnam is highly evaluated with constant growth rate, it is still vulnerable and easily affected by worldwide economic situation. During the period 2010 – 2013, the financial crisis has had a strong effect on the Vietnamese economy. It has led to the lowest GDP growth rate level since 1998, decreasing purchasing power and increasing domestic debts (The World Bank 2013). The banking sector has been considerably affected with the decrease in investing capital from customers, diminishing profit margin and several banks are forced to mergers and acquisitions.

The main purpose of this SWOT analysis is to assist the Case Bank to analyze its resources, capabilities, weaknesses and threats in the market it operates from an outsider's point of view. The summary of the analysis is presented below:

TABLE 9. Bank X's SWOT analysis

Strengths	<ul style="list-style-type: none"> - Prolonged experience in international banking services - Strong customer base - Highly educated and well – trained experts banking staffs - Active contribution to corporate social responsibility
Weaknesses	<ul style="list-style-type: none"> - Small – scale network of branches and transaction offices - Low public attention to marketing activities - Brand name is not widely known - Network of ATM machine is relatively modest
Opportunities	<ul style="list-style-type: none"> - Only 20% of nearly 90 million Vietnamese is currently using banking services - Increasingly high demand for banking services in not only major cities but also other developing areas - Customers' preference to foreign banks - Vietnamese fast – growing economy
Threats	<ul style="list-style-type: none"> - Continuing presence of different foreign financial institutions in the market - Vietnamese economy is still vulnerable and easily affected by worldwide economic situation

4.1.3 Personal Banking services

As mentioned earlier, due to the limited information accessibility, the author only concentrates on the Personal Banking operation, which means targeted customers are private. Therefore, in this part, the author is going to go through a variety of services that are provided for private consumers. The author believes that understanding these services and their customers well will benefit in creating appropriate integrating marketing communication plan for the Case Bank.

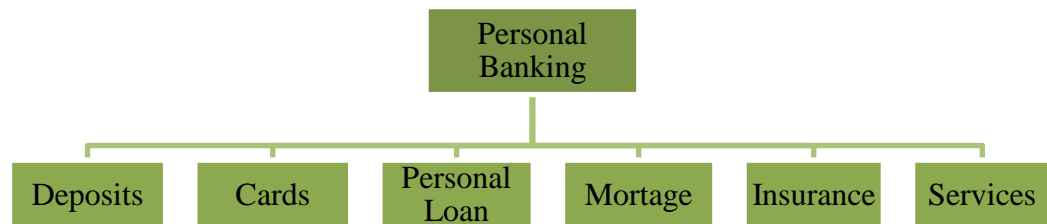


FIGURE 18. Personal Banking services

Deposits

Deposit, which is the fundamental service, is also the great source of capital fund for every bank. At Bank X, a variety of deposit services is offered to meet the demand of different customers' purposes.

Cards

Being identical to other banks, Bank X provides Visa Debit Card and Credit Card for customers who are in need of international card payment. The cards allow customers to withdraw money at any domestic and oversea ATM, good purchases and online transactions. Furthermore, to fully adapt to the Vietnamese market, the Bank issues the ATM Card with convenience and competitive fee. The ATM card enables customers to withdraw cash at more than 14,000 ATM across the country with lower fee and other associated services.

Personal loan

At the Bank X, the personal loan is easy to access with the maximum limit up to VND 400 million (equivalent to EUR 15000). The procedure and required documents are straightforward which guarantee speedy service for customers.

Moreover, to entice customers' attention, Bank X introduces "24 – hour – service guarantee". Customers will receive their loans within 24 hours if all necessary documents are submitted and successfully processed.

Mortgage

Understanding one of the most fundamental necessities to the Vietnamese is to have a place of residence; Bank X introduces the mortgage service for personal customers with the home loan up to 75% of market value. The loan size is between VND 200 million to VND 31 billion (from EUR 7000 to EUR 110,000). The loan could be paid back within 25 years.

Insurance

Bank X provides its customers with two principal types of insurance: Non – life insurance and life insurance. The non – life insurance is targeted to safe guard customers and their property or assets. There are three products: personal accident insurance, property insurance and house insurance.

On the other hand, the life insurance is suitable for customers who are planning for a long – term investment and savings. With small savings every month, customers would be able to fulfill all their plans for the future by cash benefits from the products.

Services

Along with all above mentioned services, there are numerous associated services provided for consumer banking customers. They are: Auto – bill payment, Online Banking and SMS Banking. Those services are targeted to bring fast, convenient and secure financial support to customers.

4.2 Current marketing communication mix

In this part, the author analyzes current promotional tools that have been currently used at the Bank to promote its brand. The analysis is done through the interview with the Head of Marketing – Bank X.

Sales promotion

The main target of sales promotion is to accelerate the sales amount of product or service by offering customers more added values to basic product. In the conducted survey, 75% of respondents agreed that service promotion is one of the main criteria affect to their choices. In each banking service, different kinds of sales promotion are applied.

For example, in card service, Bank X cooperates with its trade partners to create attractive promotions for customers. Main partners of Bank X are: Cathay Pacific Airways, CGV Cinemas, Lotte Mart and etc. To Personal Loan and Mortgage services, the promotion is more limited with gift vouchers, decrease in interest rate or cash back.

Internet Marketing

Currently, Bank X has its own official website running in both English and Vietnamese. The website is logically structured with all necessary information about banking services are well – provided. Furthermore, the website additionally enables customers to log in to online banking, register for personal loan service and other associated services linking to bank account.

Understanding and staying updated to the latest trend of online social marketing, Bank X also establishes its official Facebook page to connect directly to its customers. The Facebook Page is used to update promotions job opportunities and other corporate social responsibility activities organized by the Bank. The Facebook also functions as a direct channel to connect customers to the Bank straightforwardly, where they can ask questions and get speedy response from the Bank's representative.

Brand Sponsorship

(deleted information due to confidentiality)

Advertising

According to the Head of Marketing of Bank X, the Bank mainly concentrates on "below - the - line" marketing strategies (Ha 2014). "Below – the – line" method is strategically focused on targeted customers through non – media communication or advertising. Therefore, the advertising activities of the Case Bank are at moderate level and not paid much attention. The Case Bank put its advertisement on lifestyle magazines only.

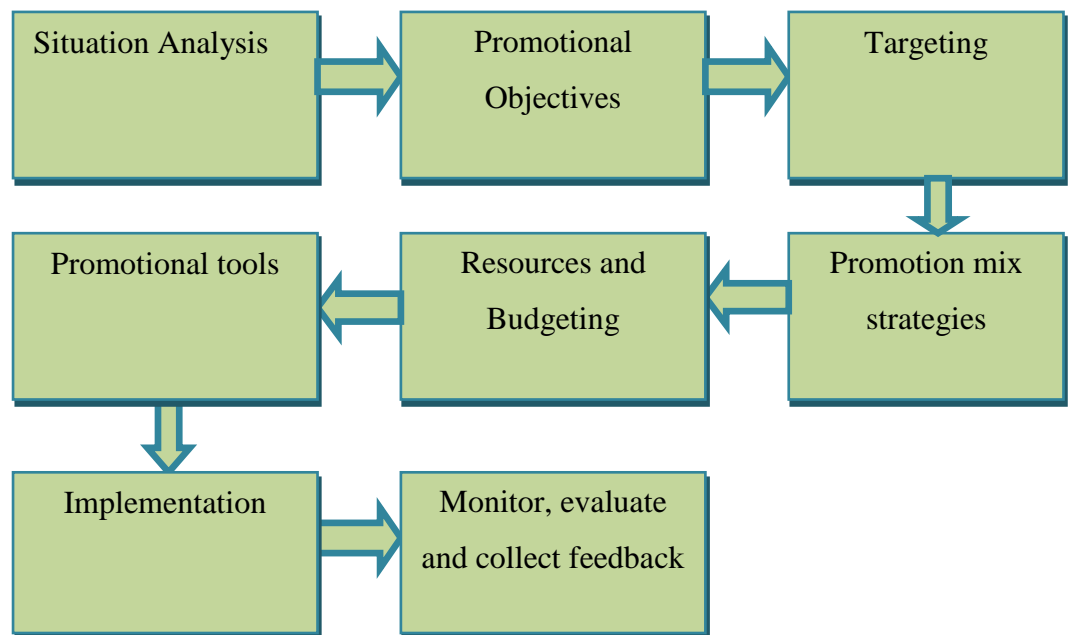
Public Relation

To raise and increase brand awareness, public relation is another cost – effective means of promotion that the Bank is using. Press releases are the most common activity. They are used to inform important information about the Bank to the publicity. Furthermore, public relation is a strong tool which supports the Bank in protecting and enhancing its brand image through different articles about the activities of the Bank.

Within this section, the author has comprehensively gone through different promotional tools that the Bank has currently been using. This analysis is aimed to support the author in generating the improved marketing communications plan for the Bank in the next chapter. As mentioned earlier, due to the reason that the Bank has already utilized several techniques, the plan suggested by the author plays the role as a supportive suggestion. The plan is done by analyzing the current situation of the Bank, author's personal observation and the result of the conducted survey among 200 people.

5 INTERGRATING MARKETING COMMUNICATIONS PLAN TO STRENGTHEN BRAND

As being explained in the Chapter 2, the integrated marketing communications plan involves 8 steps which are summarized in the figure below



5.1 Situation analysis

A deep and intense context analysis is beneficial to marketers in determining and understanding key market and communications drivers, which are probably to influence the brand and affect its long – term strategy and objectives. The components of situation analysis could be: business context, market segmentation, promotional tools and financial allowance.

- Market segmentation: The information about market segmentation is provided by the Head of Marketing of the Bank. The segmentation varies greatly depending on each types of consumer banking service. In general, the Bank targets to all customers who are in need of qualified banking services that are provided by the Bank. However, students and unemployed people are not focusing customers of the Bank. (Ha 2014.)

- Financial allowance: Depending on financial situation of the Bank; the investing budget for marketing varies but not exceeds the amount of USD X. The budget is distributed for all involving marketing strategies for the consumer banking sector of the Bank.
- The business context and promotional tools that the Bank is currently applying have been analyzed thoroughly in the previous chapter. Therefore, within this part, the author summarizes them shortly in the table below:

TABLE 10. Business context and current promotional tools analyses

Criteria	Main characteristics
Business context	<ul style="list-style-type: none"> - Highly competitive market with a huge number of bank players. - The market share is dominated by State – owned commercial banks. - Increasing presence of foreign banks and branches in the market
Promotional tools	<ul style="list-style-type: none"> - Sales promotion: value – added incentives to customers, cooperation with other trade partners (Cathay Pacific Airways, CGV Cinemas, Lotte Mart, etc.) to offer attractive promotions to customers. - Internet marketing: social media and Website - Brand sponsorship - Advertising: Advertisement about banking products is displayed on lifestyle magazines. - Public relation: press releases for important information and events of the Bank.

The purpose of this initial step is to identify and obtain an understanding of current position and the context in which the plan is operated. Information about market segmentation, financial allowance, business context and current promotional tools are all necessary in generating appropriate following steps in the plan.

5.2 Promotional objectives

There are three main elements in promotional objectives: corporate objective, marketing objectives and marketing communications objectives (Fill 1999, 622).

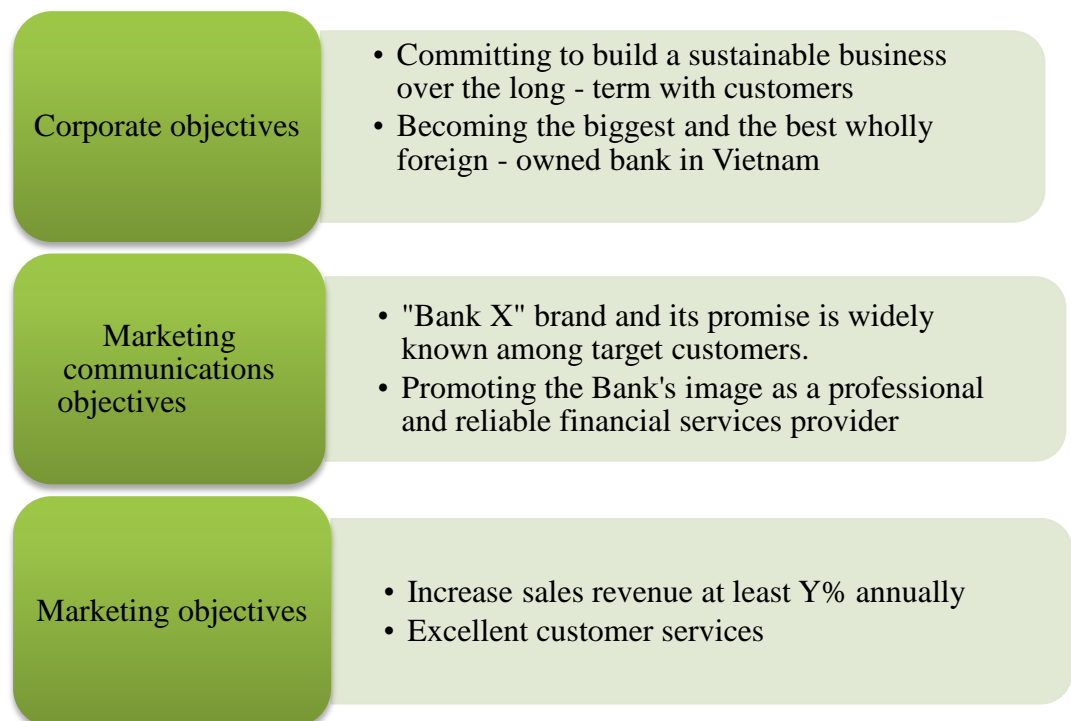


FIGURE 19. Objectives identification

- Corporate objectives: The highest priority of the Bank is to build deep and long – standing relationship with their customers and constantly manage to improve the quality of products and services. Despite having a long active history presenting in international market, the Bank’s brand in Vietnam is still less popular than other foreign banks. Therefore, the most important

corporate objective of the Bank is to become the biggest and the best foreign bank in Vietnam.

- Marketing communication objectives: The main objective of this suggested marketing communications plan for the Bank is to raise more brand awareness to targeted customers. Especially with the brand promise, customers will understand the key values and commitments that the Bank would like to deliver through variety of activities not just by saying words. Furthermore, the long – term objective is to promote the Bank’s brand as a professional and reliable financial services provider. Bank X will be the first banking solution that customers think about.
- Marketing objectives: In the discussion with the Head of Marketing of the Bank, she emphasized that the most targeting objective of the Bank is to increase sales revenue at least Y% annually. This number varies in each banking product but specific number cannot be revealed. Along with the growth in sales revenue, the Bank endeavors to maintain its high – class customer services with 100% satisfaction from customers. The service commitments are fast, reliable and convenient.

5.3 Targeting

After screening the survey results and discussing with the Head of Marketing of the Bank, the author has figured out the targeting audience for this improved marketing communication plan.

TABLE 11. Targeting segmentation

Age	20 – 45 years old
Gender	All genders
Working status	Employed
Income status	Stable income

Location	Nationwide, especially Hanoi and Ho Chi Minh City
-----------------	---

The selected target group is people aged from 20 – 45 years old who are employed and have stable income. They are targeted customers who have frequent demand in different banking services and are able to afford them. Furthermore, people in that age group are those who use Internet most regularly and are fast – updated to the latest news on media. Internet and social media play the huge role in the suggested marketing communications plan. The geographic segmentation is nationwide but mostly focuses in Hanoi and Ho Chi Minh City. Currently, the Bank has branches and transaction offices in those two cities only. However, for the long – term purpose when the Bank expands its business to other cities, it is more advantageous to create the Bank’s brand image and awareness in advance.

5.4 Promotion mix strategy

Between two promotion mix strategies – push and pull, the author has made the decision to apply push strategy. The main reason for the choice is that the Bank has already existed in the Vietnamese banking sector for a long time and obtained certain reputation. However, the Bank’s brand is not widely – known in comparison to other banks and there is huge opportunity for the Bank to gain more market share in foreign banking group. Through different promotional tools; the Bank could be able to promote its brand image, services and reach the demand of targeted customers. Furthermore, the Bank has the chance to draw public attention towards the brand and convince customers to try its financial services. Consequently, the Bank could successfully achieve its promotional objectives.

5.5 Resources and budgeting

As mentioned in previous sub – chapter 4.2, several promotional activities have been implemented in the marketing strategy of the Bank. Therefore, the Bank has huge existing connection and relation with its trade partners, media and press partners. Furthermore, the Bank has also gained certain public attention and the

name “Bank X” has been popular among group of customers. These existing advantages would be beneficial to the Bank when new marketing activities are promoted.

The Marketing department of the Bank also has valuable and productive support from the Corporate Affairs department. Some of voluntary activities, in – house branding events and raising brand awareness programs are organized with the collaboration of both departments. The Marketing department is located in Ho Chi Minh City and the Corporate Affairs is in Hanoi. They could cooperate and make sure all marketing strategies are well – implemented in both cities.

Budgeting is one of the most important concerns towards the Bank in the context that the Vietnamese economy remains its bad situation and leads to the downward banking deposit. The Bank has to cut down several expenses to maintain the target in sales revenue and profit. The budget for marketing activities is affected also. In the interview with the Head of Marketing, she refused to provide the exact number but the maximum allowance is X US Dollars. It is distributed to all related marketing plans for consumer banking sector (Ha 2014).

5.6 Promotional tools

In this section, the author suggests three more promotional tools that should be included in the improved marketing communications plan for the Bank. The purpose of these promotional tools is to promote the brand image, raise more brand awareness of the Bank and especially to support the Bank to reach the promotional objectives that have been set. It should be noted that these promotional tools play the supportive role to the current marketing mix of the Bank only. The author believes, together with the marketing activities that the Bank has implemented, these suggested tools could contribute greatly to the success of the Bank.

Television commercial

Although the Case Bank mainly focuses on “below – the – line” marketing strategy, the author believes that a television commercial would stimulate the brand awareness and raise more public attention. As being mentioned in the sub –

chapter 2.1.3, a brand promise was launched in 2010 as a strong commitment of the Bank towards customers. Along with the introduction of this brand promise, an official video was presented also. The author suggests that in order to save cost, the Bank could use this video for the marketing campaign in Vietnamese market. However, the script should be changed into Vietnamese language instead of English to be more adaptable to the market. The English version of the script covers all the messages, commitments and promises that the Bank wishes to deliver to customers. The brand promise emphasized strongly on the message that the Bank is here for the customers and their business, long – term investment and relation. A simple phrase with multiple meanings, it sums up the Bank's commitment to develop strong relationship with its clients; focuses on sustainability and continuing strong performance – which have always been remaining throughout 150 years of the Bank's history. The video contains typical and representative images of different markets that the Bank is operating around the globe.

In the conducted survey, 90% of respondents replied that the video is impressive, inspiring and informative. To some people who have never heard the Bank, they found the video be understandable and trustworthy additionally. Therefore, the Bank could take this opportunity to set its brand image as a reliable financial services provider into customers' mind and make the brand to be more familiar to them. This video would be promoted as television advertisement on the national channel VTV3 - the channel that has the highest rate of viewers across the country (Phuong Tung advertising 2009). By advertising on television, the Bank could take the opportunity to communicate with large size of audience through a creative and interactive way. As the result figured out from the survey, 80% of the respondents replied that they know about their banks through advertisements on different channels, such as television, newspaper, posters, etc. However, because of the high cost, this promotional tool should be applied for the first month firstly to see how beneficial it would be. After that, the Bank could choose to continue or move to promote it in other social channels such as Facebook page or YouTube channel.

Bank X Football Cup

The football tournament is organized for all private customers of the Bank who are interested in football and want a chance to go to the United Kingdom to have a friendly match with the A Football Club. Customers are free to gather a team, register to the Bank and try their best for the chance to go to the homeland of football. The qualifying round will be held in both Hanoi and Ho Chi Minh City to give the fair chance for customers in both cities. Because it will be the most highlighted activity of the Bank, plenty of time for preparation and action is needed. The duration of the Football Cup from the preparation to the final match is three months and the detail planning is presented below:

TABLE 12. Detail planning timeline for the football cup

1 st April – 30 th April	Preparation for the Football Cup: organizing team, posters, flyers, press release, Facebook event,
1 st May – 10 th May	Application period
15 th May	Announcement for group draw
25 th – 26 th May	Qualifying round in Hanoi
2 nd – 3 rd June	Qualifying round in Ho Chi Minh City
10 th June	Semifinal match
12 th June	Final match and the announcement for the winning team
10 st July	Friendly match between A Football Club and the winning team
Afterwards	Post – event marketing activities: press release, Facebook updates, collecting testimonials and feedbacks.

In addition, the ticket sales of the friendly match will be donated for the prevention of blindness in Vietnam.

Online marketing

As the budget for the marketing activities is limited and the cost for organizing the Football Cup is relatively high, the concentration on online marketing is highly recommended. There are many different techniques of online marketing, however, the author chose to focus on paid search, link – building and social online media channels.

Referring to interview with the Head of Marketing, the services that are most frequently used by private customers are cards (Visa, MasterCard and ATM card) and personal loan. Therefore, the online marketing techniques paid search and link – building are especially targeted for those two services. The first concentration is using Google paid search to boost site traffic by having the advertisement appearing on top or right hand side of search result. This method is also known as “pay – per – click” as the Bank only has to pay when a visitor clicks the advertisement that leads to the website. For example, when customers search for the key word such as: “Visa Card promotion” or “personal loan interest”; the advertisement that links directly to the Bank’s website appears in a yellow boxed text. The author suggests that the Bank should run the paid search in two months. Afterwards, evaluation for amount of traffic and impact to the sales should be conducted for further purchase of paid search technique.

Link – building refers to an online marketing strategy in which the link to the Bank’s website is promoted in another partner’s site. Currently, to the card and personal loan services, the Case Bank is in partnership with many trade associates in providing promotions to customers. The partners of the Bank vary from international airline, food chain, and high – class resorts to entertainment center. Therefore, the Bank could select few potential partners and generate mutual benefit through link – building advertisement. However, the selection of partners should be seriously taken into consideration so that the image and value of the Bank is protected. Link – building not only creates direct traffic to the Website,

but also contributes hugely to the branding of the Bank. Even if the visitors do not click on the link, they get to know about the brand and recall it gradually.

The last concentration is online social channel, in this situation, the author refers to Facebook. As mentioned in sub – chapter 4.2, currently the Bank is running its official Facebook page to update variety of activities of the Bank. However, more customer – oriented activities should be added to make the Facebook page more attractive, informative and interactive. The Facebook page should be a channel in which the customers are directly connected to the Bank and they become part of the Bank’s brand. Via Facebook, the Bank could organize some mini games, contests or ask for feedback from customers. Furthermore, Facebook could act as a recruitment support center also for those who are interested in working for the Bank. To other Bank’s activities and campaign, banking products and special promotions; Facebook is the fast way to advertise and promote to customers.

In addition to those three promotional tools that are suggested by the author, the Bank should continue running its current marketing communication mix. The author strongly believes integrating variety of promotional tools will contribute hugely to the success of the Bank’s marketing strategy. Three new tools are suggested to be well – fitted with the current situation of the Bank, customer perspective towards the brand and the actual observation of the author.

5.7 Implementation

In order to make a comprehensible timeline for the implementation of above promotional tools, the author utilizes Gantt chart for each. Due to the limitation in determining the specific actual cost for every activity, in this thesis the author will not propose the detailed financial plan. However, after consulting with the Head of Marketing, she advised that all promotional tools that have been mentioned above are well – fitted to the financial situation of the Bank.

Television commercial

As mentioned in the previous sub – chapter 5.6, the official video for “Here for good” will be used with the script translated into Vietnamese. Therefore, the Bank could save lots of money on producing a brand new video.

TABLE 13. Gantt chart for television commercial

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Preparation for the TV commercial												
Video release on VTV3 channel												
Evaluation				Evaluation should be conducted and the Bank decides to continue broadcasting on TV or move to other social channels								

Due to the high cost of broadcasting on television, the Bank should carefully evaluate the outcome of this marketing activity to decide for further actions to avoid wasting budget.

Bank X Football Cup

This Football Cup is the most highlighted activity of the Bank; therefore, plenty of time is needed for a successful event. Although the detailed planning timeline has been presented in the previous sub – chapter, the author uses Gantt chart to summarize it below:

TABLE 14. Gantt chart for the Bank X Football Cup

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Preparation and pre – Marketing activities												
Application deadline and group draw												
Football tournament												
Friendly football match in Liverpool												
Post – event marketing activities												
Evaluation								Collecting feedbacks and testimonials for the following football cup				

Online marketing

In this promotional tool, the Bank utilizes Google paid search (pay – per – click) to attract site traffic by having its advertisement appeared on top of search result, link – building in co – branding with its partnerships and online social channel Facebook.

TABLE 15. Gantt chart for the online marketing

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Google paid search												
Purchase Google paid search												
Evaluate the outcome												
Link – building with partnership												
Choose and negotiate with trade partners												
Creating link – building									Time period depends on each promotion program with each trade partner			
Evaluate the outcome									Evaluation depends on each promotion program			
Facebook page												
Mini games, contest, latest promotion and other Bank's activities												

The Bank should purchase the paid search for the period of two months firstly to evaluate the outcome and decide whether to continue or not. The same situation is applying for the link – building with trade partners. However, the time period depends greatly on the negotiation and sales promotion with each associate. To the Facebook page, it should be updated regularly to become an interactive channel between the Bank and its customers.

The Gantt chart below summarizes the implementation of all promotional tools that have been suggested above. It should be noted that the Bank does not only apply those three tools only, they should be integrated with other current marketing activities that the Bank has been running.

(deleted figure due to confidentiality)

The whole implementation plan is presented in annual timeline. Different promotional activities have their own schedule to implement. However, the author

has arranged it into the order that they could actively support each other. The television commercial is planned to be implemented initially to establish well – grounded brand awareness for the upcoming activities, especially to gain proper public attention to the Football Cup. Taking the effective advantage of those two activities, Google paid search and link – building with trade partnership carry the responsibility to enhance the brand’s presence and generate direct communication between customers and the Bank. The Facebook official page along with press releases functions as the supportive promoting channel for all activities of the Bank.

5.8 Monitoring, evaluation and control

This is the last step in the integrated marketing communications plan in which the Case Bank will evaluate the effectiveness of the whole process and search for other alternatives if needed. The effectiveness of the plan is measured against the objectives that have been set before. Because banking services are different from other tangible products, the effect of the plan might take longer time to be visible. However, several criteria could be used to evaluate the effectiveness:

- The volume of daily transactions through cards and from account to account.
- The amount of money that has been deposited into the Bank by private customers.
- The growing number of customers in all five services: cards, deposit, personal loan, mortgage and insurance.
- Level of brand awareness towards the Bank among publicity: customer satisfaction rate, word of mouth and brand recognition.

Especially to the television commercial, before broadcasting on VTV3 channel, the Bank could organize a small – scale trial audience to watch the video and ask for comment and feedback. Due to the high cost of television broadcasting, after one month try – out, the Bank could monitor the website traffic, track sales and inquiries from customers to witness the result. However, as being mentioned earlier, banking services are different from tangible products. Therefore, it might take longer time to see the result.

The situation is different for the Bank X Football Cup. The Bank could evaluate the effect of the event by asking for feedback from participating teams for further enhancement. If the event is successful, the Bank could consider organizing it as a periodical event of the Bank (every two year or once a year – depending on financial situation of the Bank).

For the Facebook official page, the Bank could utilize the Facebook Insights to analyze the function of the page. It contains detailed information about likes, comment, total visit by month, number of people engaged and reached.

To summarize, there are different metrics and analytical tools for the Bank to control and evaluate the effectiveness of the plan. If the plan could not reach the objectives that have been set before, further alternatives should be amended. However, as the author mentioned before, this suggested plan plays the role as a supportive and improved recommendation for the current marketing strategy of the Bank only. The contemporary marketing communication mix that has been running by the Bank (refers to sub – chapter 4.2) should be maintained.

6 CONCLUSION AND RECOMMENDATIONS

This chapter is aimed to present brief findings to all research sub – questions that have been proposed at the beginning of the thesis. Furthermore, the reliability and validity of the research will also be assessed. Last but not least, the author brings forward her recommendations for further research.

6.1 Findings

The main objectives of this thesis are to analyze how marketing communications can be integrated to strengthen brand image and propose an improved plan to enhance brand of Bank X. The plan is suggested based on author’s internal and external findings and observations during her practical training at the Bank, interviews with manager from the Bank and survey collected from 200 people.

From the author’s point of view, although the Case Bank is one of the biggest and oldest wholly foreign-owned banks in the market and has a long history in serving banking services globally; in the Vietnamese market the brand is not yet widely-known compared to other banks. The author believes there is a huge opportunity for the Bank to enhance its brand image, brand awareness and furthermore, towards a successful sustainable business in the Vietnamese banking sector.

The following table summarizes the key findings as the answers to all research sub-questions mentioned in the sub – chapter 1.2 of the thesis.

TABLE 16. Major findings of the thesis

Research questions	Findings
What is branding and why branding is important in the Vietnamese banking sector?	<ul style="list-style-type: none"> - The process in which company manages to establish its own name, image, sign or symbol in customers mind through different marketing channels and campaigns. - Branding is the strategic key indicator that differentiates the ones from each other. Currently there are 5 SOCBs, 35 JSCBs, 5 FBs, 5 JVBs and 54 branches of foreign banks operating in the Vietnamese market. Therefore, it can be clearly seen that the competition is relatively tough.
What is the theory of integrating marketing communications plan?	The marketing communications plan consists of 6 steps: situation analysis, promotional objectives, targeting, promotion mix strategy, resources and budgeting, promotional tools, implementation and monitoring/evaluation/control.
What is the current marketing communication mix of the Bank?	Sales promotion, internet marketing (Website and Facebook page), brand sponsorship, advertising (lifestyle magazine), public relation (press releases)
What are the promotional objectives of the Bank?	<ul style="list-style-type: none"> - Becoming the biggest and the best wholly foreign - owned bank in Vietnam - Promoting the Bank's image as a professional and reliable financial services provider - "Bank X" brand and its promise is widely known among target customers. - Increase sales revenue at least X% annually

	<ul style="list-style-type: none"> - Excellent customer service
<p>What promotional tools should be included in the improved marketing communications plan?</p>	<ul style="list-style-type: none"> - Television commercial: enhancing the Bank's brand awareness and raising more public attention. - Bank X Football Cup: promoting the brand promise to specific targeted customers and raising public attention. - Online marketing (paid search, link – building with trade partnerships and Facebook page): boosting the site traffic, branding effect, creating added value to customers and establishing long – term relationship with them.

Due to the limited accessibility, the author only concentrates on retail banking for private customers. Wholesale banking customers are not targeted in this thesis. Furthermore, the suggested integrating marketing communications plan takes the role as a supportive recommendation to the current marketing strategy of the Bank. This plan is set to reach the promotional objectives that have been set before, in which the most important are the Bank's brand image and increasing sales revenue.

6.2 Reliability and Validity

Reliability

The theoretical framework of this thesis is written based on using various academic sources and scientific research found in the database of author's university. Furthermore, the author also enlarged the sources by searching on reliable published references on the Internet. Referring to the empirical part, the analysis was done through the author's personal observation and experience during having practical training at the Case Bank – which gave her a deep insight into the operation of the Bank. In addition, the author also uses the information from the confidential interview with the Head of Marketing of the Bank and

conducted survey among 200 people in different age groups and backgrounds. Therefore, this research can be considered to be highly reliable.

Validity

The interview with the Head of Marketing encompasses the Bank's current situation in the Vietnamese banking sector, target customers, marketing strategies and limited budget. This information was used to generate the improved marketing communications plan for the Bank. Moreover, the result from the conducted survey partly contributed to the plan also. To conclude, the thesis is relatively valid.

6.3 Recommendations and suggestions

In this thesis, the author proposed an improved marketing communications plan for the Bank X based on her findings and observations. To successfully implement this plan into action, the Case Bank should evaluate and adjust the plan to be better – fitted with its contemporary situation.

The research aims to promote the Bank's brand to targeted customers and gradually, increase the sales revenue of the Bank. Therefore, the Bank should maintain and improve its customer services regularly to retain customers' loyalty towards the brand. Building a long – term customer relationship is the key indicator for the sustainable development of the Bank in the Vietnamese market.

As mentioned earlier, due to the limitation in determining the specific actual cost for every activity, in this thesis the author does not propose a detailed financial plan. Further research is recommended to allocate specifically the budget and cost for each activity.

7 SUMMARY

The purpose of this thesis is to generate the integrated marketing communications plan to strengthen the brand of Bank X. In order to achieve the main purpose, the author conducts both the theoretical framework and empirical part about branding and integrating marketing communications. Moreover, a survey carried out among 200 people to seek for customer's attitude towards the Bank brand was conducted. However, the data collected are not able to give the Bank a whole picture of the current situation; they are considered to be a suggestion and supportive information to generate desirable marketing communications strategies.

In the theoretical framework, the author firstly presents the principal knowledge about branding, its importance and related terms. Secondly, theory of integrating marketing communications plan is thoroughly explained. To clarify the idea, the author describes each element in the marketing communication mix and presents the integrating marketing communications planning process. This process is adapted and modified from the theory of Chris Fill.

In the empirical part, before introducing the improved plan for the Case Bank, the author goes deeply into analyzing the Vietnamese banking sector – in which the Bank is operating by gathering information about its system, characteristics and main players. Furthermore, overview and SWOT analysis of the Bank are also conducted.

The most important part of the research is the suggested integrated marketing communications plan for the Case Bank. The planning process is based on theory that has been presented in the theoretical framework. The plan is done by gathering and analyzing the current situation of the Bank, the author's observation and experience, the interview with the Head of Marketing of the Bank and the conducted survey.

The author strongly believes that with this improved marketing communications plan, the Bank could successfully achieve its objectives and become the leading foreign bank in Vietnam.

REFERENCES

Published references

- A.Aaker, D. 2002. *Building Strong Brands*. London : Simon & Schuster UK Ltd.
- Belch, G. E. & Belch, M. A. 2001. *Advertising and Promotion: An Integrated Marketing Communications Perspective*. New York: Irwin/McGraw-Hill.
- Elliott, R. & Percy, L. 2007. *Strategic Brand Management*. Oxford: Oxford University Press.
- Fill, C. 2011. *Essentials of marketing communications*. Essex : Pearson Education Limited.
- Fill, C. 1999. *Marketing Communications: contexts, contents and strategies*. London: Prentice Hall Europe.
- Hampf, A. & Lindberg-Repo, K. 2011. *Branding: The past, present and future: A Study of the Evolution and Future of branding*. Helsinki: Hanken Schools of Economics.
- Ind, N. 2005. *Beyond Branding*. London: Kogan Page.
- Keller, K. L. 2008. *Strategic Brand Management*. New Jersey : Pearson Education, Inc.
- Clow, K. E. & Baack, D. E. 2012. *Integrated advertising, promotion, and marketing communications*. New Jersey: Pearson Education Limited.
- Knight Frank Research. 2012. *The Wealth Report 2012*. London: Think Publishing.
- Kotler, P., Keller, K. L., Brady, M., Goodman. M. & Hansen. T. 2009. *Marketing Management*. Essex : Pearson Education Limited.
- Kotler, P. & Armstrong, G. 2010. *Principles of Marketing*. New Jersey: Pearson Education, Inc.

- Percy, L., Rosenbaum-Elliott, R. & Pervan, S. 2011. *Strategic Brand Management*. New York: Oxford University Press Inc.
- Shimp, T. A. 2010. *Integrated Marketing communication in advertising and promotion*. Stamford: South - Western Cengage Learning.
- Bank X. 2011. “*Here for good*” *campaign fact sheet*. Bank X.
- Thomas, R. M. 2003. *Blending Qualitative and Quantitative Research Methods in Theses and Dissertations* . New York: Corwin Press.
- Thuc, V. V. 2013. *Restructuring the Commercial Banking System in Vietnam*. Hanoi : Tap Chi Phat Trien & Hoi Nhap.

Electronic references

Agribank. 2013. *Agribank's milestones in development*. [referenced November 14, 2013]. Available at: <http://www.agribank.com.vn/102/784/about-us/history.aspx>.

Agribank. 2011. *Annual Report 2011*. [referenced November 18, 2013]. Available at: <http://www.agribank.com.vn/91/828/thu-vien/bao-cao-thuong-nien.aspx>.

Anh Minh. 2013. *GDP 2013 lower than target*. [referenced November 8, 2013]. Available at: <http://vneconomy.vn/20131223095811470P0C9920/gdp-nam-2013-tang-thap-hon-muc-tieu.htm>

Allens. 2012. *Legal Guide to Investment in Vietnam*. [referenced September 19, 2013]. Available at: <http://www.vietnamlaws.com/pdf/legalguidetoinvestmentinvietnam.pdf>

American Marketing Association. 2009. *Dictionary*. [referenced September 15, 2013] Available at: http://www.marketingpower.com/_layouts/dictionary.aspx?dLetter=B#branding.

ANZ Bank. 2013. *Bank History*. [referenced December 1, 2013]. Available at: <http://www.anz.com/about-us/our-company/profile/facts/history/>.

Brunello, A. 2013. *The relationship between integrated marketing communication and brand equity*. [referenced October 26, 2013]. Available at: http://www.ijcr.eu/articole/110_Pagini%2009-14%20Brunello%20IJCR%201-2013.pdf.

Burney, S. M. Aqil. 2008. *Inductive & deductive research approach*. [referenced September 14, 2013]. Available at: <http://www.drburney.net/INDUCTIVE%20&%20DEDUCTIVE%20RESEARCH%20APPROACH%2006032008.pdf>.

Central Intelligence Agency. 2013. *The World Factbook*. [referenced November 8, 2013]. Available at: <https://www.cia.gov/library/publications/the-world-factbook/rankorder/2119rank.html>.

Cimigo. 2011. *Vietnam NetCitizens Report*. [referenced November 8, 2013]. Available at: www.cimigo.com/en/download/research_report/348.

Deloitte Center for Financial Services. 2012. *Growth Opportunities for Financial Services in Vietnam*. [referenced November 8, 2013]. Available at: http://www.deloitte.com/assets/Dcom-UnitedStates/Local%20Assets/Documents/FSI/US_FSI_GrowthOpportunitiesforFinancialServicesVietnam_121112.pdf.

Deloitte Vietnam. 2012. *Indovina Bank Auditt Financial Report*. [referenced November 22, 2013]. Available at: <http://www.indovinabank.com.vn/downloadfile/2012EN.pdf>.

Emerald Group Publishing Limited. 2006. *Strategic direction*. [referenced October 17, 2013]. Available at: <http://www.emeraldinsight.com/journals.htm?articleid=1558744>

Federal Reserve Bank of San Francisco. 2011. *Banking reform in Vietnam*. [reference November 10, 2013]. Available at: <http://www.frbsf.org/banking-supervision/publications/asia-focus/2011/june/banking-reform-vietnam/june-banking-reform-in-vietnam.pdf>.

General Department of Taxation. 2006. *Regulation on operation of foreign banks*. [referenced November 7, 2013]. Available at: http://www.gdt.gov.vn/wps/portal/!ut/p/b1/04_Sj9CPykssy0xPLMnMz0vMAfGjzOINTCw9fSzCgv2d3AwsDDw9jMy9nd3djQ3cTfQLsh0VAdtnd3Y!/?WCM_GL_OBAL_CONTEXT=/GDT+Content/english/news/other/100244_127898.

Global Intelligence Alliance. 2012. *Business Perspective for Emerging Markets 2012*. [referenced November 1, 2013]. Available at: <http://www.globalintelligence.com/insights-analysis/emerging-markets/top-30-emerging-markets/>.

Hanoimoi Online. 2013. *VietinBank Becomes the Largest Bank in Vietnam*. [reference November 19, 2013]. Available at: <http://hanoimoi.com.vn/Tin-tuc/Thuong-hieu-DN/590390/vietinbank-tro-thanh-ngan-hang-lon-nhat-viet-nam->

Holm, O. 2006. *Integrated marketing communication: from tactics to strategy*. [referenced October 19, 2013]. Available at: www.emeraldinsight.com/1356-3289.htm.

HSBC Bank Vietnam & PwC. 2011. *Doing Business in Vietnam*. [referenced November 7, 2013]. Available at: [http://www.pwc.com/en_VN/vn/publications/2012/assets/PwC-HSBC Guide to doing business in Vietnam.pdf](http://www.pwc.com/en_VN/vn/publications/2012/assets/PwC-HSBC_Guide_to_doing_business_in_Vietnam.pdf).

HSBC Bank Vietnam Ltd. 2013. *2012 Annual Report*. [referenced November 28, 2013]. Available at: http://www.hsbc.com.vn/1/PA_ES_Content_Mgmt/content/vietnam/pdf_app/html/HBVN_2012_FinancialResults_en.pdf.

HSBC Bank Vietnam Ltd. 2013. *About HSBC*. [referenced November 28, 2013]. Available at: http://www.hsbc.com.vn/1/2/about-hsbc_en/about_HSBC?changelanguage.language=en&changelanguage.country=US&chglang.x=en.

IBM. 2013. *Leading Vietnamese Bank Reaches New Clients with IBM Smarter Computing*. [referenced September 02, 2013]. Available at: <http://www-03.ibm.com/press/us/en/pressrelease/41161.wss>.

Index Mundi. 2013. *Vietnam Demographics Profile 2013*. [referenced November 8, 2013]. Available at: http://www.indexmundi.com/vietnam/demographics_profile.html.

Indovina Bank. 2013. *IVB - A brief introduction*. [referenced November 22, 2013]. Available at: <http://www.indovinabank.com.vn/en/ivb>.

Kotler, P. 2000. *Marketing Management Millenium Edition*. [referenced September 24, 2013]. Available at: <http://www.perspectiva.md/ro/files/biblioteca/Kotler-Marketing%20Management%20Millenium%20Edition.pdf>.

Market Segmentation Study Guide. 2012. *Points of difference and points of parity*. [referenced October 6, 2013]. Available at:

<http://www.segmentationstudyguide.com/understanding-perceptual-maps/points-of-difference-pod/>.

Mashni, R. A. A. 2010. *Bank X strengthens brand to sustain its growth in the world's fastest-growing economies*. [referenced October 1, 2013]. Available at: <http://www.ameinfo.com/228342.html>.

Mayer Brown JSM. 2011. *Vietnam: Legal capital levels of credit institutions*. [referenced November 14, 2013]. Available at: <http://www.mondaq.com/x/122626/Legal+Capital+Levels+Of+Credit+Institutions>

Phuong Tung Advertising. 2009. *Which TV channels are the most popular*. [referenced March 06, 2014]. Available at: <http://www.phuongtungad.com/MediaDetails.aspx?ID=1008>.

Romaniuk, J. 2001. *Brand positioning in financial service: A longitudinal test to find the best brand position*. [referenced October 1, 2013]. Available at: <http://search.proquest.com/docview/195266999/fulltextPDF/140BFCD455E2B407AE9/2?accountid=16407>.

Socialist Republic of Vietnam Government Portal. 2013. *Political System*. [referenced November 7, 2013]. Available at: <http://www.chinhphu.vn/portal/page/portal/English/TheSocialistRepublicOfVietnam/AboutVietnam/AboutVietnamDetail?categoryId=10000103&articleId=10001578>.

Bogren, S., Erlinger, K., Hari, J. & Walleghen, P. V. 1999. *History of the Internet*. [referenced 25 October, 2013]. Available at: <http://education.illinois.edu/wp/commercialism/history-of-the-internet.htm>.

The State Bank of Vietnam. 2008. *Functions and Responsibilities of the State Bank of Vietnam*. [referenced November 10, 2013]. Available at: http://www.sbv.gov.vn/portal/faces/vi/vim/vipages_gtnhnn/cnnv?_adf.ctrl-state=11gj63ief_4&_afLoop=521921352243200&_afWindowMode=0&_afWindowId=11gj63ief_1#%40%3F_afWindowId%3D11gj63ief_1%26_afLoop%3D521921352243200%26_afWindowMode%3D0%26_adf.ctrl-sta.

The State Bank of Vietnam. 2013. *List of Domestic Joint Stock Commercial Banks*. [referenced March 18, 2014]. Available at: http://www.sbv.gov.vn/portal/faces/vi/vilg/vilgpages_hethongtctd/nganhangthuon_gmaicophan?_adf.ctrl-state=r57kuyok6_4&_afLoop=8507384587930700.

The World Bank. 2013. *An Update on Vietnam's Recent Economic Development*. [referenced January 6, 2014]. Available at: <http://www.worldbank.org/en/news/feature/2013/07/12/taking-stock-july-2013-an-update-on-vietnams-recent-economic-development-key-findings>.

The World Bank. 2013. *GDP per capital*. [referenced December 29, 2013]. Available at: <http://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD>.

Tuominen, P. 1999. *Managing brand equity*. [referenced September 19, 2013]. Available at: http://lta.hse.fi/1999/1/lta_1999_01_a4.pdf.

VietinBank. 2012. *Annual Report 2012*. [referenced November 19, 2013] <http://www.vietinbank.vn/web/home/en/annual/index.html>.

VietinBank. 2013. *Overview of VietinBank*. [referenced November 19, 2013]. Available at: <http://www.vietinbank.vn/web/home/en/about/index.html>.

Vietnam Bank for Agriculture and Rural Development. 2013. *Agribank's network*. [referenced November 18, 2013]. Available at: <http://www.agribank.com.vn/102/790/about-us/agribank-network.aspx>.

Vietnam briefing. 2013. *FDI Inflows Soar in Vietnam*. [referenced January 4, 2014]. Available at: <http://www.vietnam-briefing.com/news/fdi-inflows-soar-vietnam.html/>.

Vietnam Briefing. 2008. *Vietnam Approves First Wholly Foreign-Owned Banks*. [referenced November 12, 2013]. Available at: <http://www.vietnam-briefing.com/news/vietnam-approves-first-wholly-foreign-owned-banks.html/>.

Vietnam Chamber of Commerce and Industry. 2013. *Vietnam Retail Banking to Place Footprint on Int'l Industry Forums*. [referenced November 8, 2013]. Available at: http://vccinews.com/news_detail.asp?news_id=27773.

Vietnam Report. 2012. *Vietnam FDI*. [referenced September 1, 2013]. Available at: <http://www.vietnam-report.com/vietnam-fdi/>.

Wilson, R. F. 2000. *The Six Simple Principles of Viral Marketing*. [referenced October 25, 2013]. Available at: http://www.crmodysey.com/Documentation/Documentation_PDF/Principles_viral_marketing.PDF.

Viot, C. 2011. *Can brand identity predict brand extension's success or failure*. [referenced September 27, 2013]. Available at: <http://search.proquest.com/docview/868912893/fulltextPDF/140CF059C12D259BB5/2?accountid=16407>.

Wood, L. 2000. *Brands and Brand Equity: definition and managemet*. [referenced september 26, 2013]. Available at: <http://www.metro-as.no/Artikler/33Brandsmanagement.pdf>.

VOV Online. 2013. *Review on banking mergers*. [referenced November 14, 2013]. Available at: <http://vov.vn/Kinh-te/Tai-chinh/Nhin-lai-cac-vu-sap-nhap-ngan-hang/257806.vov>.

Law reference

Decree No. 141/2006/ND-CP. Vietnamese Government. Hanoi. 22 January 2006

Interviews

Thu Diep, N. 2013. Senior Officer Cash Management Center. Bank X. Interview
December 15, 2013.

Ha, N.T.T. 2014. Head of Marketing. Bank X. Interview January 14, 2014.

APPENDICES

APPENDIX 1. Survey questionnaire

1. What is your age group
 - 18 -24
 - 25 – 33
 - 33 – 43
 - Over 43
2. How many active bank accounts do you have?
 - Only one
 - 2 – 4
 - Over 4
3. How did you know about your current bank brand?
 - Public transportation
 - Television
 - Internet
 - Newspaper and Magazines
 - Outdoor posters and banners
 - Event sponsored by the bank
4. What is your preference between domestic bank and foreign bank?
 - Domestic bank
 - Foreign bank
5. Which banking services do you use most frequently?
 - ATM
 - Visa/Master Card
 - Lending
 - Saving account
6. Which criteria are important to you in choosing bank brand?
 - Service promotion
 - Being suggested by your acquaintance (friends, family members, teachers,...)

Popularity and good reputation of the bank
Large network of branches and transaction offices
Location of
Fast and convenient banking procedures

7. Have you ever seen this logo?

Yes (please refer to question 8)

No

8. If yes, could you please specify where did you see it?

Outdoor posters and banners

Magazines

Charity fair or other trade fairs

Internet

TV or video commercial

Amusement center (cinema, shopping mall, etc)

Event

9. Have you ever heard about Bank X?

I have never heard about it

I have heard about it, but have never used its services

I am using its services

I have heard about it. I used it but not anymore

10. Please watch the video which could be found in the link below. What is your overall impression and attribute towards brand after watching it?

Multiple choices are feasible

Inspiring

Impressive

Understandable

Interesting

Trustworthy

Professional

Creative

Vivid

Modern

Funny

No impressive

Nothing special

Others

APPENDIX 2. List of joint stock commercial banks in Vietnam

1. Maritime Joint Stock Commercial Bank
2. Saigon Thuong Tin (Sacombank) Joint Stock Commercial Bank
3. East Asia Joint Stock Commercial Bank
4. Vietnam Export Import Joint Stock Commercial Bank
5. Nam A Joint Stock Commercial Bank
6. Asia Joint Stock Commercial Bank
7. Saigon Bank for Industry & Trade Joint Stock Commercial Bank
8. Vietnam Prosperity Joint Stock Commercial Bank
9. Vietnam Technological and Commercial Joint Stock Bank
10. Military Joint Stock Commercial Bank
11. Bac A Joint Stock Commercial Bank
12. Vietnam International Joint Stock Commercial Bank
13. Southeast Asia Joint Stock Commercial Bank
14. Housing Development Joint Stock Commercial Bank
15. Southern Joint Stock Commercial Bank
16. Viet Capital Joint Stock Commercial Bank
17. Orient Joint Stock Commercial Bank
18. Saigon Joint Stock Commercial Bank
19. Viet A Joint Stock Commercial Bank
20. Saigon – Hanoi Joint Stock Commercial Bank
21. Global Petro Commercial Joint Stock Commercial Bank
22. An Binh Joint Stock Commercial Bank
23. Nam Viet Joint Stock Commercial Bank
24. Kien Long Joint Stock Commercial Bank
25. Viet Nam Thuong Tin Joint Stock Commercial Bank
26. Ocean Joint Stock Commercial Bank
27. Petrolimex Group Joint Stock Commercial Bank
28. Western Rural Joint Stock Commercial Bank
29. Vietnam Construction Joint Stock Commercial Bank
30. Great Asia Joint Stock Commercial Bank
31. LienViet Post Joint Stock Commercial Bank
32. Tien Phong Joint Stock Commercial Bank

33. MeKong Development Joint Stock Commercial Bank
34. Bao Viet Joint Stock Commercial Bank
35. Vietnam Public Commercial Bank

(The State Bank of Vietnam 2013.)