BRAND LAUNCHING AND SUSTAINING
IN A DEVELOPING COUNTRY

THE CASE STUDY OF HONDA ON VIETNAM MOTORCYCLE MARKET

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Abstract

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Tutor Daniel Tolstoy

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Title *Brand Launching and Sustaining in a Developing Country*
     *The Case Study of Honda on Vietnam Motorcycle Market*

Purpose The project is to investigate the Brand Launching and Sustaining in a developing country through the study on how Honda has successfully launched and sustained its Brand on the Motorcycle Market of Vietnam.

Problems Honda’s Brand Launching campaign and the company’s strategies and initiatives to Sustain its Brand on the Motorcycle Market of Vietnam.

Methodology The realistic approach and case study method are to be applied. The information should be gathered through numerous sources: primary data from the email qualitative interviews with the managers of Honda Motorcycle Vietnam, and the email quantitative surveys among Vietnam’s Honda Motorcycle users; secondary data from the articles in a variety of newspapers and magazines as well as websites.

Conceptual Model The contents covered in the project are Brand Launching and Sustaining. In particular, theories related to Brand Launching in terms of Brand Identity and Brand Positioning, as well as Brand Sustaining with respects to Brand Growth and Brand Maturity should be investigated and analysed. In addition, what is of significance importance is the base of the company’s Branding Strategies – the business environment of the destination country. Therefore, the dissertation should thoroughly investigate the Grasp of the Market including Market Assessment (Government Policies, Demand Conditions and Market Opportunities) and Communications (Marketing and PR Activities and Social Corporate Responsibility) which serve as the foundation for the firm’s market-based...
or fully tailored Branding Strategies to the specific conditions or characteristics of the destination nation.

**Findings**

Honda has adopted appropriate Branding Strategies (Brand Identity, Positioning, Growing and Sustaining) on Vietnam Motorcycle Market. The firm has identified its Brand as true Made-in-Japan products of high quality and reasonable price. It serves as ‘the power of dreams’ created in an ideal corporate culture and environment friendly working condition which is committed to advanced technology and society orientation. Honda Brand has been positioned to satisfy the needs for a transportation means of reliability, long duration, safety, hi-tech, fuel saving and environment protection of the middle and high class customer groups in Vietnam. To compete with such rivals as Yamaha, Suzuki, SYM and Piaggio, Honda has adopted proper Growing Strategies with Cub and Scooter categories including a range of product lines. In addition, the company has implemented appropriate Sustaining Strategies focusing on Communication Efforts and Influencer Proximity with a variety of Marketing and PR activities, Safety Driving Plan and Social Activities ranging from Environmental Preservation, Educational Development, Safety Driving Support Activities to Donation and Charity Activities. Actually, Honda’s Branding strategies have been fully tailored to the specific market conditions of Vietnam.

**Conclusion**

Honda has gained the leading position on Vietnam Motorcycle Market since 1996 when the company penetrated into the country. Honda Brand has received great love from Vietnamese customers and become more than a Brand, but a citizen of Vietnam who ‘strives to become a company that the society wants to exist’.

**Recommendation**

Honda Brand success should only be maintained when the firm is managed to constantly strengthen Honda Brand itself as well as identify and fix the shortcomings: keep serving as a good Vietnamese citizen, be consistent with the company’s reasonable pricing strategy, improve the firm’s customer relationships and pay more attention to the counterfeit brand defense.
Lessons

Honda’s great achievements in Vietnam offer valuable lessons for the firms who desire to successfully brand in Vietnam in particular and developing countries in general: Concerning Brand Launching (Brand Identity and Positioning), the company should invest in Marketing and PR activities, adopt Reasonable Price and Localization strategies, pay attention to Customer Relationship, Influencer Proximity and Corporate Social Responsibility to become a good citizen of the market country. Regarding Brand Sustaining (Brand Growth and Maturity), the firm should take advantages of brand extension and line extension, maintain the Launching Strategies and simultaneously Bring Added Values and Recreate a Perceived Difference for its brands, Actively and dynamically involving itself in the Competition and also adopting Dual Management.
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I. Introduction

1. Focus of the Study

1.1. Branding in a Developing Country

1.1.1. Opportunities

According to Xie, H Y. & Boggs, D J. (2006) developing countries are attractive to firms from developed nations due to their readiness for extra sales efforts by firms in developed countries. Such companies should foster their presence building and new customer gaining if they hold a strong existing reputation. In addition, the market size and market growth in these developing nations actually offer enormous potential for business marketing successes.

1.1.2. Challenges

A developing country is known to acquire faster economic growth rate and favorable business climate. However, the market environment also brings about a range of challenges by which foreign companies making entry into emerging markets should be imposed.

According to Keller, K L. and Moorthi, K L R. (2003, pp.50), any company making penetration into a foreign developing country have to identify and adapt to the market characteristics of the nation. The firm should deal with the market conditions or uncontrollable elements in the foreign environment with respects to political, cultural, economic and competitive forces. In a detailed perspective, as proposed by the writers, the firm should find certain difficulties in the grasp of the market corresponding to the destination market assessment in terms of government, target customers, rivals and related market factors, as well as the local community communication. These obstacles would make influences on the company’s relative market performance.

1.1.3. Branding Strategies

According to Lou.Y., (2002), firms breaking into a developing market should carefully examine the business destination context so as to establish an appropriate branding strategy. He proposed that ‘environmental opportunities and challenges should exert effects on a firm’s strategy and performance’. Sharing the same ideas as Lou, Hoskisson et al. (2000) suggested that firms may need to adopt market-based strategies at different times and stages in different markets. The interactions of firms with their environments therefore greatly affect the development of strategies in these emerging markets. Similarly, Keller, K L. and Moorthi, K L R. (2003) recommended that ‘the development of brand strategy in an emerging market should be based on
an understanding of its economic, technological, social-cultural, and competitive conditions, all of which may exert a considerable impact on an incoming firm’s operations and performance.’

1.2. Brand Launching and Sustaining of Honda on Vietnam Motorcycle Market

The project should study how Honda Motorcycle launched and sustained the firm’s Brand on Vietnam Market. Hence, ‘Brand Launching’ and ‘Brand Sustaining’ in the research should be to a certain extent differently comprehended from the normal meanings.

Japanese-based Honda Motor Company, Ltd. was founded by Soichiro Honda in Hamamatsu, Japan in 1948 and started making motorcycles, (Investments And Income, 2009) which means that Honda created the company’s first products or brands on the motorcycle market of Japan from 1948. Therefore, in the case of Honda Motorcycle Vietnam, ‘Brand Launching’ is used instead of ‘Brand Creating’. It does not hold the meaning of ‘creating and launching’ – to create and make Honda Brand available to the public for the first time; ‘Brand Launching’ should be understood as ‘to introduce Honda Brand to the Vietnamese public’. Honda Brand Launching should be investigated from the time Honda penetrated into Vietnam Motorcycle Market in 1996.

Honda Brand Sustaining on Vietnam Motorcycle Market is principally discrepant from the Sustaining Strategies the company has developed and implemented in other country markets. Basically, Honda has had to make considerable efforts to sustain the firm’s Motorcycle Brand on the global market to keep it powerful in both Growth and Maturity phases of a Brand Life Cycle. The situation is nevertheless different in Vietnam. The Motorcycle Market from the time Honda entered the country (1996) hardly experienced what is called ‘a real competition’. Thus, Honda grew quite rapidly without having to dynamically involve itself in a true racing. However, the firm has later faced tough rivalry with a number of foreign motorcycle manufacturers like Yamaha, Suzuki, SYM and Piaggio. Honda has had to figure out how to sustain its Motorcycle Brand to prolong Honda Maturity phase in the market of great growth potential - Vietnam.

Overall, Honda Motorcycle has paid great concerns over the market characteristics or business environment in Vietnam so as to earn fully tailored Launching and Sustaining Strategies on the motorcycle market of the nation. In reality, Honda Vietnam has been successful in the firm’s market assessment concerning government policies, demand conditions and competition, as well as in the company’s communication efforts regarding advertising, sales promotion, trade shows and PR activities. Honda Motorcycle has so far made substantial achievements in the market of Vietnam thanks to its market-based strategies which derive from a careful examination of the country’s business environment.
Honda Motorcycle Branding Strategies in Vietnam

2. Background

2.1. Vietnam Motorcycle Market

Vietnam Motorcycle Market is considered as the fourth biggest in the world after China, India and Indonesia. Mentioning Vietnam market in the inauguration ceremony, Managing Director of Honda stated that the country was one of the most important strategic markets of Honda and was a unique country where motorcycle was the most popular means of transportation. (Nguyen, N., 2007) Additionally, Vietnam Motorcycle Market holds great growth potential. One out of four people in Vietnam owns a motorcycle which is fairly low compared to other Asian markets with rapid development. (Nakata, H., 2008)

<table>
<thead>
<tr>
<th>Country</th>
<th><em>Vietnam</em></th>
<th><em>Thailand</em></th>
<th><em>Taiwan</em></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of people per motorcycle</td>
<td>4</td>
<td>3</td>
<td>2.5</td>
</tr>
</tbody>
</table>

*Table 1. The Number of People per Motorcycle in Asian Developing Countries*

*Source: Based on Nakata, H. (2008)*

Such potential is synonymous with a tough competition in the attractive market. There are two biggest motorcycle manufacturers in Vietnam - Honda and Yamaha who respectively count for 40% and 20% of the total market share in 2008. Vietnamese economists proposed that with the
growth rate of 20% - 30% per year, the competition in Vietnam Motorcycle Market has just commenced. Apart from the two brands, foreign manufacturers like Suzuki, SYM, Piaggio and Chinese motorcycles have also desired to capture the promising market. They have been racing to gain market share by brand marketing as well as manufacture extension. (TBKTSG, 2008)

In addition, the competition is tougher than ever before because Vietnamese government has launched new rules which allow each Vietnamese citizen over 18 years old to have more than one motorcycle since 2006. Previously, each adult was permitted to own one registered motorcycle and even in some provinces motorbike registration was banned. (Investment, 2006)

Currently, the high tax on an imported motorcycle of 60% has been the worry of foreign brands. However, in order to cope with this challenge in one hand and to enhance the price competitive advantages on the other hand, motorcycle manufacturers on the market have implemented a range of measures to satisfy the localization requirements. Vietnamese government issued the policy that the reduction of import taxes of IKD components would depend on the local ratio, which stimulates the localization among foreign producers in the country. At present, the average localization rate is relatively high, at around 70–80%. (Nam, A., 2007, pp.3)

2.2. Honda Vietnam

‘If there ever was an example of what tenacity, self-belief and serious, hard work can achieve, then Honda is it. Today it is the world's fifth-largest car and largest motorcycle manufacturer’. (Auto Insight, 2008) In order to pursue the company’s worldwide spread strategy, Honda made entry into Vietnam in 1996 when nation was at the early stage of ‘open market’. Honda Motor Co., Ltd made a joint venture with Asian Honda Motor Co., Ltd and Vietnam Engineering and Agricultural Machinery Corporation to establish Honda Vietnam. (Corporate Website 1, 2009)

Being the first motorcycle manufacturer in the developing market, Honda Vietnam gained the advantages of a pioneer and kept the leading position for 12 consecutive years. Actually, Honda Motorcycle is at this time more than a Brand but a Vietnamese citizen. Thanks to its popularity, Honda is regarded as Motorcycles. In some regions of Vietnam, people call a motorcycle “a Honda”. The research of Vietnam Economic Times conducted in 2006 revealed that Honda was in the top ten of the products receiving the most trust and welcome from consumers. Despite tough competition in Vietnam Motorcycle Market, economists affirmed that the market share gap between Honda and its competitors would still be considerable in the next few years. (Nguyen, N., 2007)
From the time penetrating into Vietnam, Honda has made great efforts of society orientation or ‘strives to become the company that the society wants to exist’ through a series of social activities ranging from Environmental Preservation, Educational Development, Safety Driving, Support Activities to Donation and Charity Activities. Furthermore, in order to enhance the competitiveness and customer demand satisfaction, Honda Vietnam built the second workshop in 2006 with the production capacity of 500,000 units per year which should help Honda Vietnam increase the total capacity to 1.5 million units. Additionally, it is the stand point of this workshop that makes it different from existing motorcycle plants in Vietnam which acts as the evidence for Honda Brand’s ‘environmental and human friendliness’. (Corporate Website 2, 2009)

3. Research Content Options

3.1. Topic Choice

As mentioned, Honda Brand Launching and Sustaining on Vietnam Motorcycle Market is the focus of the dissertation. The researchers have rationales behind the topic choice.

When coming up with and deciding to work on Brand Management with respect to Brand Launching and Sustaining, the authors were aware that the issue was regarded as of key importance to any market member in the pursuit of business success. Since it currently receives great concerns, Brand Launching and Sustaining is chosen to be the subject of the investigation.

In developed countries, proper awareness is made and appropriate actions are taken when it comes to the issue of Brand Management. Nevertheless, in other parts of the world, or in developing nations, where the economies basically experience lower level of growth, much less concerns over Brand Management are recorded. Especially in Vietnam, this is an emerging subject which has not given essential research meanwhile Brand Management is of increasing importance to a firm’s business operations. Hence, the authors find interests in the issue on this market. Besides, the new study field brings great inspiration for the researchers in terms of enhancing the dynamics and as well as creativeness during the dissertation working process.

Honda Motorcycle is selected owing to the company’s worldwide operations as well as its great success in Vietnam, particularly on the Motorcycle Market. That there should be a great deal of Honda matters deserving investigation really intrigues the researchers. Additionally, primary data of the company is feasibly collected thanks to the great helps from Sales Manager, Senior Manager of Product Planning Department and the staff of the organization. For these reasons, Honda Motorcycle is desired to work on.
3.2. Literature Selection

3.2.1. Delimitation

Brand Management are considered of great significance to the success of a business organization especially in the globalized market nowadays. Not few researches on this issue are published to help provide those of concerns a more explicit view on the role of Brand Management as well as the measures to manage a brand. In reality, when it comes to Brand Management, there are a wide range of relevant subjects which deserve proper considerations, regarding such matters as Brand Launching, Brand Equity, Brand Identity and Positioning, Brand Creating and Sustaining, Brand Investment and Architecture, Brand Leadership and Strategies. However, so as to achieve the objectives and purposes of the dissertation, only appropriate theories and concepts regarding Brand Launching and Sustaining as well as those of suitability are to be applied.

3.2.2. Theory Choice

**Brand Identity and Brand Positioning in the phase of Brand Launching**

According to Kapferer, J N. (2004, pp.95-98), Brand Launching in a new market requires a firm to design a strategy for creating a set of associations to the brand in terms of ‘What the brand stands for’ and ‘What the brand promises to deliver to its customers’ (Brand Identity). Specifically, he proposed that Brand Identity along with other sources of inspiration is created by the sender – the company. The signal messages are then transmitted through products, people, places and communication to reach the receiver – the brand’s customers, which should then produce Brand Image.

Also in the view of Kapferer, J N. (2004. pp.99-100), this Launching phase asks the brand to be managed to ‘emphasize the distinctive characteristics that make it different from its competitors and appealing to the public’, actually to its target or potential customers (Brand Positioning). In particular, it should answer the questions of ‘A Brand for What’, ‘A Brand for Whom’, ‘A Brand for When’ and ‘A Brand against Whom’.

As a consequence, the theories of Brand Identity and Brand Positioning are chosen to investigate Honda Motorcycle’s Brand Launching on Vietnam Market. This is the first phase when the firm broke into the market and created a strategy for Brand Identity and Brand Positioning.

**Brand Growth and Brand Maturity in the phase of Brand Sustaining**

The Growing and Sustaining (to prolong the Maturity phase) Strategies are indeed developed in different stages of a Brand Development Process, which are Growth and Maturity. Nevertheless,
these phases in the case of Honda on Vietnam Motorcycle Market are to a certain extent different as mentioned in the part of Focus of the Study. Growth is quite short and leaves time for Maturity. Hence Brand Sustaining in the situation of Honda Motorcycle Vietnam should be considered as the combination of Brand Growth with Growing Strategies and Brand Maturity with Sustaining Strategies. Things should be clarified as bellows:

![Figure 2. A Typical Brand Life Cycle](source: Murphy (1992, pp.80))

As proposed by Murphy (1992, pp.80), a brand can not survive without looking after. In reality, it has the same life cycle as a product’s which experiences the Launch, Growth, Maturity and Decline phases. However, the length of each period depends on a range of factors. In developing countries, there are various potential industry markets in which the pioneers could be quickly successful and gain remarkable market shares. Due to the attractiveness of the emerging business environment, the competition would soon become tough hence the period of growth is basically short for the first movers. If they desire to keep occupying the dominating market share, they have to compete with their rivals to prolong its Brand Maturity period. This is exactly the case of Honda on Vietnam Motorcycle Market.

![Figure 3. Honda Motorcycle Brand’s Current Life Cycle]
This is the current life cycle of Honda Brand on Vietnam Motorcycle Market. From the time of penetrating into Vietnam, Honda has been leading in the market and gained the biggest market share. As can be seen from this figure, Honda Brand has quickly grown on Vietnam Motorcycle Market with its Growing Strategies. Nevertheless, after years serving as the unique brand in the market, there have been a number of rivals also striving to achieve Honda’s lion market share. In order to maintain the leading position, as well as to prolong the Motorcycle Brand’s Maturity period, Honda has had to implement a range of appropriate Sustaining Strategies.

Overall, Brand Sustaining is the second phase when Honda has maintained and developed its Brand Identity and Brand Position to grow and mature on Vietnam Motorcycle Market. Thus the Brand Sustaining period should study the company’s Growing and Sustaining Strategies.

4. Purpose

The project is to investigate the Brand Launching and Sustaining in a developing country through the study on how Honda has successfully launched and sustained the company’s brand on Vietnam Motorcycle Market.

5. Research Questions

- How was Honda Brand launched on Vietnam Motorcycle Market?
- What strategies and initiatives has Honda implemented to sustain its brand on the Motorcycle Market of Vietnam?

6. Contribution

As can be seen, any research or study should only be of value when it could to a certain extent make contributions to specific groups in the society.

In the case of this dissertation, new insights into Brand Management, particularly the Brand Launching and Sustaining a developing country are provided to the practitioners who pay concerns over such issues. These persons may be organizations and companies who have the intention to make entry into an emerging market, or already had presence in the market but desire to gain more understandings of Branding issues; they are perhaps the researchers who need more information for their works or students who wish to acquire more knowledge on this area; or they are merely those who have interests in the Branding field in a rising market.

Apart from these, the paper should be of worth to enrich the literature of International Branding, specifically related to Brand Launching concerning Brand Identity and Positioning; Brand Sustaining regarding Brand Growth and Maturity strategies and initiatives in emerging markets.
7. Limitation

The research is designed in the form of a microscopic case study; particularly, it is a single case of Honda on Vietnam Market meanwhile the purpose is to contribute to the understandings of Branding in a developing country. Thus, the project should encounter the common limitation of a case study: it is not completely reliable when generalizing conclusions just based on a single case. However, according to Hamel (1993) and Yin (1994), a multiple case is not really managed to transform a microscopic research to a macroscopic one, ‘the goal of the study should establish the parameters, and then should be applied to all research. In this way, even a single case could be considered acceptable, provided it met the established objective’. (Tellis, W., 1997)

In the case of this project, there should be some confusion when the relationship between the scope of the study and the objectives of the dissertation is put into consideration. In particular, some may wonder if it is problematic when the researchers set the goal to study the Brand Launching and Sustaining in a country - Vietnam while the paper just investigates one company - Honda; in a market - Vietnam while the project only covers one industry - Motorcycle. Then it is the limitation of the thesis. The authors are aware of this issue and definitely desire to devote more to the research scope so as to ensure there are additional proofs for any conclusion or recommendations corresponding to the Branding issues; nevertheless, due to the limited scale as well as time of the dissertation, further information is failed to be added.

Despite the limitation, the project should still make convincing contributions to the understandings of Brand Launching and Brand Sustaining in a developing country. Honda Vietnam runs its business in the country of Vietnam; and the motorcycle industry does to a certain extent reflect the environment or operating conditions of Vietnam market. As a consequence, it holds relative persuasion when conclusions and recommendations regarding Brand Launching and Brand Sustaining in a developing country are raised.

Because of the limitation of the dissertation, further researches or studies on other companies in other business fields in the nation market of Vietnam as well as other developing countries should be encouraged to help offer more reliable insights.
II. Literature Review


1. Brand Launching

1.1. Brand Identity

According to Aaker, D. A. (1996, pp.68), Brand Identity could be regarded as to ‘provide direction, purpose and meaning for a brand’. So as to gain the comprehensive understanding of Brand Identity, it is necessary for the company to bear in mind its brands as a product, an organization, a person and also a symbol. These characteristics are shown as follows:

<table>
<thead>
<tr>
<th>Brand as a product</th>
<th>Brand as an organization</th>
<th>Brand as a person</th>
<th>Brand as a symbol</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Scope</td>
<td>Organization Attributes</td>
<td>Personality</td>
<td>Visual Imagery and Metaphors</td>
</tr>
<tr>
<td>Product Attributes</td>
<td>(Innovation, Trustworthiness)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality Values</td>
<td>Local and Global</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product Use</td>
<td></td>
<td>Brand Customer Relationships</td>
<td></td>
</tr>
<tr>
<td>Product Users</td>
<td></td>
<td></td>
<td>Brand Heritage</td>
</tr>
<tr>
<td>Country of Origin</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Table 2. Brand Identity*


‘Brand as a product’ plays an important role in the successful Brand Identity because the brand purchasing decision as well as use experiences are directly linked with a product. In the meanwhile, ‘Brand as an organization’ dimension aims at the contributions of the organization like innovation, the motivation for quality as well as the working environment to the success of Brand Identity. Concerning ‘Brand as a person’, a brand has the personality like a person such as being active, youthful or competent and so forth which bring the richness to the Brand Identity. The last dimension is ‘Brand as a symbol’ which represents the brand and assists the brand to be recognized and recalled more easily. (Aaker, D., 1996, pp.78 – 85)
In order to successfully identify a brand, *Four Traps* should be considered. The first one is *The Brand Image Trap* in which the brand is likely to be dictated as ‘What the brand is’ by customers. Therefore, the brand must be identified not only by the needs and wants of customers but also by the brand’s soul as well as vision. If the Brand Image reflects the past, the Brand Identity ought to reveal the aspiration for the brand in the future and the brand’s long lasting perceived qualities. Secondly, *The Brand Position Trap* should also be considered. The Brand Position is actively communicated to customers and shows its competitive advantages over competing brands. Brand Position Trap means that the examination of Brand Position is considered as that of Brand Identity. In other words, this trap occurs when product attributes are given much higher priority than the brand personality or brand symbols. Thus ‘What the brand stands for’ needs to be understood completely. Another trap is *The External Perspective Trap* which occurs when Brand Identity is not realized as the role in assisting the company to know its values as well as purposes. It is important that the employees could deeply understand ‘What the brand stands for’. The last but most common trap is *The Product-Attribute Fixation Trap*. In this occasion, Brand Management is mainly concentrated on the attributes of the products. In fact, the brand is more than the characteristics of a product. In the pursuit of a strong Brand Identity, the brand concept should be viewed through various perspectives and dimensions as shown above.

1.2. Brand Positioning

As suggested by Kapferer, J N. (2004, pp.99-100), Brand Positioning’s task is to give the answers to the *Four Questions*: ‘A brand for what’, ‘A brand for whom’, ‘A brand for when’ and ‘A brand against whom’. ‘*A brand for what*’ refers to the brand promise and customer benefit aspect. This dimension emphasizes on what the company expects to bring customers through its brand. In particular, it is about how the brand or product satisfies its consumers’ needs and demands. ‘*A brand for whom*’ concerns the target aspect of the brand. It is about which customer group the brand is to serve or the segment it is to aim at. This perspective plays a significant role since identifying the brand’s target customers and their wants should help the firm better meet their expectations. ‘*A brand for when*’ regards the occasion when the product is consumed, which partly acts as suggestions for the company’s PR and marketing activities. Finally ‘*A brand against whom*’ corresponds to the main competitors. Clarifying this perception should provide the firm with a clearer view on how to compete like through productivity and innovation.

Also according to the writer, Positioning is a *Two-stage process*. The first one is indicating to what *category or competitive set* the brand should be associated and compared. The second one
is indicating what the brand’s essential *difference* is in comparison to the other products or brands of that category. Both stages should offer the company diverse ways to position its brand.

Additionally, Kapferer, J N. (2004, pp.151-154) also recommended that Brand Positioning should experience *Five phases* in the process to maximize the chances of a successful Brand Launch. First of all, *The Understanding Phase* is to identify all potential added values for the brand. Apart from the current image, a brand could become richer with additional features in the product (including such elements as the core product, advice and support services). Secondly, *The Exploration Phase* serves as the suggestion about the scenarios for the brand. In particular, this step is to map out the branding strategies based on the brand’s current situation as well as the prediction about the potential success of the brand in the future. *The Test Phase* is the time when scenarios are either refined or eliminated. It is in this stage that the brand’s different strategies show to be right or inappropriate and need careful consideration. The next *Strategic Evaluation Phase* provides the comparison of scenarios based on the criteria, followed by the economic evaluation of potential sales and profits. This stage gives an explicit view on the prosperity each scenario should bring and acts as the foundation for the scenario selection in the next phase. *The Implementation and Activation Phase* would choose and draw up the platform for the brand. This is the final step that a company is expected to experience so as to position its brand.

### 2. Brand Sustaining

#### 2.1. Brand Growth

As proposed by Kapferer, J N. (2004, pp.167-185), there are a range of strategies for a firm to find its Brand Growth.

First of all, a company could seek *Growth through Existing Customers*. It may be the growth in terms of building buying volume per capita. The consumers would be more willing to increase their purchase if they already used and satisfied with the firm’s products. In addition, the growth with respects to building volume may be sourced by addressing the barriers to consumption. Once the customers buy products supplied by the company many times, it is easier to persuade them to make purchases since they already built certain consuming behavior. Furthermore, the growth should also be traced through new uses and situations. The firm could find growth through existing customers by encouraging them to try new things. This is especially promising when they are loyal consumers of the company.
The second strategy refers to *Line Extension* which typically takes on such shapes as: multiplication of formats and size, multiplication of the variety of tastes and flavors, multiplication of the type of ingredients, multiplication of physical forms, multiplication of product add-ons under the same name, multiplication of versions having a specific application. Actually, Line Extension could help the company greatly improve the sales growth although it does not ask for considerable efforts.

Adding to this strategy, a company should seek *Growth through Innovation; Cross-Selling* between brands; and *Internalization*. Innovation means more than innovative products, it could be new ways to manufacture as well as offer the firm’s goods on the market. Cross-selling helps the company to take advantages of the existing customers. If the firm already provided some brands to the consumers, it could introduce other brands which may have more possibility to receive market acceptance. At last, internalization is an effective strategy to boost the company’s growth if it holds enough potential of global expanding. In this case, the firm could make full use of the opportunities offered in foreign markets which may not be found in the home country.

After all, a valuable source for gaining growth is through *Brand Extension*. According to Keller, K L. (1998, pp.455-463), Brand Extension should help ‘facilitate new product acceptance’ in terms of reduce risks perceived by customers, increase the probability of gaining distribution and trial, increase efficiency of promotional expenditures, reduce costs of introductory and follow-up marketing programs, avoid costs of developing a new brand, allow for packaging and labeling efficiencies, and permit consumer variety-seeking; as well as ‘provide feedback benefits to the parent brand’ with respect to clarify brand meaning, enhance the parent brand image, bring new customers into the brand franchise and increase market coverage, revitalize the brand and finally permit subsequent extensions. Adding to this, Kapferer, J N. (2004, pp.234-264) suggested that Brand Extension in reality introduces two radical modifications: firstly ‘it maintains that a brand is a single and long-lasting promise, but this promise can or should be expressed and embodied in different products, and eventually different categories’, secondly ‘it exemplifies the move from tangible to intangible values, from a single-product based benefit to a large benefit, thus making the brand able to cover a wider range of product’.

According to Keller, K L. (1998, pp.463-469), apart from such benefits, Brand Extension holds certain disadvantages: it can confuse or frustrate consumers, can encounter retailer resistance, can fail and hurt parent brand image, can succeed but cannibalize sales of parent brand, can succeed but diminish identification with any one category, can succeed but hurt the image of
parent brand, can dilute product meaning, can forgo the chance to develop a new brand. Additionally, in the view of Chernatony, L. & McDonald, M (1998, pp.315-317), there may be dangers of undesirable associations, perceived quality deteriorations and other unforeseeable damages which could negatively effect the core brand. Besides, the firm should also review the weaknesses of the core brand which may consist of insignificant value-added, negative associations as well as name confusion.

2.2. Brand Maturity

Kapferer, J N. (2004, pp.185-215) indicated a number of strategies which a company should consider to implement when it comes to the ways to sustain its brand.

First of all, *Bringing Added Values* to the market, this can have tangible and intangible or immaterial bases. Apart from the core element of the product, the firm may enrich its value by adding further support services or providing more detailed advices on how to make the purchase, get the product ready for usage as well as make full use of it. This is the way of giving concerns on the benefits of company’s customers.

In addition, *Recreating a Perceived Difference*, through ‘renew a product regularly, to upgrade it to the current level of expectation’, ‘integrate new and emerging needs while holding onto the same positioning’, ‘constantly confirm one’s superiority by extending the line’, and ‘adapt to one’s own customers who themselves change and become more experienced’. This strategy should create a new experience for the company’s customers which could lead to their greater satisfaction and market welcome.

Thirdly, *Investing In Communication*, which is considered as the brand’s weapon, which alone can ‘unveil what is invisible, reveal the basic differences hidden by the packaging’, can ‘sustain the attachment to the brand, by promoting intangible values’. Communication efforts should positively make great influences on the brand’s sustaining phase through such a range of marketing tools as advertising, sales promotion, trade shows, personal selling as well as direct selling, and public relation actives.

Furthermore, *Focusing on Price Comparisons*, since ‘customers can be both sensitive to the brand but also disloyal to it, estimating that the price of the brand goes beyond the brand premium that seems reasonable to them given the added satisfaction which is expected’. It is obviously that high quality product could not go hand in hand with low price. Nevertheless, the firm may offer superior items with reasonable prices.
Besides, *Emphazing The Image at retail* who is in contact with the end-user, therefore has a decisive edge in the sustaining of a brand. In reality, retailers play a significant role in the value chain of a company. They directly work with the consumers; hence most easily influence their purchase behavior and buying habits.

Moreover, *Creating Entry Barriers*, by reducing the cost of production factors, mastering technology and quality, dominating through image and communication, using up all the aspects range extension, putting a name on a product yielding uniqueness and added value, controlling the relationship with opinion leaders, controlling distribution, and defending its exclusive image against counterfeit products, models, or signs.

Additionally, *Defending against Brand Counterfeiting* is also a strategy to help the firm more successfully sustain its brand. Brand counterfeiting have a broad meaning, it may be the imitation in terms of ideas, concepts and products. This situation is popular with the companies who achieve great reputation. Patent registration is one of the measures to deal with such issue.

What’s more, *Improving Customer Equity*, by enhancing dialogue with customers, investing in relational marketing, segmenting loyalty programs. In fact, it is the way for the company to strengthen the relationships with its customers. This is of special importance in the era when relationship marketing greatly contributes to a business success.

Apart from these, *Sustaining Proximity with Influencers* receives more and more concerns due to its increasing importance to a company’s business performance. Influencers are not only involved customers but also those currently non-customers however have potential to become involved. Actually, the strategic targets are the firm’s stakeholders including the management board, owners and employees, the suppliers and customers as well as the local community. In the new business environment, business ethics or the company’s Social Corporate Responsibility gains substantial attention which makes a real influence on the firm’s accomplishment.

Finally, *Adopting Dual Management* helps the company not only keep but also broaden its customer scope. The strategy is to both maximize the brand’s present customers’ satisfaction and think of the new generations. It truly acts as an effective measure for better serving the firm’s target customers as well as the potential ones.
III. Conceptual Framework

1. Concepts

There are a number of concepts corresponding to Branding in the project which should be clarified and defined. Basically, these concepts are closely related to the target issues of the dissertation: Brand Launching and Sustaining. They are Brand, Brand Launching, Brand Image, Brand Identity and Brand Positioning, Brand Sustaining, Brand Growth and Brand Maturity.

1.1. Brand

Actually, there are a series of ways to define a Brand. In particular, as recommended by Kapferer, J N. (2004, pp.9-13), a Brand can be described in accordance with such different approaches as customer-based definitions, conditional asset, the legal perspective, and a name that influences buyers.

However, in order to create a united way for understanding, the American Marketing Association suggests that a Brand is a ‘name, term, sign, or design, or a combination of them intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition’. Fundamentally, Brand should be known as to ‘create awareness, drive perception and improve desirability’. (Croston, R., 2008)

1.2. Brand Launching

As suggested in Oxford Business English Dictionary, ‘to launch a brand’ means ‘to start selling a product or service brand for the first time’ or ‘to make the brand available to the public for the first time so that it can be bought or sold’.

Then Brand Launching in the case of Honda on Vietnam Motorcycle market should be comprehended as the introduction of the already established Honda brand to the Motorcycle market in Vietnam when Honda officially broke into the country in 1996.

There are two phases of Brand Launching named Brand Identity and Brand Positioning which would be defined as bellows.

Brand Identity

Kapferer, J N. (2004, pp.99) proposed that Brand Identity is on the sender’s side. The purpose is to specify ‘the brand’s meaning, aim and self-image’. In terms of Brand Management, Brand Identity precedes Brand Image. Sharing the idea with Kapferer, Aaker. D A. (1996, pp.68) suggested that the direction, purposes as well as the meaning of a Brand are constituted through
Brand Identity. Therefore, Brand Identity is defined by Aaker as a set of created associations which are ‘What the brand stands for’ and ‘Its promises to customers’ are represented.

**Brand Positioning**

As suggested by Kapferer, J N. (2004, pp.99-100), Positioning a Brand means ‘emphasizing the distinctive characteristics that make it different from its competitors and appealing to the public’, which is indeed the brand’s target customers.

Similarly, the Marketing Dictionary of Monash University gives the definition of Brand Positioning as ‘The development of the way in which a company wishes its brand to be perceived by consumers relative to competing brands; the positioning task consists of identifying the brand’s competitive advantages and communicating the chosen position to the market.’

**1.3. Brand Sustaining**

As given in the Oxford Business English Dictionary, ‘to sustain something’ means ‘to make something continue for some time without becoming less’. Hence, Brand Sustaining should be defined as ‘prolonging the brand while maintaining its current position on the market.’

As explained in the choice of theory, in the specific case of Honda in Vietnam Motorcycle market, Brand Sustaining includes Brand Growth and Brand Maturity.

**Brand Growth**

‘To grow’ means ‘to increase in size, number, strength or quality’ (Oxford Business English Dictionary). Besides, a Brand in the view of Croston, R. (2008) is known as to ‘create awareness, drive perception and improve desirability’. Thus Brand Growth can be comprehended as ‘the increase in the brand’s power in creating awareness, driving perception and improving desirability for it’.

**Brand Maturity**

‘Maturity’ in a Brand Life Cycle means ‘the time when a product or service brand has been sold for a long time and is well-known, but its sales are not increasing any more’ (Oxford Business English Dictionary).
2. Theoretical Framework

This part is to describe the links among the main applied theories and concepts through a model on which the development of the thesis is based.

*Figure 4. Brand Launching and Sustaining in a Developing Country*

As mentioned, Brand Launching and Sustaining are the main issues covered in the research. It can be seen from the conceptual framework, the Brand’s Launching phase when the firm breaks into a new market is to identify and position its brand. The company is then in need of appropriate strategies for its brand’s growth and maturity on the foreign market when the brand comes to the Sustaining phase. In particular, in the brand’s Sustaining stage, the firm should strengthen the brand growth and prolong its maturity by Growing and Sustaining Strategies.

Of significant importance, the Grasp of the Market is to be thoroughly considered and addressed as a base for a firm’s Branding Strategies. Particularly, the destination country’s business environment or its market characteristics should be examined so that the firm could develop fully tailored strategies. In the specific case of Vietnam, Honda need to be managed to assess the market in terms of Government Policies, Demand Conditions and Market Opportunities, and understand the communication efforts with respects to Marketing and PR Activities as well as the Social Corporate Responsibility in Vietnam so as to successfully map out the company’s Vietnamese market-based Brand Launching and Sustaining Strategies.
IV. Research Methodology and Methods

1. Methodological Stance

In this project, the realistic stance is used to conduct, analyze and access the study. As defined in Fisher (2007, pp.41-42), the essence of realist research is to identify and evaluate options which come from acquired knowledge to perform actions. Thus in the pursuit of examining and evaluating the current Brand Management activities of Honda on Vietnam Motorcycle Market, which should give the ground for researchers to come up with the suggestions for the company to sustain and strengthen its leading brand in the country, the research should be approached through the realist view.

2. Research Methods

The dissertation is designed in the form of a case study using ‘grounded theory’ developed by Strauss and Glaser (1976) which used the established theories as a base for information collecting and analyzing. Therefore, it satisfies the distinguishing factor of case study research whose main objective is the development and construction of theories. (Riege, A M., 2003, pp.75-76) In the case of Honda Brand Launching and Sustaining on Vietnam Motorcycle Market, the researchers desire to make a contribution to the literature of International Branding in general, and of Brand Launching and Sustaining in a developing country in particular.

2.1. Data Gathering Approach

In business researches, it is conventional to collect the primary data for the answers of research questions. Therefore, apart from documentary method utilizing to gather the secondary data, interview and survey questionnaires are also used to collect primary information. They are to be explained in details as follows:

2.1.1. Documentary

The documents used in this project are mainly researches which have been already conducted corresponding to this topic, the articles and journals in Malardalen University’s database, in well-known and reliable business magazines and especially official documents of Honda. So as to avoid the misrepresentation of data, the authors would endeavor to present them as close as possible to their original forms. (Mason, 2002) However, winning controls over the quality of secondary data is a difficult task for every researcher; thus, only documents cited and reviewed several times would be chosen.
2.1.2. Qualitative Interview

Reasons for choosing unstructured email qualitative interview

It is of common use to collect primary data through getting contacts and carrying out the interviews with the company. A typical interview as a two-way communication between the interviewer and the participant which involves the interviewer in addressing a number of research questions structured in different ways:

<table>
<thead>
<tr>
<th>Question structure</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Structured interviews</em></td>
<td>A fixed series of unalterable questions or questions with prompts enable the interviewer to obtain more detailed answers</td>
</tr>
<tr>
<td><em>Semi-structured interviews</em></td>
<td>A series of issues that the interviewer wants to address which can be in any order depending on the flow of the conversation</td>
</tr>
<tr>
<td><em>Unstructured interviews</em></td>
<td>An open-ended interview with no protocol</td>
</tr>
</tbody>
</table>

*Table 3. Question Structure*


Unstructured interviews are chosen for the wish to get more information from the managers of Honda Motorcycle Vietnam.

Due to the time limit of the desired participants who should have relevant answers for the report, both questions and answers would be sent through *email*. In addition, this method is also chosen for its *advantages*: (Hunt, N. and McHale, S., 1997, pp.1416-1417)

- It requires *no cost* of traveling, equipment purchasing and data transcribing. In the case of this project, the researchers neither need travel to Vietnam nor buy the recorders or other equipments to conduct the face-to-face interviews with the managers of Honda Vietnam.
- It provides *great convenience* when accessing participants from overseas. In this case, the authors have that experience who are living in Sweden while their interviewees are in Vietnam.
- It offers *time for reflection* of both questions and responses, which helps bring deeper information processing and more complete reviews of the raised issues. In this case, the email interviews took place twice in approximately one month. The researchers had to wait for the Honda Motorcycle Vietnam’s Managers replies around 7 – 10 days for each contact and communication time, which should offer both the interviewers and interviewees opportunities to deal with the information.
It gives effectiveness of simultaneously conducting several interviews. In this case, the authors conducted two interviews at the same time, with Tetsuya Kawahara, Sales Manager and Yuichiro Ishii, Senior Manager of Product Planning Department of Honda Motorcycle Vietnam.

A good rapport is to be developed after email contacts. In fact, the researchers sent emails expressing gratitude for Honda Motorcycle Vietnam’s Managers after the interviews finished. These participants showed their willing to offer further helps when the authors are in need.

Email interviews are considered as a convenient and effective alternative research method to face-to-face interviews. Nevertheless, this approach also causes certain issues which require the users to take into account which should be addressed in the part of practical and ethical issues.

**Principles applied when conducting the email interviews**

Certain guidelines on email interviewing (Hunt, N. and McHale, S., 1997, pp.1418-1420) are carefully considered and applied in gathering data on Honda Motorcycle Vietnam.

In the *Study Designing*, the research questions concerning two main aspects of Brand Launching and Brand Sustaining of Honda on Vietnam Motorcycle Market were used to drive the design of the interview protocol (which have two main part Brand Launching containing Brand Identity and Brand Positioning, and Brand Sustaining including Brand Growth and Brand Maturity), the selection of participants (Tetsuya Kawahara, Sales Manager and Yuichiro Ishii, Senior Manager of Product Planning Department), and question presenting manner.

Relationship Establishing was considered before the interviews through the researchers’ information presenting to encourage the participants - Honda Motorcycle Vietnam managers, to enthusiastically answer the questions. Relationship during and after the interviews like asking for the managers’ comments and further helps were kept for future contacts when necessary.

Simultaneous Interviewing was also applied for comprehensive data collecting. In this case, Honda Motorcycle Vietnam’s Sales Manager and Senior Manager of Product Planning Department were the interview participants of the research.

Time Limits were set based on the time frame of the study and the willingness of the managers. Particularly, the interviews were planned to finish within one month, therefore, the researchers have enough time to deal with the primary data and work with the dissertation.

When it comes to the Closure, the two managers of Honda Motorcycle Vietnam were informed. Besides, the authors sent sincere gratitude to these interviewees and asked for further suggestions or comments as the interviews were over.
✓ Then in *Analysis*, usual interpretation was adopted since there was no transcribing process. The email interviews with the managers themselves were the transcription.
✓ After all, when the study was completed, *Feedback* was sent to the interviewed managers of Honda Motorcycle Vietnam. The result of the research would also be given to them so that they should gain more understandings

Fisher (2006. pp.167-171) is thoroughly used as the instructions for the thesis interview research method. Specifically, the whole interview process is carefully studied.

✓ In the phase of *Interview Planning*, areas of questioning were sorted and listed based on the applied theories and concepts concerning Brand Launching (Brand Identity and Positioning) and Brand Sustaining (Brand Growth and Maturity), questions were edited and prioritised firmly based on the used theories, theoretical approach was chosen for analyzing the questions as one of the two analytic strategies of the case study according to Yin (1994), the structure and manner of the interview and survey questions were determined with the research questions and the conceptual framework, questions were put into sequences and checked the relevance to the research topic (Honda Brand Launching and Sustaining on Vietnam Motorcycle Market).

✓ In the phase of *Interview Organizing*, the researchers did pilot the interviews among some important persons with whom the authors have relationship in Vietnam to ensure the appropriateness through their feedbacks, and carefully selected relevant interviewees who should be able to provide the proper primary data, who were Tetsuya Kawahara, Sales Manager and Ishii Chasuko, Senior Manager of Product Planning Department of Honda Motorcycle Vietnam.

✓ In the phase of *Interview Conducting*, since email interviews rather than face-to-face interviews were used hence not much effort was required in the interview organizing and conducting processes. However, the researchers had to carefully set the time plan for these interviews (one month) so as to meet the process frame of the dissertation.

**2.1.3. Quantitative Survey**

Since the data were collected from Vietnamese customers, the questionnaires were interpreted in both English and Vietnamese. Due to the troubles caused by geographical distances, the questionnaires were sent to selected customers through emails. So as to make it easier for analyzing the collected secondary data, the questions were coded in numerals.
Sample Size

Concerning the sample size, the researchers have decided to identify the population and the margin error as suggested in Fisher (2006, pp.190), the expected responses could be roughly predicted based on the margin of error and population. The targeted populations of this research are Vietnamese motorbike users. According to Nam, V. (2008), there are around 12 million motorcycles in Vietnam. It is suggested that each motorcycle is owned by one person so that the populations of the research is approximately 12 million.

<table>
<thead>
<tr>
<th>Population</th>
<th>Margin of error 5%</th>
<th>Margin of error 3%</th>
<th>Margin of error 1%</th>
</tr>
</thead>
<tbody>
<tr>
<td>50</td>
<td>44</td>
<td>48</td>
<td>50</td>
</tr>
<tr>
<td>1,000</td>
<td>278</td>
<td>516</td>
<td>706</td>
</tr>
<tr>
<td>5000</td>
<td>357</td>
<td>879</td>
<td>3,288</td>
</tr>
<tr>
<td>100,000</td>
<td>383</td>
<td>1,056</td>
<td>8,762</td>
</tr>
<tr>
<td>1,000,000</td>
<td>384</td>
<td>1,066</td>
<td>2,395</td>
</tr>
<tr>
<td>10,000,000</td>
<td>384</td>
<td>1,067</td>
<td>9,595</td>
</tr>
</tbody>
</table>

*Table 4. Estimating Margin of Error on Sample Survey Results*

*Source: Fisher (2006, pp.190)*

The error margin on the sample survey results in this research has been suggested to be 5%. As can be seen from the figure above, with the population of nearly 12 million and the error margin of 5%, the number of completed questionnaires should be 384.

In order to reach the goal of 384 surveys which would bring the reliability for the dissertation, the researchers distributed questionnaires to friends until getting 384 responses. Fortunately, motorcycles are the most popular vehicle in Vietnam especially in big cities like Hanoi and Ho Chi Minh. Basically, each person older than 18 owns a motorcycle. Therefore, the researchers asked their friends to help do the survey in their family, which actually helped save much time and effort to distribute the questionnaire and get the results. Totally, 124 email questionnaires were sent to the authors’ friends.

Question Format

As suggested by Fisher (2006, pp.193), the question format must be suitable to the collected data, the main selected questionnaire formats would be explained as follows:
Multiple Choice Questions in which respondents could select one of the provided options deployed (Fisher, 2006, pp.193) in questions 1, 2 and 3. The research is to collect the information about Vietnam Motorcycle market and particularly which brand is the best known and which product is the most popular. In addition, it is necessary to know which criteria are given the highest priority when customers make their motorcycle purchase decision. Therefore, different brand names and buying criteria should be listed to let participants choose one, and then multiple choice questions in this case are appropriate.

Checklists are also used in questions 6 and 8 because this kind of question format allows respondents to choose as many answers as they feel suitable (Fisher, 2006, pp.193). In these questions, based on their motorcycle awareness and perception, the survey participants could tick the items that are associated with Honda’s brand and symbols.

Dichotomous Questions are defined as the questions that just two alternative answers are provided for respondents to choose. This format is applied if the issues are straightforward (Fisher, 2006, pp.193). This kind of question is used in questions 7, 10, 12 and 16. The issues in these questions are about the country of origin, the consideration of different product lines and the consideration of Honda for future purchase which are quite clear-cut. Especially, the dichotomous question 7 is used to filter Honda users from general motorcycle customers.

The last but serving as the most important kind of question format in this survey is Rating and Likert scales which are to gain respondents’ evaluation or attitude towards specific issues (Fisher, 2006, pp.194,196). Question 4, 8 to 16 are Rating and Likert scales whose positive to negative answers/statements are rated from 1 to 5 or 1 to 3. The aim of these questions is to collect the customers’ evaluation about Honda Motorcycle’s brand on Vietnam Market.

2.2. Questionnaire Design

2.2.1. Interview Questionnaire Design

As mentioned, the focus of the study and also the selected theories and concepts of Brand Launching (specifically Brand Identity and Brand Positioning) and Brand Sustaining (particularly Brand Growth and Brand Maturity) in the Conceptual Framework are to be used for establishing the questions’ structure and issues.

When it comes to the structure of the designed interview questionnaire, the questions are divided into two main parts: one part covers the contents of Honda Brand Launching and the other part studies the issues regarding Honda Brand Sustaining. In part one, two sub-sections are included
investigating Honda Brand Identity and Positioning. In part two, the other two sub-sections contain data corresponding to Honda Brand Growth and Maturity. Then concerning the main researched issues in each question, the applied theories are used as guidelines.

<table>
<thead>
<tr>
<th>Issue</th>
<th>Section</th>
<th>Question</th>
<th>Contents</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Brand Launching</td>
<td>(1) Brand Identity</td>
<td>Questions 1 - 5</td>
<td>- Honda Motorcycle Vietnam and the Brand’s symbols</td>
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<tr>
<td></td>
<td></td>
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<td>- The attributes to Honda’s success</td>
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<td>- Honda motorcycles’ personality and the Country of Origin</td>
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<td>(2) Brand Positioning</td>
<td></td>
<td>Questions 6 - 10</td>
<td>- Honda’s target customers</td>
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<td></td>
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<td>- Benefits for Honda’s customers</td>
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<td>- Honda competition strategy on Vietnam Motorcycle Market</td>
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<td></td>
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<td></td>
<td>- Honda products’ differentiation</td>
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<td></td>
<td>- Marketing Mix on Honda in Vietnam</td>
</tr>
<tr>
<td>(1) Brand Growth</td>
<td>(1) Brand Growth</td>
<td>Questions 11 - 13</td>
<td>- Honda growth in trading volume and cross-selling via existing customers</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Honda’s brand extension strategy</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Innovation in the success of Honda</td>
</tr>
<tr>
<td>(2) Brand Sustaining</td>
<td>(2) Brand Maturity</td>
<td>Questions 14 - 18</td>
<td>- Honda Communication Efforts</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Honda’s strategy of bringing added values and differences to customers</td>
</tr>
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<td></td>
<td>- Honda’s price advantages</td>
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<td></td>
<td></td>
<td></td>
<td>- Honda’s counterfeiting defense</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Honda’s customer relationship, influencer proximity and dual management strategies</td>
</tr>
</tbody>
</table>

*Table 5. Interview Questionnaire Structure*
2.2.2. Survey Questionnaire Design

The entire questions in the questionnaire-based survey are pre-coded so that they could be quantitatively analyzed. In addition, the suggestions of Fisher (2006, pp.192) summarized in the below figure are taken into consideration to design the survey questionnaire.

![Figure 5. Issues in Designing Questionnaire](Source: Based on Fisher (2006, pp.192))

There are totally 16 questions on two sides of a A4 paper which could be considered as suitable to a Master’s thesis in the view of Fisher (2006, pp.192). In addition, the questions are worded as simply as possible so that the respondents could easily and quickly understand and answer. The survey questionnaire is divided into two main parts in which the first is for every customer and the second part is for Honda Motorcycle users.

In order to make the dissertation consistent and to ensure the logical structure of the survey, the used theories and conceptual framework are reviewed before designing the questionnaire. In the Brand Launching phase, in order to investigate the position of Honda Brand on Vietnam Motorcycle Market and figure out whether the Identity of Honda Brand fit customers’ perception, the survey of customers’ view on Honda Motorcycle brand is necessary. In addition, in pursuing the holistic and rational view, it is necessary to look at the customer’s evaluation apart from the information provided by Honda to access how the company has been succeeded in sustaining its Brand on Vietnam Motorcycle Market. Therefore, the collected data from the
questionnaire would be used to partly answer the research questions ‘How was Honda brand launched on Vietnam Motorcycle Market’ and ‘What strategies and initiatives has Honda implemented to sustain its brand on the Motorcycle Market of Vietnam’. The structure of the survey questionnaire basically follows the conceptual framework of this study and is divided into two main issues as follows:

<table>
<thead>
<tr>
<th>Issue</th>
<th>Section</th>
<th>Question</th>
<th>Contents</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) General Information and Brand Positioning</td>
<td>(1) General Information and Brand Positioning</td>
<td>Questions 1 - 7</td>
<td>- An overview of Vietnam Motorcycle Market</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Honda Brand’s leading position on Vietnam Motorcycle Market</td>
</tr>
<tr>
<td></td>
<td>(2) Brand Identity</td>
<td>Questions 8 - 11</td>
<td>- The symbols of Honda</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- The satisfaction and benefits of Honda’s customers</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Honda products’ Country of Origin</td>
</tr>
<tr>
<td>(2) Brand Sustaining</td>
<td>(1) Brand Growth</td>
<td>Question 12</td>
<td>- Customers’ product line consideration when making Honda motorcycle</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>purchase decisions</td>
</tr>
<tr>
<td></td>
<td>(2) Brand Maturity</td>
<td>Questions 13 - 16</td>
<td>- Honda Communication Efforts</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Honda Customer Relationship</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Honda Influencer Proximity</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>- Honda customers’ future Purchases</td>
</tr>
</tbody>
</table>

*Table 6. Survey Questionnaire Structure*

### 2.3. Data Analysis Techniques

In order to analyze the case study of Honda Motorcycle, the Strategy of ‘Theoretical Approach’ in Yin (1994, pp.103-105) is adopted.

In specific, in the case study, the concepts of Brand Launching, Brand Identity and Brand Positioning; Brand Sustaining, Brand Growth and Brand Maturity in the Conceptual Framework are used as the headings in the account of the case study.

The Research Method and Data Analysis Technique Model is to be clarified as follows:
As can be seen, the survey questionnaire is pre-coded to make the quantitative analysis. The collected information would be summarized and analyzed by statistic method with the support of Excel Software. In order to make it easier for the research process, the qualitative data from conducted open interviews would be revised through Word Processing Tools Software (Fisher, 2006, pp.254). The software has been chosen also due to its availability on desktop PCs. The gathered data from the interviews would be combined with the survey and secondary sources to analyze how Honda launched and has sustained its brand on Vietnam Motorcycle Market.

Email interviews are used to assist the researchers in gaining insights into the problems of the dissertation. As mentioned in the Choice of Literature, typically the brand should be investigated from the Launch to Growth and then Maturity period. However, after interviewing the managers of Honda Motorcycle Vietnam and searching for secondary data, it is realized that the research should study the Brand Launching and Sustaining phase of Honda Motorcycle in Vietnam Market due to Vietnam Market specific context and Honda Motorcycle particular situation.

*Figure 6. Research Method and Data Analysis Technique Model*
2.4. Data Evaluation

2.4.1. Validity and Reliability

According to Riege, M A. (2003, pp.76-79), *Validity* requires ‘The used concepts and terms represent the research material; Robust and logical interpretations and conclusions are drawn from the findings; Proper techniques are used to make the findings represent the topic; and Use the conclusions in practice’. There are 4 types of validity in Riege’s view:

<table>
<thead>
<tr>
<th>Validity Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Construct validity</em> <em>(Measurement validity)</em></td>
<td>Concerns whether the statements or constructs actually measure the thing they are said to measure</td>
</tr>
<tr>
<td><em>Internal validity</em></td>
<td>Refers whether the evidence presented justify the claims of cause and effect</td>
</tr>
<tr>
<td><em>External validity</em> <em>(Population validity/Transferability)</em></td>
<td>Regards whether the generalizations or interpretations proved in a particular context apply equally well to other contexts based on the sample size and the data coverage</td>
</tr>
<tr>
<td><em>Ecological validity</em></td>
<td>Corresponds to whether the evidence have validity in the messy complexity of real life</td>
</tr>
</tbody>
</table>

*Table 7. Types of Validity*

*Source: Based on Riege, M A. (2003, pp.76-79)*

In the case of this research, *Validity* is basically ensured. The researchers have made efforts to utilize a range of principles suggested by Riege, M A. (2003, pp.82-84)) to enhance the study’s validity and reliability. Specifically, numerous techniques recommended by Riege are used.

**Techniques used to increase internal validity**

- Ensure the internal coherence of the findings about Honda Brand Launching and Sustaining on Vietnam Motorcycle Market in the data analysis phase.
- Use such different research techniques Statistical Analysis for Email Quantitative Survey and Word Processing Tools for Email Qualitative Interviews.
- Get critiques from the tutor, several persons who have relevant knowledge as well as the authors’ classmates on the research methods.
- Question and prepare to revise data interpretations. This was carried out after further and updated data was added, and when the authors recognize problems during the analyzing phase.
✓ Keep the gathered research materials archived and check interpretations with the managers and the staff in Honda Vietnam from whom the raw material was drawn.

**Techniques used to increase external validity**

✓ Define the scope and boundaries in the research design phase, which just concerns the Brand Launching and Sustaining of Honda in Motorcycle industry on Vietnam Market, to achieve reasonable analytical generalizations for the research.

✓ Compare the findings of Honda Motorcycle Vietnam with the literature concerning Brand Launching (Brand Identity and Brand Positioning) and Brand Sustaining (Brand Growth and Brand Maturity) to clarify the contributions within the scope and boundaries of the research. Actually, the researchers’ objectives to contribute to the understandings of Branding in a developing country may be to a certain extent ambitious. Since just one company and one industry were investigated, the generalizing conclusion of one country and one market are not really valid. However, this is inevitable due to the feature of case study researches as well as the limited scope of the Master dissertation.

**Techniques used to increase reliability**

✓ Give full account of theories concerning Brand Launching (Brand Identity and Positioning) and Brand Sustaining (Brand Growth and Maturity) in every research phase ranging from designing the research methods to collecting and interpreting the primary and secondary data.

✓ Assure the congruence between the research issues and the study design in the research design phase. Particularly, they are consistent with the Brand Launching (Brand Identity and Brand Positioning) and Brand Sustaining (Brand Growth and Brand Maturity).

✓ Keep record of the information gathered to review when necessary like the researchers want to check the appropriation among data from different sources, or desire to come up with some further ideas to better the research after a long period devoted to the dissertation.

✓ Develop and refine the case study protocol in the research design phase by conducting pilot interviews and surveys to test the question structure and manner.

✓ Use peer-review of the tutor, some persons acquiring relevant knowledge and experience with which the authors have relations and other students in the class.
2.4.2. Practical and Ethical Issues

Practical issues

✓ The email interviews sometimes took long. They basically took place several days, but at times longer in such cases as the Honda managers have limited time.
✓ The email interviews caused the researchers to miss nonverbal cues. Conducting interviews through emails avoid the interviewers from getting information via implicit behaviors like facial expressions and other forms of body languages.
✓ The email interviews brought about impersonality. Information transferred through emails perhaps in some cases encouraged the managers to talk openly but in other cases restricted them when it comes to data sharing.
✓ The email surveys typically cause certain problems of the sample. However, since the participants are the researchers’ friends or those of relationship, these issues were principally overcome in the research on Honda. In specific, the researchers should limit the problems of Web accessibility, willingness to take part in the email surveys, and ensure those answering the questions are the survey targets.

Ethical issues

Ethics during the research process is deeply aware and ensured through certain actions in all phases of the study as recommended by Fisher (1998, pp.63-70):
✓ Access negotiating stage
The researchers have negotiated with Honda Vietnam the terms of reference, right to privacy, access to personnel, confidentially agreements and informed consent.
✓ Data collecting stage
Great efforts have been made to gain objectivity and disinterestedness; the researchers have tried to avoid deception about the purpose of the research; ensure confidentiality; comply with the requirements of the Data Protection Act (1998) regarding the collection and use of personal information including opinions.
✓ Reporting stage
Attempts have been made to reduce the possibility of research misuse like Honda Motorcycle tries to influence the thesis content or tone;
V. Data Collection

1. Information from the Survey Result

1.1. Brand Positioning
Concerning the brand customers firstly think of corresponding to a motorcycle, as can be seen from the graph 1, among 5 brand names which are Honda, Yamaha, Suzuki, Piaggio and SYM, most respondents (53% of 384) thinks of Honda firstly. Yamaha who is the biggest rival of Honda on Vietnam Motorcycle Market ranks number 2.

![Graph 1. The Motorcycle Brand Customers firstly think of](image)

Respondents also were asked about the motorcycle they are using. The lion market share of Honda in Vietnam according to the graph 2 is belonging to Honda. 181 out of 384 (equal to 47%) customers participated in the survey own the Honda motorcycle. The second highest popular Brand is Yamaha of 29%. The followers are SYM, Piaggio and Suzuki with the percentage of 11%, 9% and 4% respectively.

![Graph 2. Percentage of owned Motorcycle Brand](image)
Among 5 criteria namely brand, style, design, color and price which affect customers in making the motorcycle purchase decision, design is the most important one whilst color factor is the least. 265 respondents chose brand as one of important criteria. Style should also be considered because 210 out of 384 respondents think of it when making a motorbike purchase decision.

Graph 3. The Criteria in Making a Motorcycle Purchase Decision

The satisfaction of Honda’s customers with their motorcycle was taken in consideration. The result in table 8 shows that nearly half of the respondents who are Honda’s customers feel satisfied with their motorcycles. There is an insignificant difference between the percentages of people who are totally satisfied and neutral. The total percentage of unsatisfied and totally unsatisfied customers is 18.8%.

<table>
<thead>
<tr>
<th></th>
<th>Totally Satisfied</th>
<th>Satisfied</th>
<th>Neutral</th>
<th>Unsatisfied</th>
<th>Totally Unsatisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quantity</td>
<td>37/181</td>
<td>78/181</td>
<td>32/181</td>
<td>23/181</td>
<td>11/181</td>
</tr>
<tr>
<td>Percentage</td>
<td>20.4%</td>
<td>43.1%</td>
<td>17.7%</td>
<td>12.7%</td>
<td>6.1%</td>
</tr>
</tbody>
</table>

Table 8. The satisfaction level of Customers with Honda products

The leading position of Honda in Vietnamese motorbike market is re-affirmed in the table 9. Almost all respondents agree that Honda is the leading brand in Vietnam Motorcycle Market and there is no one disagreeing with this statement.
<table>
<thead>
<tr>
<th></th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Quantity</strong></td>
<td>330</td>
<td>54</td>
<td>0</td>
</tr>
<tr>
<td><strong>Percentage</strong></td>
<td>86%</td>
<td>14%</td>
<td>0%</td>
</tr>
</tbody>
</table>

**Table 9. Position of Honda on Vietnamese Motorcycle Market**

As can be shown from the graph 4, 100% of the respondents associated Honda Brand with well known characteristics and almost all of them think that Honda Motorcycle is safe, attractive and stylish. There are only 182 customers out of 384 who link Honda with price reasonable.

![Graph 4. Associations of Honda Motorcycle Brand](image)

**1.2. Brand Identity**

Interestingly, all respondents could recognize the symbols of Honda which are the wing, red color, ‘The Power of Dreams’, ‘I Love Vietnam’ and Safety Driving.

In addition, It is considerable that there is no customer who feels totally unsatisfied with Honda motorcycles’ quality whilst the percentage of satisfaction is pretty high (42%). However, the differences between the percentages of unsatisfied, neutral and totally satisfied customers are insignificant. This is demonstrated in the graph 5 below.
Graph 5. Satisfaction level of Customers with Honda products’ quality

Being asked about benefits customers gain from using Honda Motorbike, most respondents agree that Honda Motorcycle brings them safety, stylist, fuel saving and environment protection with percentage of 81%, 78%, 65% and 67% respectively.

<table>
<thead>
<tr>
<th></th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Safety</td>
<td>81%</td>
<td>5%</td>
<td>14%</td>
</tr>
<tr>
<td>Stylish</td>
<td>78%</td>
<td>0%</td>
<td>22%</td>
</tr>
<tr>
<td>Fuel saving</td>
<td>65%</td>
<td>7%</td>
<td>28%</td>
</tr>
<tr>
<td>Environment prot</td>
<td>67%</td>
<td>10%</td>
<td>23%</td>
</tr>
</tbody>
</table>

Table 10. Customers’ Evaluation on gained Benefits from using Honda Motorcycles

Another issue is the effect of Country of Origin (C/O) on the decision of buying a Honda Motorcycle. As in the table 11, the percentage of people whose decisions on purchasing Honda Motorcycle are affected by the Country of Origin feature (74.7%) is tripled that of those not affected (23.3%).

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quantity</td>
<td>135</td>
<td>46</td>
</tr>
<tr>
<td>Percentage</td>
<td>77%</td>
<td>23%</td>
</tr>
</tbody>
</table>
1.3. Brand Growth

<table>
<thead>
<tr>
<th></th>
<th>Regularly</th>
<th>Irregularly</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quantity</td>
<td>67</td>
<td>114</td>
</tr>
<tr>
<td>Percentage</td>
<td>37%</td>
<td>63%</td>
</tr>
</tbody>
</table>

*Table 12. Customers’ consideration of Honda’s different Product Lines*

As can be seen from the above table, the number of customers not paying much concerns about different product lines when buying a Honda Motorcycle is almost double the figure of those frequently care about this issue.

1.4. Brand Maturity

Honda’s communication efforts’ influences on customers’ awareness and interests in the company’s Motorcycle Brand is illustrated through the graph below.

*Graph 6. The Influence of Honda’s Communication Efforts on Customers’ Awareness and Interest in Honda Brand*

It is shown that with 19%, only the small percentage of the respondents think that efforts of Honda in media communication have had insignificant influence on their awareness and interests in the company’s Motorbike Brand.

Respondents were asked to give out an evaluation on the way Honda Motorcycle keeps relationships with customers through the points from 1 to 5. The result is that nearly half of respondents (48%) highly appreciate the way Honda Motorcycle has kept the relationships with its customers. There are still some customers feel totally unsatisfied and unsatisfied with the manner Honda has kept relationships with them.
Table 13. Evaluation on the way Honda keeps Relationship with Customers

<table>
<thead>
<tr>
<th></th>
<th>Totally Satisfied</th>
<th>Satisfied</th>
<th>Neutral</th>
<th>Unsatisfied</th>
<th>Totally Unsatisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quantity</td>
<td>24</td>
<td>45</td>
<td>87</td>
<td>18</td>
<td>7</td>
</tr>
<tr>
<td>Percentage</td>
<td>13%</td>
<td>25%</td>
<td>48%</td>
<td>10%</td>
<td>4%</td>
</tr>
</tbody>
</table>

Concerning the influence of Honda’s Corporate Social Responsibility on customers’ motorcycle purchasing decisions, this result shown in graph 7 looks pretty similar to that of question 13 about Honda’s media communication efforts because the smallest percentage belongs to the group thinking that the influence of the company’s social responsibility on their purchasing decision is small. A little bit more than half of the respondents believe that this influence is big.

Graph 7. Honda’s Social Responsibility’s Influence on Customers’ Purchase

The last question is about customers’ consideration of Honda for future motorcycle purchases. 68% of Honda’s customers will consider Honda for the next purchases while there are only 26 out of 181 respondents will choose another brand. 32 customers do not think much about this.

Table 14. The consideration of Honda in the next purchases

<table>
<thead>
<tr>
<th></th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Count</td>
<td>123</td>
<td>32</td>
<td>26</td>
</tr>
<tr>
<td>Percentage</td>
<td>68%</td>
<td>17.7%</td>
<td>14.3%</td>
</tr>
</tbody>
</table>

2. Information from Interview Record and Secondary Data

This part should firstly provide the gathered data about Honda Motorcycle Brand’s Success on Vietnam Market as well as the great achievements’ internal and external attributes. After that, the

2.1. Honda Success on Vietnam Motorcycle Market

Over the time in Vietnam Motorcycle Market, Honda has been making great efforts for the happiness and safety of Vietnamese people as well as for the development of the country. Honda’s striving has really paid off. The firm has achieved great success in its business on Vietnam Motorcycle Market.

For years, Honda has kept the leading position in the Vietnamese motorcycle industry with considerable investments in R&D, technology, supplier network, human resources development worth USD 250 million up to the year 2006. Moreover, the company has gained the most love from Vietnamese customers over the time thanks to its constant striving to meet the objective of ‘Supplying products and services beyond our customers’ expectations’. Honda has invested great attempts in its R&D to bring desired values to customers through wide ranges of motorcycles. Additionally, Honda served as the pioneer in Vietnam in the export of motorcycles, engines and parts to such countries as Malaysia, Indonesia, the Philippines from 2002. The company has also ranked No. 1 in both export quantity and turnover which accounts to over USD 96 million up to the year 2006. In the year 2007, Vietnam Motorcycle Market increased to 2,700,000 units and 1,100,000 of which were provided by Honda which accounted for 38% of the market share. After all, Honda Vietnam has also been leading in the country’s Traffic Safety and Social Activities. (Corporate Website 3, 2009)

2.2. Attributes to Honda Motorcycle’s Success in Vietnam

Honda has achieved such success thanks to a number of internal elements (the product itself combined with thorough R&D, PR and Marketing activities; corporate culture, and working
environment) as well as external factors (Vietnamese consumer demand, supporting industries and government policies).

The success of Honda on Vietnam Motorcycle Market is first attributed to its product – the result of the extensive and intensive R&D, PR and Marketing activities, the Corporate Culture regarding Honda Values, Philosophy, Honda Principles and Management Policies and Working Environment which should be discussed later in the Product and Organization Attributes to Honda Success on Vietnam Motorcycle Market.

When it comes to external resources for Honda Motorcycle Vietnam’s success achievements, great domestic customer demands has to be firstly mentioned. As can be seen, Vietnam is a lucrative motorcycle market which holds a promising potential. Therefore, Honda Motorcycle has been offered opportunities to satisfy considerable needs and demands when the company entered Vietnam in 1996 and especially took the advantages of the first mover in this market.

The Chinese motorcycle appearance in Vietnam at the early 2000s has actually brought about great chances for Honda Motorcycle Vietnam besides the threats of market share loosing. China’s copied-Honda products have helped reveal the real demands of Vietnam customers for Honda in terms of good quality and lower price. The entry of Chinese motorcycles has encouraged the born of a large number of FDI and domestic manufactures and low price component suppliers or enterprises in the supporting industries. This plays as a great chance for Honda Vietnam to source its non-core parts and reduce production cost. (Nguyen, D T., 2007)

*Vietnamese Government Policies* with requirements of increasing local content ratio have pushed domestic companies out of business since they the assemblers for China motorcycles could not satisfy the localization or suffer the high tariff to become Honda’s partners for accustomed to producing Honda-copied products. To establish relationships with its domestic suppliers to reduce cost, save foreign currencies as well as satisfy the localization requirements of Vietnamese Government, Honda should reorganize supplier network, support them through knowledge transfer regarding technology and techniques, the way of thinking and control, as well as give requirements and controls over non-core suppliers to assure good and stable quality, safety and durability. (Nguyen, D T., 2007)
2.3. Brand Positioning

2.3.1. A Brand for What – Motorcycles Honda desires to offer customers

Honda has made great efforts to supply its customers with its comprehensive product concerning the motorcycles themselves, supporting services and valued added activities as well as advice on relating technical issues and other general instructions. Actually, the motorcycles Honda has launched into Vietnam Market are well-known for their characteristics of safety and durability, strong engines, fuel-saving and hi-tech features as well as environmental friendliness. In addition, the company also provides such services as warrantee, routine check, maintenance as well as mobile service at home or in urgent cases to better serve its customers. (K.Tetsuya, Email, April 23 , 2009) & (Corporate Website 4, 2009)

2.3.2. A Brand for Whom – Honda Motorcycle’s target customers

Honda has offered its Vietnamese customers with a series of different product categories various models like Dylan, SH, PS, @, Spacy, Lead, Air Blade, Click, Dream, Future and Wave. These motorcycles hold a variety of such characteristics as new standard, modern design, luxurious style, fashionable, youthful, sporty and dynamic style, unique color, durable power and convenience. (Corporate Website 5, 2009)

There are two main categories, each target at a certain customer group. The series of Dylan, SH, PS, @, Spacy, Lead serve high class consumers while the others ranging from Air Blade and Click to Dream, Future and Wave aim at the middle class.

2.3.3. A Brand against Whom - Competition on Vietnam Motorcycle Market

In comparison with other rivals, Honda has taken advantages of the pioneer. The Cub and Dream I & II of Honda dominated Vietnamese for a long time and gained the loyalty of customers in the 1990s. Besides 4 four main competitors named Yamaha, SYM, Suzuki and Piaggio, in recent years Honda has also had to cope with Chinese counterfeit brands. The price of these Chinese motorbikes is relatively low and the quality either. With the increase in Vietnamese local content ratio, Honda could reduce the price but still keep the high quality. Despite the tough competition in Vietnam Motorcycle Market, it is predicted that Honda will still be the leading brand in this market and keep the pretty large gap compared to its competitors. In 2008, the market share of Honda is 40% which is double that of the main rival – Yamaha. (Nakata., H, 2008)
2.4. Brand Identity

2.4.1. Brand as a Product

As a product, Honda Brand serves as the association with motorcycles with a number of product attributes ranging from price to service, with certain quality values and the Country of Origin.

The association of Honda with Motorcycles

Thanks to the position of the first mover in Vietnam and its success, Honda has been regarded as motorcycles in this market for more than 10 years. Especially, in many provinces in the North of Vietnam, instead of saying the motorcycle they say “Honda” even though their motorcycle is Yamaha or SYM. (Nguyễn Lanh Dao, 2008)

Product Attributes

Honda Motorcycle Price

For a long time, Honda Motorcycles has satisfied Vietnamese customers’ needs of reasonable price products which is also one of the company’s Principle ‘The supplying products with the highest efficiency yet at a reasonable price’. As discussed, this became more easily to achieve after the penetration of Chinese Honda-copied motorcycles into Vietnam which indeed offered opportunities to Honda to reduce its production cost through better access to the domestic low-price non-core suppliers. However, from the second half of 2008, Honda Motorcycles’s prices have quickly increased, which caused dramatic protest from customers. (Nguyen, D T., 2007)

Honda Service and Added Value Activities

To the year of 2008, Honda has had 365 HEADs with hi-tech equipments as well as fully-trained and experienced technicians carrying out a series of activities to better serve customers like: Giving well-trained safety riding instructions, Applying 2 year warranty for all models, Providing routine check and maintenance, Offering spare parts of good quality, reasonable price, easy accessibility, safety and environmental friendliness, Establishing Service-station repairing and providing genuine parts for motorcycle companies, Establishing Technical Advisory Center for customers. Besides, Honda also brings customers joy with its “Mobile Service” by equipping motorcycles with specialized tools and alternative parts from 7am to 8pm to maintain and repair the customers’ motorcycles at home as well as in urgent cases. (Corporate Website 6, 2009)
**Quality Values**

Thanks to the high quality standard and after-sale services, Honda Vietnam has been voted as the top Made-in-Vietnam product quality for ten consecutive years. Besides the motorcycle itself, Honda Vietnam provides customers with the outstanding features of Honda products in comparison to its rivals like environmental friendliness, low level exhaust fumes and hi-technology. In August 2008, Honda Vietnam inaugurated the second workshop in Vietnam. This raise the production ability of the company from 1 million motorcycle per year to 1.5 million. More important, this is the first motorbike plant in Vietnam seriously concerns the issues of “environmental and human friendliness”. What is more, the warranty and maintenance centers of Honda Vietnam nationwide are facilitated the hi-technology and model equipment which enhance the quality of after-sales services in Honda. (Corporate website 7, 2009)

**Country of Origin**

Despite consisting of 90% ratio of Vietnamese home-made components, Honda motorcycles are linked to Japan with high quality. (Nam.H, 2007)

As can be seen Vietnamese highly appreciate made – in – Japan goods for the high quality, long duration and good appearance. Honda Vietnam has actually gained substantial benefits from this thinking style. Nevertheless, the company is also aware that if they can not prove that they have the capability and ability to produce the true – Japanese products, Honda will soon be out of the playing field despite the belief of customers about a Japanese trademark. Therefore, Honda Motorbike Vietnam realizes its responsibility to sustain the reputation of Japan, which also means keep earning customers’ trust. (I.Yuichiro, Email, April 23, 2009)

**2.4.2. Brand as an Organization**

Honda holds a range of internal factors supporting the company’s Motorcycle Brand success on Vietnam Market concerning the firm’s Organization Attributes.

**Corporate Culture**

In terms of Values, Honda has prove itself as ‘Understand, respect, share and implement unifying philosophy – the base of action and judgment’; and ‘People young at heart, challenging with a racing spirit makes Honda runs faster toward a brighter future’. When it comes to Philosophy, Honda is known of its Fundamental Beliefs (Respect for the Individuals in terms of Initiative, Equality and Trust, also in the relationships with the company’s stakeholders) and The Three Joys (‘The Joy of Buying’ for Honda’s customers, ‘The Joy of Selling’ for Honda and
‘The Joy of Producing’ with respects to Honda’s manufacturing, production engineering, R&D and the company’s suppliers’ operating). Corresponding to Principles, Honda keeps the company ‘Maintaining an international viewpoint’, ‘We are dedicated’, ‘The supplying products with the highest efficiency yet at a reasonable price’ and ‘For worldwide customer satisfaction’. In terms of Management Policies, Honda set up and has thoroughly implemented them which are ‘Proceeds away with ambition and youthfulness’, ‘Respects sound theory, develop fresh ideas and make the most effective use of time’, ‘Enjoy your work and always brighten your working atmosphere’, ‘Strive constantly for a harmonious flow of work’ and ‘Be ever mindful of the value of research and endeavor’. (Nguyen, D T., 2007)

**Working Conditions**

Great concerns have been paid to establish an environmentally working condition. Honda Vietnam inaugurated the 2nd factory Motorcycle plant which is an advanced technology and environmental friendliness factory, harmoniously combines 3 factors: ‘Wind – Light – Water’. Honda has applied advanced technology to environment protection system with great efforts in establishing favorable working conditions both inside and outside the factory. Honda received ISO 14001 Certificate on International Standard Environment Management in 2001. In the year of 2003, the firm focused on reducing temperature, noise, dust and CO2 to produce a fresh and clean working environment. Furthermore, Honda Vietnam has paid particular concerns about waste treating and recycling technology with the policy of ‘Usage limit – No poisonous emission to the environment’ through upgrading the running water system and the industrial waste-water treatment system. Besides, the company has applied advanced environment technologies to produce environmentally friendly products. For instance, the exhaust pipe of Honda are designed and manufactured with the global standard. In the near future, the fuel injection technology would be applied in the production in Honda Vietnam’s factories. (Corporate Website 8, 2009)

**R&D and PR Activities**

Honda Vietnam has a branch of South East Asia R&D Center established in 2003 which has made substantial contributions in the research on Vietnam customers’ needs and demands, in the development of a wide variety of product categories with considerable added values, as well as helped designing and drawing, supporting to reduce the time and energy for the implementation of localization program. (Nguyen, D T., 2007)

The company has paid much concern on environmental issues with the support of R&D activities. Like other Honda manufacturers in the world, Honda Vietnam has put a lot of efforts
in environment protection as well as environmental friendliness product development. Furthermore, Honda has been fully committed to advanced technology. In order to provide customers good quality and environment protected products, Honda has applied the advanced and eco-friendly technology like PGM-SI compared to the average technology level in Vietnam. (Corporate Website 9, 2009)

Substantial PR investments have been made by Honda Vietnam to help the Honda Motorcycle achieve such a great success on Vietnam Market. It is in fact through the company’s society orientation. The long-term goal of Honda from the birth days in Vietnam up to now is to ‘strive to be the company that the society expects to exist’. (Corporate Website 10, 2009)

In order to reach this goal, apart from protecting the environment and producing good quality products, Honda has carried out different social programs as shown bellows:

<table>
<thead>
<tr>
<th>Social Activities</th>
<th>Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environment Protection</td>
<td>- Taking part in International Fair of Environment Protection and</td>
</tr>
<tr>
<td>And Education Support</td>
<td>Development</td>
</tr>
<tr>
<td></td>
<td>- Participating in the Tree Planning Project</td>
</tr>
<tr>
<td></td>
<td>- Sponsoring training equipments for high schools</td>
</tr>
<tr>
<td></td>
<td>- Giving scholarships to outstanding students nationwide</td>
</tr>
<tr>
<td>Donations And Charity</td>
<td>- Establishing the fund for the pilot mushroom project</td>
</tr>
<tr>
<td></td>
<td>- Supporting xangsance victims, the disable and orphan children</td>
</tr>
<tr>
<td></td>
<td>- Supporting the welfare-policies families</td>
</tr>
<tr>
<td></td>
<td>- Donating other charity organizations</td>
</tr>
<tr>
<td>Safety Driving</td>
<td>- Launching “I LOVE VIETNAM” campaign with the support of Vietnamese</td>
</tr>
<tr>
<td></td>
<td>government to create the safety traffic society</td>
</tr>
<tr>
<td></td>
<td>- Instructing Safety Driving to Vietnamese residents nationwide</td>
</tr>
<tr>
<td></td>
<td>- Carrying out the safety driving contest to improve the knowledge of</td>
</tr>
<tr>
<td></td>
<td>drivers about traffic</td>
</tr>
<tr>
<td>Sponsorship</td>
<td>- Sponsoring for sports, music and fashion programs</td>
</tr>
</tbody>
</table>

*Table 15. Honda Vietnam’s Social Activities*

*Sources: Based on Corporate Website 11 (2009)*
2.4.3. Brand as a Person

Honda Motorcycle Brand acts as a person with its own personality depending on the specific situation. In particular, Honda Brand with its Scooter category aiming at high class customer group holds the characteristics of luxurious or fashionable. However, the Brand in its Cub category targets at middle class customer segment with limited income are known as dynamic and youthful. Corporate Website 12 (2009)

2.4.4. Brand as a Symbol

Honda Brand is known for its message ‘The Power of Dreams’ and the logo with ‘the Wing symbol’ and ‘the red Honda letters’. According to Yuichiro Ishii, Senior Manager of Product Planning Department of Honda Motorcycle Vietnam, Honda desires to let its customers believe that ‘dream is possible’. In other words, Honda Motorcycle Brand wishes to make its customers’ dreams of an ideal means of transportation come into reality. Actually, the company has set up a launching plan for new Honda products which are not merely motorcycles but serve as ‘the creation of fun to drive’. Honda desires to offer its customers ‘the power of dreams’ or to help them ‘see the world not as it is but as it could be’. As can be seen, ‘the Wing’ stands for the action of flying into the bright future, and ‘the red’ represents the strong power of ‘dreams’ which are actually Honda motorcycles. (K.Tetsuya, Email, April 23, 2009)

Fully tailored to the specific market conditions or business environment of Vietnam, Honda has introduced the program ‘I Love Vietnam’ as already mentioned before which is regarded as the biggest contribution that the company has made to create a traffic safety society of Vietnam. Receiving enormous appreciation from both Vietnamese government and people, ‘I Love Vietnam’ is a truly adapted symbol of Honda in Vietnam.

2.5. Brand Growth

Honda has been so far a manufacturer offering the biggest number of motorcycle models in Vietnam Market. It is affirmed that this has assisted the company in keeping the leading position for a long time. (Nguyen, N., 2007)

The list of Honda Motorcycle Models in Vietnam Market is shown as follows:
<table>
<thead>
<tr>
<th>Motorcycle Model</th>
<th>Outstanding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lead</td>
<td>High class style</td>
</tr>
<tr>
<td>Airblade</td>
<td>Modern design</td>
</tr>
<tr>
<td>Click</td>
<td>New standard of refinement</td>
</tr>
<tr>
<td>Future Neo</td>
<td>Advanced PGM-SI technology system</td>
</tr>
<tr>
<td></td>
<td>Luxurious style</td>
</tr>
<tr>
<td>Super Dream</td>
<td>Durable power support</td>
</tr>
<tr>
<td>Wave S</td>
<td>Engines of Euro 2 standard</td>
</tr>
<tr>
<td>Wave RS</td>
<td>Sporty and dynamic manner</td>
</tr>
<tr>
<td>Wave RSV</td>
<td>Unique colors</td>
</tr>
<tr>
<td></td>
<td>Youthful and dynamic style</td>
</tr>
<tr>
<td>Wave α</td>
<td>Convenience</td>
</tr>
<tr>
<td>Cup</td>
<td>(Unavailable now but dominated Vietnam market for a long time)</td>
</tr>
<tr>
<td>Spacy (imported)</td>
<td>Fashionable, high class</td>
</tr>
<tr>
<td>@ (imported)</td>
<td>Fashionable, high class</td>
</tr>
<tr>
<td>PS (imported)</td>
<td>Fashionable, high class</td>
</tr>
<tr>
<td>Dylan (imported)</td>
<td>Fashionable, high class</td>
</tr>
</tbody>
</table>

Table 16. Motorcycle Models of Honda

Sources: Based on Corporate Website 13 (2009)

Together with the outstanding features of each Honda Motorcycle model, the common characteristics of all Honda’s products are friendly to environment. The first 8 models are manufactured in Vietnam with 70 – 90 % home-made ratio. The price of these motorcycles range from 15,000,000 VND (around USD 880) to 30,000,000 VND (USD 1760) and are suitable for low and medium income people. The last four ones belong to the high class motorcycle group and are imported from Honda in foreign countries. (Corporate Website 14, 2009)

2.6. Brand Maturity

Honda Motorcycles Brand Sustaining Strategies range from Communication Efforts and Influencer Proximity Sustaining regarding Honda Marketing and PR Activities, Honda Social Activities and Safety Driving Plan.
2.6.1. Communication Efforts and Influencer Proximity Sustaining

Honda Marketing and PR Activities

On March 2008, Honda Vietnam took part in the Eco-Product International Fair for environment and sustainable development in Hanoi National Convention Center. The company introduced its advanced and eco-friendly technology of Bio-Ethanol and Solar House. The company also attracted visitors with such high tech games of engine, energy and green house effects. Furthermore, Honda Motorcycle made an impressive Laser Exhibition to introduce its Air Blade in April, 2007. (Vietbao 1, 2007)

Honda launched its Branding Campaign named ‘Be U with Honda’ in 2008 to target at Vietnamese young customers serving as an interesting playing field for the youth to express themselves with a series of ‘Be U Beach’ festivals with Honda in Da Nang, Nha Trang, Vung Tau during August 2008. “BE U with Honda” is also one of the biggest marketing brand campaigns of Honda which offers a range of activities in this campaign including lively music shows and online exchange on the website of http://beUwithhonda.com.vn. The logo of this campaign has 5 color versions with the main one is the red which representing for the active, enthusiastic and lively manner of the young and also the spirit of this campaign. The other colors stand for the manners of Vietnamese young today including “Looking cool”, “Acting fun”, “Thinking smart” and “Feeling free” with Honda. (Hai. T, 2008)

The company introduced a variety of Sales Promotion Programs such as ‘Free oil charging for 20,500 first customers coming to 43 HEADs in Hanoi’ in 2008 worth more than USD 60,000, granting money and presents worth USD 120,000 ‘to celebrate 5 million Honda motorcycles have been consumed’, and the ‘Bright New Year’ between February and April of 2007 to offer grants to Wave 100S consumers worth about USD 32,000. (Vietbao 2, 2007-2008)

Additionally, Honda Vietnam took part in the Tree Planning Project in the year 2008 as a PR activity in Hoa Binh province in corporation with Japan International Cooperation Agency (JICA), Vietnam Forestry University (VFU) and Research of Diversity Forest Environment (RDFEE). (Vietbao 3, 2007)

Honda Social Activities

Honda has so far granted nearly USD 6 million in various fields like education; culture, art and sports; donations and charity striving to make contributions to the development of Vietnam society. On March, 2006, Honda Vietnam announced the company’s establishment of a USD 10
million Fund for Social Contributions in the forthcoming 5 years, in which USD 6 million is for social activities and the other USD 4 million is for the construction of a Traffic Education Center on the occasion of its 10th anniversary. (Corporate Website 15, 2009)

Honda ‘strikes to become a company that the society expects to exist’ including Environmental Preservation and Educational Development. The company has greatly supported the long-term planning tree Project in Hoa Binh, taken part in the ‘Eco-product international Fair’. Honda has paid great concerns about education development of Vietnam by granting equipments and scholarships for schools and deserved students. Honda incorporated with National Institute of Science and Technology Policy and Strategy & affiliated Universities in Vietnam at Science–Technology Universities launched YES Award scholarship value at USD 90,000 for realizing the dreams of Vietnamese youth and held ‘Mobility Ideas’ for pupils. The company offered 2 high schools in Vinh Phuc 2 computer rooms with 40 computers worth USD 17,000. Honda granted 90 scholarships worth USD 10,000 to excellent students where Honda Fun Fair took place and donated nearly USD 15,000 Thai Binh Scholarship Fund. (Corporate Website 16, 2009)

The company also has carried out a range of Support Activities - realizing dreams with ‘Children’s Idea Contest’ in corporation with the Ministry of Education and Training with the prizes of a free tour to Japan for 3 people and money worth about USD6000, sponsoring for U21 Football Cup 2006, realizing the young their dreams through its sponsorship for Vietnam Collection Grand Prix 2006, sponsoring the “Sao Mai diem hen” Music program to realize dreams of young singers 2006, sponsoring the “Music Way” to enhance the pride of Vietnamese music 2005, sponsoring the International Football Tournament – 1st Honda Cup in Vietnam 2005. (Corporate Website 17, 2009)

Honda Vietnam has made great contributions to the development of Vietnam society through a range of Donation and Charity Activities like giving donations to support Xangsane victims and Disable and Orphan Protection Association of Vietnam 2006, donating USD7,000 to Social Charity Fund of CAND Newspaper 2006, donating USD 20,000 for charitable activities 2006, establishing “Community Development Assistance Fund” for the local residents 2006 and giving presents to the poor on the occasion of Lunar New Year 2006. (Corporate Website 18, 2009)

**Safety Driving Plan**

Besides building a Safety Driving Center in 1999 and Safety Traffic Driving Center in 2008, Honda Vietnam has enhanced all activities in these centers of dealers and education activities for children to greater contribute to a safe society. (Corporate Website 19, 2009)
Actually, Honda has made great effort in partly building a healthy traffic society in Vietnam with activities covering safety driving instructions and traffic safely promotion. The company has received Certificate of Merits of great contributions in terms of traffic safety activities for 3 years (2008). Honda Safety Driving Center Vietnam has continuously promoting safety driving instructions to HEAD instructors, customers, students and individuals in Vietnam. Honda Vietnam also cooperated with The Traffic Safety Committee, Road and Railway Traffic Police Department to organize safety driving instruction programs and safety contests to help enhance the knowledge of Vietnamese people about traffic safety. Moreover, Honda coordinated with Military Technical Academy to organize ‘Traffic Safety Propaganda’ for Academy teachers and students. (Corporate Website 20, 2009)

The company also introduced such programs as ‘Traffic Safety for Tomorrow Smile’ or ‘I love Vietnam’ which has started since 2003 and gained great supports from the society and government because of its contribution to safety traffic environment in Vietnam. The core messages of this campaign are safety, quality and social activities. Honda has endeavored to educate Vietnamese drivers the traffic knowledge and skills through short movie series “I Love Vietnam” on the main television channel of Vietnam or through training course at Honda centers and online. ‘I love Vietnam’ Honda’s greatest contribution to Vietnam traffic safety activities is truly appreciated by Vietnamese government and people. (Corporate Website 21, 2009)

2.6.2. Price Comparison

From the second half of the year 2008, Honda motorcycles’ market prices have quickly increased. Compared to the list prices announced to charge at HEADs and retailers, market prices of Honda motorcycles have increased from USD 50 to USD 500 per unit. (Thanh, C., 2009) Some HEADs said they did not have enough motorbikes for sales because Honda cancelled producing current categories to prepare for the launch of new products (Hoa, K., 2009) who has however confirmed that it was HEADs that made such a price decision. Honda’s explanation is not persuasive enough to satisfy Vietnamese customers who at this moment turn the market into waves of protest against Honda and ‘Say no with Honda’ whose actions do not go in line with its saying ‘I love Vietnam’. (Vietnamnet, 2009) According to Ngo, T., CEO Mancom Corp (2009), Honda has implemented such a price strategy for a series of reasons: too confident about its Brand to realize the risks of market share losing; to protect the rights of HEADs by increasing their profits especially in the rural areas where Honda’s motorcycles in the middle class segment like Dream, Future, Wave become saturated in big cities; to protect the
market share of its previous categories when introducing new models of Air Blade, Click and Lead; to strengthen its image on Vietnam Market as an all-the-time warmly welcomed products.

2.6.3. Counterfeit Product Defense

Actually, Honda do not pay much attention to the imitation motorbikes because the company’ products are just delivered by HEAD system. Customers are therefore guaranteed not to buy such a motorbike at HEAD. (I.Yuichiro, Email, April 23, 2009)

Besides, most of Vietnamese customers often put a lot of thought and invest a great deal of time searching information on what a Honda Motorbike is and where to buy it etc before making their purchasing decisions. (I.Yuichiro, Email, April 23, 2009)
VI. Data Analysis

Honda’s Brand Launching and Sustaining on Vietnam Motorcycle Market should be analyzed founded on the collected information of the company’s market-based Branding Strategies. Of significant importance, the issues of Branding in an emerging market would be taken into consideration during the analysis process. In particular, since the objectives of the dissertation is to offer an insight into the Branding in a developing country, the project should produce a study on how Honda Motorcycle has fully adapted its Honda Brand or tailored the company’s Branding Strategies to the specific market conditions or business environment of Vietnam.

1. Brand Identity

1.1. Brand as a Product

As can be seen, the products of Honda have greatly contributed to the strength of its brand in Vietnam Motorcycle Market. First of all, Honda Brand is strongly associated with Motorcycle in Vietnam where many individuals call their motorcycles “Honda” even though they are the products of Yamaha or SYM. That 53% of the respondents in the conducted survey thinking of Honda firstly corresponding to a motorcycle also serve as a proof for this point. This means that the Honda brand would be captured in customers’ mind when the motorcycle is mentioned.

High quality and environment friendly product is another dimension of product-related attribution to Honda brand. As of hi-technology and global standard, Honda products should certainly be of high quality and reliable. In fact, the survey shows that 25% and 42% of respondents feel totally satisfied and satisfied with Honda motorcycles’ quality respectively. A part from good quality, Honda motorcycles bring such valuable benefits to its customers as long duration, safety, stylish, hi-technology, fuel saving and environment protection. Honda is also well-known for environmental friendly products, especially the latest models like Lead, Air Blade, Future Neo and Click because they are manufactured applying the most advanced technology which helps reduce exhaust fumes and save fuel.

From the day the company penetrated into Vietnam Market, Honda has always followed the company’s principle “supplying products with the highest efficiency yet at a reasonable price”. In developing markets where most people have limited income, this pricing strategy should partly contribute to Honda’s identity strengthening in customers’ mind. However, the recent rise in Honda Motorcycles’ prices in Vietnam at Head agencies without any reasons could negatively affect Honda Motorcycles’ perceived quality and ultimately Honda Brand’s image.
In addition, thanks to its high quality after sales services like maintenance and warranty, Honda Brand does bring added values to customers. Taking a deeper look at this issue however, Honda’s relationship with the company’s customers should also be received greater concerns because it is directly related to the after-sales services. Although the maintenance and warranty services offered by Honda centers are outstanding compared to those of the firm’s competitors, the way the company has kept relationships with its customers is not as good as expected. There are only 13% and 25% of Honda’s customers in the survey feel totally satisfied and satisfied with the relationships with Honda. This could be the shortcoming the company need consider and improve to keep customers’ loyalty as well as its leading position on Vietnam Market.

Together with the feature of hi-technology, the Country of Origin would also affect the customers’ awareness of Honda’s high quality products. Japan the home country of Honda has been famous all over the world for the products’ quality, long duration and good appearance whilst Vietnamese consumers pay much attention to the Country of Origin of a product on the market. In particular, according to the survey, it can be concluded that the Honda’s customers were influenced by C/O when they make decisions on Honda motorcycle purchasing. In fact, Honda Vietnam has achieved great benefits from this thinking style of Vietnamese customers.

1.2. Brand as an Organization

The working environment and business culture that Honda has built are considered relatively ideal which is ‘Understand, respect, share and implement unifying philosophy – the base of action and judgment’; and ‘People young at heart, challenging with a racing spirit makes Honda runs faster toward a brighter future’. These principles do really assist the company in creating the innovations of Honda’s both products and Brand. Such an attractive working environment would motivate the associates and employees to work to their fullest and dedicate to Honda’s prosperity. Honda Vietnam’s endeavors in environment protection, technological commitment as well as society orientation do actually show how strong Honda Brand has been developed. These are truly significant factors which has been assisting Honda in keeping the leading position for 12 year successive. The Chinese counterfeit brand could imitate Honda products’ appearance but could not copy the core value, the human value and unique programs Honda possesses. Even Yamaha – the biggest rival of Honda in Vietnam Motorcycle Market who is also a Japanese brand has to made substantial efforts with the desire to catch up with Honda. The Honda’s concerns about environment protecting both inside and outside the factory could encourage customers more trust in the company’s environmental friendly products and Brand. What is
more, the efforts of the firm to become the corporation that the society expects to exist or in other words Honda’s attempts in community orientation have been paid off. This is clearly shown through the Honor Awards Honda won and more importantly the high appreciation from Vietnamese government and individuals. In the conducted survey, 52% and 34% of Honda’s customers believe that the company’s social corporate responsibilities had big and medium influence on their purchasing decision.

Honda has so far carried out a variety of social activities aiming at strengthening Honda brand and especially many campaigns have been branded. Actually, most of Honda’s programs have taken place in such different fields as education, environment, donations and charity and culture activity sponsors. Honda’s long-term plan in the traffic education named “Safety Driving” naturally creates the link between Safety traffic environment and Honda. In addition, the scholarship for outstanding pupils and students nationwide could stimulate their desire to work for Honda. The way Honda gave the name and logo to the programs also creates positive influences on Honda Brand and enhances the effectiveness of the programs themselves. For example, “Be U with Honda” with 5 different color versions of logo brings the linkages between the Vietnamese young and Honda in which the main red color represents Honda and the rest four ones stands for the characteristics of Vietnamese youth these days. It is obviously that Honda Motorcycle has conducted extensive and intensive market research in Vietnam in the penetration period as well as when the company has already been doing business so as to fully tailor the country’ market conditions or business environment of Vietnam.

Through true concerns about customers’ safety driving, the products designed based on Vietnamese customers’ characteristics, Vietnamese traffic conditions and the careful market research to find out what customers need and expect, it could be affirmed that Honda has put great thought on its customer orientation. In addition, with the philosophy ‘For worldwide customer satisfaction’, Honda has built the awareness of its staffs with respects to serving customers at their best. However, Honda customers’ satisfaction with the relationship with Honda should be re-mentioned.

Another perspective of Honda brand as an organization which is “global and local” should also be considered. Through localization programs like cooperating with Vietnamese companies, high localization rate in products’ components or social activities and especially through the philosophy of being the corporate that the society expects, it could be affirmed that Honda is in the way of go-local. These great efforts of Honda have helped the company to gain better
understandings of Vietnamese’s attitude and needs. Actually, the design and features of Honda’s motorcycles are suitable to Vietnamese customers. In addition, the promoting campaigns of the firm look at Vietnamese characteristics like “Be U with Honda” which is a combination between the manners of Vietnamese youth and the main spirit of Honda. Ultimately, this go-local strategy of Honda has been paid off. Honda has built its Brand Identity to be known as a good Vietnamese citizen.

1.3. Brand as a Symbol

Based on the survey, it could be said that Honda has managed to build a strong symbol for its Brand. All respondents could recognize that ‘The Power of Dreams’ the ‘Wing symbol’, ‘red Honda letters, ‘I love Vietnam’ and safety driving are definitely Honda. Besides Honda Global’s symbol like the wing or the red color, the symbol of “I Love Vietnam” has shown how Vietnamese the company is or how Honda Vietnam is. Some of these symbols are fortunately inherited from the success of Honda all over the world but they are widely recognized by Vietnamese individuals, highly appreciated by Vietnamese government due to the way Honda has endeavored to become a good Vietnamese citizen, contributing to build a society of traffic safety which is recently a real critical issue of Vietnam. It is therefore apparently that Honda has truly adapted to the specific situations of its destination country Vietnam.

1.4. Brand as a Person

More than a product, Honda Brand also has the characteristics perceived by customers. This partly assists the company to build a stronger Brand. Honda Brand and products are considered as stylish and attractive. In addition, the firm also creates personality traits for each product line because Honda looks at different target customer groups. If made-in-Vietnam Honda motorcycles are for limited income customers but still be modern style and attractive, the imported Honda ones are luxurious and suitable to upper class.

Overall, Honda has truly considered and built its Brand based on such four dimensions as product, organization, person and symbol which fit the theories of Aaker.D (1996) about Brand Identity. Foremost, thanks to the thoroughly consideration of the brand at all perspectives, Honda has broken all the four traps as mentioned in Aaker.D (1996) about Brand Identity Traps and ultimately built a strong and competitive brand on Vietnam Motorcycle Market. Further more, the strong Brand Identity of Honda in Vietnamese customers’ mind is not only thanks to the heritage from the success history of Honda in the world but also owing to the company’s image of a good Vietnamese citizen.
2. Brand Positioning

2.1. A Brand for What

Basically, the core of any Brand Positioning Strategy is ‘A Brand for What’. It is the what a company offers its customers to satisfy their needs and demands. ‘A Brand for What’ is actually the solutions for the brand’s customers.

In the case of Honda when the company made entry into Vietnam Market in 1996, the firm served as the pioneer in the motorcycle manufacturing industry and desired to bring Vietnamese customers with good quality motorcycles. Indeed, the advantages of the first mover Honda gained plus with Vietnamese customers’ trust in Made-in-Japan products concerning their high quality, long duration and good appearance really provided great chances for the company in positioning its Honda Motorbike as a Brand for satisfying users’ traveling needs of a good quality means in a safety way.

After the year 2000 when Chinese Honda–copied low-price motorcycles penetrated into Vietnam Market, Honda Motorcycle Vietnam realized the real needs of its customers who all the time welcomed Honda still could not really afford such prices. Therefore, one characteristics Honda figured out that they needed add to its products – that is reasonable or more competitive price. Actually, this is a feature of Vietnam in particular as well as of developing markets in general. Fortunately, Vietnam Motorbike Market conditions at this time really helped Honda more easily bring this idea into reality. The appearance of Chinese Motorbikes lead to the born of many FDI as well as domestic enterprises manufacturing, assembling, supporting and supplying components for the motorcycle industry. Honda was thus able to reduce its production cost through sourcing non-core parts of its products and to offer more reasonable prices.

According to the result of the survey, although price is not the most significant criterion of Vietnamese customers’ motorcycle purchase decision, it is in the third ranking after design and brand factors and around 50% of the respondents take this into consideration. Honda Motorcycle is aware of this thanks to the company’s extensive and intensive market research and has launched different product categories (cub and scooter) and lines (Dylan, SH, PS, @, Spacy, Lead, Air Blade, Click, Dream, Future and Wave) with the desire to cover diverse segments in terms of price. With such a range of motorcycles, Honda Vietnam has been truly successful in targeting at customers of different groups the middle as well as the high class in various regions throughout the country market the urban and the rural areas as well.
2.2. A Brand for Whom

Defining the target customers is also among the first strategies to map out when a company comes into business in any market condition. It is understandable since if a firm can not satisfy all markets’ needs, then it can not meet the demands of all customer groups in the market.

In the case of Honda Motorcycle Vietnam, the company offers its customers with a variety of motorcycle models ranging from Dylan, SH, PS, @, Spacy to Lead, Air Blade, Click, Dream, Future and Wave. These product lines have been launched to satisfy two groups of customers, that is Dylan, SH, PS, @, Spacy and Lead (Scooter category) for high class segment and the others Air Blade, Click, Dream, Future (Cub category) for the middle class one. Identifying the firm’s ‘A Brand for Whom’ has indeed helped Honda come up with a wide range of product models the meet the demands in the market it desires to serve in a best way. Taking a look at the current condition of Honda Motorcycle in Vietnam, it can be said that the company has achieved its goal concerning target customer satisfaction. Indeed, Honda has done a good job in its clarifying ‘A Brand for Whom’ strategy.

As can be seen, when Honda’s products in the middle class segment becoming saturated in the markets of big cities, they have still dominated in rural areas. Successfully predicting of such a situation which is understandable in Vietnam as well as in emerging markets for a famous brand like Honda Motorcycle, Honda Vietnam has been managed to chart out and implement its strategy in terms of ‘A Brand for Whom’ to gain great achievements over the time from the past to the present in different regions throughout the country market.

2.3. A Brand against Whom

Basically, searching competitors is although not the priority for a company, it is unlackable when the firm wants to get its business succeeded on a particular market.

In the case of Honda Motorcycle when it broke into Vietnam in the late 1990s, the company did not really have to care about its rivals since Honda was the pioneer in Vietnam’s motorcycle manufacturing industry at that time. Actually, it is the conditions of Vietnam newly open economy that Honda was not required to put much thought on the issues of competition especially when the company gained substantial advantages of a first mover on the market.

The 2000s of Vietnam Market experienced the penetration of a wide variety of motorcycle brands like Yamaha, Suzuki, SYM and Piaggio as well as a big flow of Honda-copied Chinese motorcycles with much cheaper price. Such a new context which is inevitable in any emerging
countries in the first period of the economic development period already put great pressures on Honda to force the company to seriously concern about its ‘A Brand against Whom’ strategy. Chinese counterfeited motorcycles are not Honda’s worry thanks to its superior quality products plus customers’ knowledge on the firm’s motorcycles. SYM and Piaggio during these current years have been becoming Honda’s concerns when it comes to Vietnam’s scooter segment. Honda’s imported high class product lines like Dylan, SH, PS do not really help relieve the company especially when it has to deal with the giant from Italia, Piaggio. The main competitor Honda clearly defines however is Yamaha which also comes from Japan. Although Honda Motorcycle still keeps 40% of Vietnam’s market share, and about double of Vietnamese customers’ mind is captured by Honda in comparison to Yamaha (53% for Honda and 27% for Yamaha shown in the market survey), Vietnam Motorcycle Market is considered as the war between Honda and Yamaha. ‘A Brand against Whom’ in Honda’s case does therefore chiefly mean ‘Honda Brand against Yamaha’.

Honda Motorcycle in such a tough competition really forces the company to redefine or broaden its ‘A Brand for What’. High quality, attractive features and reasonable price are at present not enough for the company’s success. Honda constantly refreshes its customers’ experience with new product lines with numerous added values. More importantly, Honda really ‘strives to become a company that the society expects to exist’. In fact, the company has made substantial efforts in its technology commitment and society orientation. Honda motorcycles of high technology at the same time environment friendliness, the products of Vietnam society development contribution corresponding to the activities of safety driving and education supports, different field sponsorship as well as donations and charity have helped the firm recreate a true ‘A Brand for What’ in the Motorcycle Market of Vietnam. Hence, it can be said that with any company in general and with Honda in particular, the alterations in ‘A Brand against Whom’ strategies serve as the drive for the revolutions in ‘A Brand for What’. The adaptation to the changing market condition itself should bring a firm nearer to success.

Apparently, Honda experienced Two-stage Brand Positioning process. The company has successfully indicated its Brand’s motorcycles as Cub and Scooter categories and then identified its essential difference in terms of superior quality, reasonable price, market and society orientation in comparison to the other brands of those categories from its rivals like Yamaha or SYM so as to position its brand.
Honda also experienced five phases to achieve success in its Brand Launching. The firm has been managed to be to identify the added values and additional features for its motorcycles like advices and support services in The Understanding Phase. Basically, it can be said that Honda should have experienced The Exploration and Test Phases to give suggestions for the company’s brand scenarios as well as The Strategic Evaluation Phase based on the prosperity brought by each scenario since the reality shows that Honda has been truly successful in its Brand Implementation and Activation Phase to position Honda Motorcycle Brand in Vietnam.

Overall, Honda has put great efforts in positioning the company’s Brand on Vietnam Motorcycle Market in terms of ‘A Brand for What’, ‘A Brand for Whom’ and ‘A Brand against Whom’ as well as Two – stage and Five – phases Brand Positioning Process suggested in the theories of Brand Positioning in Kapferer, J N. (2004). Honda has made careful considerations about the specific conditions or business environment of Vietnam – a developing market through its extensive and intensive market research. Successfully assessing Vietnam Motorcycle Market regarding government policies (localization requirements), customers’ wants (functionality and price) and market opportunities (market size and rivalry), Honda Motorcycle Vietnam has been managed to ‘become the company that the society wants to exists’.

3. Brand Growth

The dominations of Cub and Super Dream motorcycles of Honda during the years of 1990 in Vietnam showed how successful Honda was in this developing market. However, due to the opening market policy and the high demands of customers, there have been rivals penetrating into Vietnam with the desire to capture this market. As a consequence, the competition on Vietnam Motorcycle market has been becoming tougher and tougher. Under such situation, Brand Growing is a certainty for Honda Vietnam.

3.1. Brand Extension

Honda has made a right decision on its Growing Strategies through its brand extension. Actually, the company has launched the new range of products which are Scooters at the right time and in the right context of the Vietnamese economy. In recent years, due to the development of the Vietnam economy and the nation’s citizens’ living standard, new tastes and demands for Scooters have appeared. The high awareness and perceived quality of Cubs have created the advantages for Scooters to develop which is totally suitable to Keller (2008)’s view about brand extension. If in the past Cubs or Super Dream were outstanding for their high quality, safety and durable power support, nowadays besides these above inherited features, Honda Scooter models
have also been competitive for its stylish, luxuriousness, environmental friendliness and hi-
technology. However, in order to serve different target customer groups, Honda’s new models are identified in the various ways. For instance, the lines of imported scooters target at high class customers while the aimed customers of Cubs are low and medium income. Interestingly, every new motorcycle of Honda has its own specific name and independent on the others. Under the parent Honda Brand, there are several different sub-brands like @, PS, Future Neo or Lead and so forth. In theory, this could bring Honda some disadvantages like confusion between these sub-brands and identities. In fact, due to the various target customers, this disadvantage could be limited to some extent, which is proved through the leading position of Honda in both product segments Cubs and Scooters.

3.2. Line Extension

Another important strategy of Honda for the Growth of its Brands on Vietnam Motorcycle Market is line extension. Honda has offered around 10 product lines in both Cub and Scooter markets. These have helped Honda expand the user base because of various customer groups. If in the past, the loyalty customers of Honda just looked at the power durable ability of Honda motorcycles, nowadays it is Honda Brand’s expansion through line extension that appeals to the customers. The new product lines like Future Neo or Click and Air Blade are perceived as the stylish, youthful ones. What is more, through line extension, the innovations in Honda are managed effectively. On one hand, the usage context of Honda motorcycles is expanded from the normal usage as a means of transportation to the products providing customers chances to show their style which is indeed the desire of Honda, to aim at “the creation of fun to drive”. On the other hand, Honda’s brand values are enhanced and ultimately the competitive advantages are established for the leading company. The line extension is a way that Honda could cover the whole Vietnamese market from the bottom line to the upper class. This could block its competitor’s wishes of capturing the potential Vietnamese market. Importantly, with the widespread of the Chinese low price brand, Honda product lines like Wave α or Super Dream which aims at the low income customers could successfully compete with Chinese products thanks to the competitive high quality and low price. This strategy also assists Honda in spreading into all market regions in Vietnam and more easily gaining the market share owing to the developing conditions in this country. In addition, Honda’s new versions of old product lines have been launched on a yearly basis to bring freshness to customers as well as the power to
Honda Brand. For instance, to present Wave line has 5 models and the later holds advanced features compared to the previous one.

Overall, Honda growing process actually shows the way Honda has adapted to the conditions of a developing country. In the late 1990s when Vietnam was in the first days of opening market, Honda was the pioneer in Vietnam Motorcycle Market and quickly gained the loyalty of customers through the quality of the Cup and Dream lines. When the competitors penetrated into this potential market, the price and style competition commenced, based on the carefully market researches, Honda Vietnam has continuously launched new product lines with superior quality and reasonable price to satisfy the needs and demands of the citizens in this developing country. The high Vietnamese home-made ratio combined with the management and working style of Japan could be the rationales for the success of Honda in providing the reasonable price products for Vietnamese customers. In addition, the extensive involvement in a great deal of social activities has offered Honda opportunities to deeply understand Vietnamese culture and market conditions to become a true Vietnamese which has helped the company gain more competitive advantages.

4. Brand Maturity

4.1. Added Values and Recreated Difference Offerings

Apart from the core products which are the motorcycles, Honda has enriched its values by adding further support services to more satisfy its Vietnamese customers. In addition, the firm has also given great concerns over the difference recreating of Honda Brand Motorcycles. It can be seen that Honda renews its products regularly with the introduction of a range of models on a yearly basis, or to upgrade them to better satisfy Vietnamese customers’ current expectation. The strategy in fact has helped Honda to create a new experience for the company’s Vietnamese customers which could create their greater satisfaction and welcome in the country market.

4.2. Communication Efforts and Influencer Proximity Sustaining

Around 80% of the respondents in the survey are known to pay much concern about the influence of Honda’s communication efforts on their awareness and interest in the brand. Besides, around 85% of the participants take the company’s social responsibility into consideration when they make a Honda motorcycle purchase decision. Therefore, it can be seen the role of this initiatives in the company’s success. Honda is aware of this and has been managed to adopted appropriate sustaining strategies.
4.2.1. Honda Marketing and PR Activities

As analyzed, that marketing and PR activities play a significant part in a company’s Brand Sustaining Strategy. Especially in the case of Honda on Vietnam Motorcycle Market, whose Brand Launching and Growing phases were quite short leaving time for the stage of Brand Sustaining in a tough competition market context.

Considerable endeavor has been created through Honda’ marketing and PR activities to keep the company’s brand leading position on Vietnam Motorcycle Market. The firm has introduced a range of programs like Eco-Product Fair and Air Blade Exhibition, Branding Campaign with ‘Be U with Honda’, Sales Promotions with ‘Free Oil Charging’ and ‘Bright New Year’ as well as the PR tool through the Tree Planning Project in Hoa Binh Province while as much adjusted to the country’s specific conditions as possible. That Honda offers eco-product and actively takes part in the Tree Planning Project while Vietnam’s environment is extremely polluted has been highly appreciated by the country market. The firm’s campaign ‘Be U with Honda’ targeting at Vietnamese youth who are supposed to be “Looking cool”, “Acting fun”, “Thinking smart” and “Feeling free” has also helped the it achieve a warmer welcome from the customers. Honda’s effort has actually paid off; the company has been successful in being the companion of Vietnamese people with full understandings of the country’s cultural, economic situations.

4.2.2. Honda Social Activities

Society orientation is what Honda desires to do which is shown in the company’s words ‘we strive to become a company that the society wants to exist’ and actions. Honda has carried out a serious of social activities in different fields like tree planning for Environmental Preservation; equipment and scholarship granting for Education Development; cultural, sports, music and fashion sponsoring for Social Activity Support; and fund giving for Donation and Charity. Indeed, social activities are of significant importance when it comes to a company’s contribution to a developing country like Vietnam. The country’s emerging economic stage should lead to certain development stimulation demands as well as side effects on its people’s living and natural environment. Thus, Honda’s actions corresponding to Vietnamese people material and spiritual encouragement, human daily life and natural environment concerns do actually help the company gain great support when the company does its business in the country market of Vietnam of which Honda Motorcycle is showing it is a member.
4.2.3. Safety Driving Plan

Mentioning Honda, none of Vietnamese does not know about ‘I Love Vietnam’ which is one of the activities Honda has truly made to help the country build a traffic safety society. Honda has done a lot of things to realize its Safety Driving Plan in Vietnam like building Honda Safety Driving Centers, organizing such programs as ‘Traffic Safety for Tomorrow Smile’ and ‘I Love Vietnam’ which is considered as the biggest contribution the that company has made to the country place its doing business. These activities are of more important in the case of Vietnam where traffic accidents have been for a long time an imperative issue of the nation. Honda has really adapted to the specific situation of Vietnam market to come up with and successfully carry out its branding strategies. It is thus understandable the reasons for Vietnamese government and its people’s great love for Honda – the root is Honda’s great love for Vietnam.

4.3. Price Comparison

Comparing to the product price of such competitors as Yamaha, Suzuki, SYM and Piaggio, Honda motorcycles with superior quality and reliability are offered at a reasonable price. Actually, this is considerably thanks to several external attributes in the specific condition of Vietnam. The first one is the penetration of Chinese motorcycles into Vietnam which created following effects concerning the born of domestic motorcycle manufacturing, assembling, supporting and component supplying enterprises to serve Honda-copied low price motorcycles. The second one is Vietnamese government policies in terms of domestic production stimulating or localization requiring. They have helped Honda reduce its production cost through non-core part sourcing as well as decrease its foreign currency spending when increasing its products local content. The local content ratio in Honda’s motorcycles is recorded of 80%, which really offers Honda great advantage over the company’s rivals on the market to keep a competitive price.

However from the second half of the year 2008, Honda has made a change in its pricing strategy. The company’s market prices are different from the list prices. HEADs have supplied the market with motorcycles of much higher prices which has already caused strong waves of protest from Vietnamese customers. Honda’s actions in such the case behind which are a series of rationales like too confident about its Brand; to protect the rights of the HEADs; to maintain the market share of its previous categories; and to strengthen its image on Vietnam Market do actually disappoint its customers in the country. They would certainly badly affect Honda’ image. Great success in Vietnam Motorcycle Market in fact causes the company to fail to recognize potential impacts which may arise as a consequence of its actions. A lesson is drawn after the case of
Honda price strategy that is the business winning of a firm should derive from the benefits of its customers, or the company must be customer-oriented.

4.4. Counterfeit Product Defense

Any winning brand should encourage the appearance of counterfeiting ones. Honda Motorcycle does not pay much attention on this issue since the company is known to provide its products only through HEADs and it also believes that Vietnamese customers who take careful considerations when making purchase decisions know where to buy a true Honda motorcycle. It seems that the Honda is relatively ignorant with the risks of brand counterfeiting. Actually there have been not few cases of Chinese Honda-copied motorcycles being supplied on Vietnam Market. Is it the company too self-confident about itself then Honda does not care much about this problem which should make badly influence on its sales figures as well as its reputation for high quality motorcycles? In fact, the lesson drawn from Honda’s pricing strategy over these months should be given more thought by the firm in terms of its so self-belief in its leading position on Vietnam Motorcycle Market from the past to the present.

Overall, Honda has basically been managed to sustain its Brand on Vietnam Motorcycle Market through the company’s Added Values and Difference, Communication Efforts and Influencer Proximity Sustaining regarding Marketing and PR Activities and Social Activities including Safety Driving Plan as suggested in the theories of Brand Sustaining Strategies in Kapferer, J N. (2004). Honda has made careful considerations about the specific conditions or business environment of Vietnam – a developing market through its extensive and intensive market research. Successfully communicating to Vietnamese customers on the country’s Motorcycle Market regarding functional values, social corporate responsibility as well as marketing and PR activities recommended by Keller and Moorthi about Building strong brands in developing worlds (2003), Honda has principally been managed to gain great achievements on the Motorcycle Market of Vietnam.

However, Honda fails to adopt a proper pricing strategy in recent months as well as to pay enough attention on the issues of Counterfeit Product of Chinese Honda-copied motorcycles which trace root from the company’s too self-confidence. These should be given more thought as proposed by Kapferer, J N. (2004) according to whom they are also imperative attributes in a company’s Sustaining Strategies to its long-term success.
VII. Conclusion, Recommendation and Lessons

1. Conclusion

Over the time in Vietnam, Honda has been making substantial investments of time, effort and capital for the benefits of Vietnamese people as well as for the development of the country. In return, the firm has achieved great success on Vietnam Motorcycle Market, in terms of its Brand Launching concerning Brand Identity and Positioning Strategies and Brand Sustaining regarding Brand Growing and Sustaining Strategies.

For years, Honda has kept the leading position in the Vietnamese motorcycle industry and gained great love from Vietnamese customers. Honda Brand’s achievements are attributed to a number of external factors of Vietnam market conditions or business environment. The needs and demands of Vietnamese customers for a reliable means of transportation has created immense opportunities for Honda to penetrate into the market serving as the first mover in the motorcycle manufacturing industry to offer its true Made-in-Japan products. The entry of Chinese Honda-copied motorcycles in the early of 2000s has helped the company realize its Vietnamese customers’ needs for Honda reasonable price products which is understandable in such an emerging market with limited income consumers. The appearance of Chinese’s motorcycles has also encouraged the born of domestic manufacturing, assembling, supporting and component supplying enterprises who indeed has offered Honda a great support its product price adjustment goal. The firm could take the advantages of sourcing in the domestic which should assist Honda in reducing its production cost, saving foreign currency spending and satisfying the localization requirements by Vietnamese government policies.

Actually, the rationales behind Honda’s success on Vietnam Motorcycle Market are the company’s Branding Strategies corresponding to its ways to identify position, enhance growth and sustain the Honda Motorcycle Brand. What is of significant importance is these Branding strategies and initiatives have been carefully tailored to the specific business environment of Vietnam, an emerging market which is the economic and cultural context as well as the market conditions concerning Vietnamese customers’ needs and competitive conditions through the firm’s extensive and intensive market research.

Concerning Honda Motorcycle’s Identity Strategies, the company has been successful in identifying itself in terms of ‘Brand as a Product’, ‘Brand as a Symbol’, ‘Brand as a Person’ and finally ‘Brand as an Organization’. Serving as a product, Honda are known for its high quality including long duration, safety, strong engine, fuel saving, various design as well as hi-tech and...
environmental friendliness of Made-in-Japan goods. Moreover, the company’s products also offer customers more added values with is services and after sales services like giving well-trained safety riding instructions, providing 2 year warranty, routine check and maintenance, offering spare parts of good quality, reasonable price, easy accessibility, safety and environmental friendliness, establishing Service-station repairing and providing genuine parts for motorcycle companies, setting up Technical Advisory Center as well as Mobile Service nationwide with a reasonable price. Acting as a symbol of ‘The Power of Dream’ and a person, Honda Brand is launched to bring customers a variety of such characteristics as new standard, modern design, luxurious style, fashionable, youthful, sporty and dynamic style, unique color, durable power and convenience depending on certain customer groups. At last when being an organization, Honda Motorcycle proves itself to hold an ideal Corporate Culture with respects to its Values, Philosophy, Principles and Management Policies, a favorable and environment friendly working condition, advanced technology commitment, and society orientation with its programs regarding Environment Protection and Education Support, Donations and Charity, Safety Driving and Sponsorship in different fields. Adapting to the specific conditions of Vietnam Market, Honda has been managed to adopt the reasonable price, environment and safety driving commitment as well as society orientation strategies.

When it comes to the Positioning Strategies, Honda has appropriately clarified its ‘A Brand for What’, ‘A Brand for Whom’ and ‘A Brand against Whom’. In particular, Honda motorbikes are to satisfy the needs of its two different customer groups in middle and high class with transportation means of such product and service element as mentioned above in the Identity strategies with a desire to successfully compete with its competitors like Yamaha, Suzuki, SYM and Piaggio among whom Yamaha is considered as Honda’s main rival in the brand racing on the current Motorcycle Market of Vietnam.

Regarding the Growing Strategies in terms of brand extension as line extension as well, Honda on Vietnam Motorcycle Market has proved its great success. Known as a Brand with a range of product lines, Honda has offered customers on Vietnam Market with a series of models Dylan, SH, PS, @, Spacy, Lead which belongs to the company’s Scooter category to serve high class customers and Air Blade, Click, Dream, Future, Wave which are Honda’s Cub category to meet the needs of middle class customer group. Tailoring to Vietnamese customers’ taste and financial situation, Honda Motorbike has implemented proper strategies to enhance its growth in both urban and rural segments of the market.
Corresponding to Honda’s Sustaining Strategies, Communication Efforts and Influencer Proximity Sustaining regarding Honda Marketing, PR and Social Activities and Safety Driving Plan have been paid great attention. The firm has introduced a range of programs like Eco-Product Fair and Air Blade Exhibition, Branding Campaign with ‘Be U with Honda’, Sales Promotions with ‘Free Oil Charging’ and ‘Bright New Year’ while as much adjusted to the country’s specific conditions as possible. Besides, Honda has carried out a serious of social activities in different fields like tree planning for Environmental Preservation; equipment and scholarship granting for Education Development; cultural, sports, music and fashion sponsoring for Social Activity Support; and fund giving for Donation and Charity which are of significant importance when it comes to a company’s contribution to a developing country like Vietnam. Moreover, Honda has done a lot of things to realize its Safety Driving Plan in Vietnam like building Honda Safety Driving Centers, organizing such programs as ‘Traffic Safety for Tomorrow Smile’ and ‘I Love Vietnam’ which is considered as the firm’s biggest contribution to the country. However, Honda has failed to adopt a proper pricing strategy from the second half of the year 2008 as well as to pay enough attention on the issues of Counterfeit Product of Chinese Honda-copied motorcycles which have to a certain extent made a considerable impact on the company’s business on Vietnam Motorcycle Market during these days.

2. Recommendation for Honda Motorcycle Vietnam

It can be said that Honda is the typical success in launching and sustaining its brand in a developing country. In Vietnamese markets of both Cubs and Scooters, Honda has kept the leading position thanks to the company’s appropriate Brand Launching and Sustaining Strategies. Nevertheless, Honda’s failure to continuously strengthen the company itself, and to identify and fix the present shortcomings in the tough competition context of Vietnam Motorcycle Market would badly impact the firm’s current strong Honda brand. These are some recommendations for Honda’s image sustaining in the Motorcycle Market of Vietnam.

Honda should keep being a good Vietnamese citizen. On one hand, local orientation could assist Honda Vietnam in understanding and timely adapting to the changing conditions of the developing country in policies, economics, social culture and so forth. On the other hand, it should offer great help for the company in re-identifying what Vietnamese customers need and want. This move should support Honda Vietnam to provide its Vietnamese customers with what is called Honda Vietnam motorcycles. Hence, the Vietnamese could feel proud of Honda Vietnam in the similar way as the Japanese are proud of their Honda.
Pricing is currently a critical issue for Honda on Vietnam Motorcycle Market. The company’s market price raising strategy has actually experience waves of protest from Vietnamese customers who tend to ‘Say No with Honda’. It is obviously that Honda has made a big mistake when the company is away from the rights and benefits of its Vietnamese customers. Therefore, perhaps what Honda should do at this time is to keep the market prices the same as the list prices of its all motorcycle product models. In other words, the company should tightly follow the consistent price strategy because Honda Motorcycle Brand is well-known for its high quality and reasonable price in Vietnam Market. The Lead case could help Honda raise the sales and revenue for the short term but in a long run, it could destroy the image of Honda Brand in Vietnamese customers’ mind. It could take a long time, a considerable investment and great efforts to build a strong brand like Honda. That it however takes a short time to destroy a brand if the company has a wrong move. Actually, in such a tough competition context in Vietnam Motorbike Market, the sudden rise in the prices of Honda could be a good opportunity for the competitors to persuade Honda’s customers changing their mind. Honda then would lose its customers and the motorcycle brand’s market share as a consequence. In addition, the way Honda keeps the price consistent for each product model partly contribute to the success of Honda brand in keeping promises to its customers. In order to do this, Honda should work with HEADs to reach agreements on retailing price policy.

Customer relationship as shown in the result of the survey seems to be what Honda should give more attention and efforts. The company’s current warranty and maintenance services are good but the respondents suppose that Honda could and should do it better. The brand could really be strong if its customers feel totally satisfied with what the brand brings to them and with the way it keeps the relationships with them. In fact, the survey result shows that 68% of respondents would consider Honda’s products for further purchases. This means that Honda totally could grow its brand through existing customers if the company encourages them and establish their loyalty. Therefore, apart from existing after-sale services, Honda should keep track of the company’s customers’ information maybe with the help of ERP software, to serve them individually like sending customers birth-day gifts of one-time free repairing the motorbike or a birth day card from Honda for instance; offering them loyalty cards; or introducing Honda club for customers to share the pride and love for Honda motorcycles and so forth.

The last thing about which Honda Motorcycle Vietnam should give more concerns is the issues of Counterfeit Brand Defense. As can be seen, there are numerous cases when Chinese Honda-
copied motorcycles are found to be consumed on the market of Vietnam. In spite of this situation, Honda Vietnam says that they do not care much about Chinese imitation products since their motorcycles are only provided by Heads and they believe that Vietnamese consumers with their knowledge and information will not fall into the trap of the counterfeit motorcycles. However, the current conditions on the market should not have witnessed such response of the company. Maybe Honda is too self-confident in its brand image but the situation indeed could lead to Honda Motorcycle Brand’s decrease in its sales figure as well as the erosion of Honda Brand reputation in terms of Made-in-Japan high quality products on the Market of Vietnam.

3. Lessons for other companies

An insight into Honda’s success in terms of the company’s Branding Strategies in Vietnam Motorcycle Market should provide certain lessons for those firms who desire to successfully brand in Vietnam Market in particular and developing countries in general.

In the phase of Brand Launching, the company should build strong Brand Identity as well as Brand Positioning from the early days penetrating into the emerging nations because of the quick growth and maturity of those markets. In order to reach this goal the firm should pay concerns over such a range of issues as follows:

First of all, Marketing and PR Activities through such programs as Product Fair and Exhibition, Branding Campaign, Sales Promotions as well as other PR tools apart from the product foundation should be paid attention. Indeed, these initiatives really pay off when it comes to support the firm not only in building and strengthening but also in sustaining its brand image.

Furthermore, the firm should also adopt Reasonable Price Strategy when considering the economic context as well as the customers’ limited financial situation. Nevertheless, the company could charge different prices for different product lines or models which should take the full use of both adapting to certain market context of emerging countries and more extensively covering a variety of market segments or targeting at different customer groups in the whole market. In this case, localization could assist the company in exploiting cheap resources of the developing countries and gaining preferential treatments from the Government to reduce the cost.

Additionally, Localization Strategy should be considered because this could greatly assist the firm in deeply understanding the need and attitudes of both customers and society so that the company could develop the fully tailored Brand Identity and Positioning Strategies to the
political, culture and economic conditions of the developing countries. It can be seen that establishing the brand to become a good citizen would bring the firm such great advantages respect and support gaining from the Government like Honda in Vietnam and Brand Identity and interest enhancing in the customers’ mind. Vietnamese residents have welcomed Honda’s products partly because its motorcycles are suitably designed to the Vietnamese traffic conditions and demands.

Importantly, in any market nowadays, customers are the centered and are the target of the brand. Basically, successful companies are market or customer oriented. Therefore, Customer Relationship should get great concerns during the branding process of a company. By encouraging the customers and gradually establishing their loyalty, the firm’s brand could totally gain the strong identity in their minds.

Together with customer relationship, the Influencer Proximity with the Government and the community should be seriously considered in developing markets. Since these countries need foreign investments to develop the economies so that the foreign directed investment and foreign companies could achieve preferential treatments if they positively contribute to the society and strictly obey the policies of the destination countries’ governments. In the case of Honda, the company gained tax incentives due to the high rate localization and the respect of the Vietnamese government in environmental protection and social contributions.

Finally, Corporate Social Responsibility is becoming more and more imperative in business nowadays. The company should make great efforts in contributing to the destination country through such numerous activities as Social Activities of Environmental Preservation, Education Development; Sponsorship for Social Activity Support; Donation and Charity. Social activities are of greater significant importance when it comes to a company’s contribution to a developing country like Vietnam since its emerging economic stage should lead to the demands for development stimulation as well as side effects on its people’s living and natural environment.

In the phase Brand Sustaining, due to the quick growth in developing markets, the Growing and Maturing stages should be paid attention.

Concerning how the company should Grow its Brand, brand extension and especially line extension should be regarded as a strategy to help the company achieve more success in the developing countries. Taking the advantages of the previous winning categories, the firm should launch other product types which may be given more chances to be accepted. Because of the big gap between the poor and the rich in developing countries, through line extension the company
could target at different kind of customers. However, there should be the sub-brand name for each line otherwise the high-class customers could be unsatisfied because they feel that they are using the same product brand with the middle and low income customers.

Regarding a firm’s Maturity Phase, there are a number of suggested strategies which deserve serious consideration. Apart from the Customer Relationship Improving and Influencer Proximity Sustaining corresponding to social orientation and corporate responsibility as well as Communication Investing including Marketing and PR Activities and Price Comparison Focusing or adapting Reasonable Price Strategies as carefully considered in the Launching phase, there are also other strategy practices drawn from the study of the dissertation:

So as to successfully sustain a brand, it is essential that the firm is managed to Bring Added Values and Recreate a Perceived Difference to its brands which could be achieved through the R&D activities in terms of customers need investigation and product research. This strategy should bring about the satisfaction as well as new feeling or experiences for the brand’s customers – the basis to maintain the position of a brand on the market.

In addition, after a short period from the pioneer’s penetration days, the potential of the developing market attracts the entrance of other foreign companies and ultimately causes high competition. Actively and dynamically involving itself in the tough Competition should provide the company with immense forces for its brand’s strengthening concerns. The firm would be put pressures to constantly refresh its customers’ experiences with new product lines and numerous added values. More importantly, the company should find greater necessities in the technology commitment and society orientation so as to be more warmly welcomed in the destination country markets.

At last, Adopting Dual Management serves as the company’s preparation measures for prolonging the brand’s success. When the current market demands are basically matured, it is necessary for the firm to make way for the new customer generations to come besides the excising customers. With the grasp of this issue, the company creates market opportunities for itself and better meets their customers’ needs simultaneously.
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Appendix 1. Interview Questionnaire

Part 1: Brand launching

Section 1: Brand Identity

1. It is said that ‘Honda Brand has actually gained widespread awareness on Vietnam Motorcycle Market’. What do you think of this assessment?

2. A brand symbol is considered as the representation of a brand, which helps the viewer to understand, recognize and relating to the brand owner. Then in the case of Honda Motorcycle, could you please provide a clarification for the symbols of Honda Motorcycle Brand?

3. Could you please give us an explanation about the company’s hostictic efforts/ attributes to the success of Honda Motorcycle Brand on Vietnam Market?

4. It is the product’s personalities that make it easily recognized among those in the same category. So what characteristics have Honda chosen to put into its motorcycles so as to achieve such a warm acceptance from Vietnamese consumers?

5. According to your evaluation, what is the role of the factor Country of Origin in the success of Honda Motorcycle Brand in Vietnam?

Section 2: Brand Positioning

6. Could you please clarify who are the Vietnam customer groups that Honda Motorcycle targets at?

7. What are the values Honda Motorcycle wants to create for its Vietnamese customers? In other words, which benefits Honda expects to bring to its consumers?

8. As we know, in the context of Vietnam market where motorcycles are the main means of transportation, it can be witnessed the tough competitions among a range of domestic and foreign rivals. Therefore, what and how has Honda done to deal with that situation as well as to obtain such a great achievement?

9. In your opinion, what makes a Honda Motorcycle be the truly differentiated brand from those of the competitors which help the Brand become the most popular choice for motorcycle users in Vietnam?
10. How has the Marketing Mix assisted your company in capturing the biggest market share in Vietnam Motorcycle Market?

**Part 2: Brand Sustaining**

**Section 1: Brand Growth**

11. How has Honda Motorcycle taken advantages of its existing customers to gain more trading volume and acquire the benefits of cross-selling between brands?

12. What actions has Honda Motorcycle in Vietnam taken to effectively gain the company’s brand extension?

13. Could you please make the evaluation on the part of innovation in the success of Honda Brand on Vietnam Motorcycle Market?

**Section 2: Brand Maturity**

14. Honda seems to have largely invested in communications. Then could you please share with us the role of these strategies in the success sustaining of Honda Motorcycle Vietnam?

15. With some product lines which have already been on the market for a long period, does Honda plan to bring added values or recreate a perceived difference to the company’s customers?

16. Compared to the competitors like Yamaha, do Honda motorcycles have the advantages of price and if yes, how has the company been managed to do that?

17. In the current Vietnam Market context, there are a large number of imitated motorcycles of superior price from China. How has Honda coped with this type of brand counterfeiting?

18. What have been Honda Vietnam Motorcycle’s strategies and initiatives when it comes to improve its customer relationship, influencer proximity and attain the dual management of the brand’s existing customers and those of new generations?
Appendix 2. Survey Questionnaire

Part I. Question for motorcycle users

1. Which brand below do you firstly think of corresponding to a motorcycle?


2. Do you have a motorcycle? If yes, what brand do you own?


3. What are your criteria when you make a motorcycle purchase decision?


4. Are you satisfied with your motorcycle now?


5. It is said that Honda is a leading Motorcycle Brand on Vietnam Market. What do you think of this?


6. What associations you make when you think about Honda Motorcycle?


Part II. Question for Honda motorcycle users

7. Do you own a Honda Motorcycle?

1. Yes 2. No

If yes, please continue these questions.

8. What symbols bellows do you think belong to Honda Motorcycle Brand?


9. To what extent you are satisfied with your Honda’s quality?
10. These are the benefits you gain when you use a Honda Motorcycle?

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<td>1. Safety</td>
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<td>2. Stylist</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Fuel saving</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>4. Environment protection</td>
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11. Does the Country of Origin affect your decision on buying a Honda Motorcycle?

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<tr>
<th>Country of Origin</th>
<th>1. Yes</th>
<th>2. No</th>
</tr>
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</table>

12. When you buy motorcycles or make purchase suggestions for others, do you make a consideration of Honda’s different product lines?

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<tr>
<th>Consideration</th>
<th>1. Regularly</th>
<th>2. Irregularly</th>
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13. Do Honda’s media communication efforts make a great influence on your awareness and interest in the company’s Motorcycle Brand?

|-----------|--------|-----------|----------|

14. Could you please evaluate the way Honda Motorcycle has kept the relationship with you?

|--------------|----------------------|-------------|------------|---------------|------------------------|

15. To what extent does Honda’s corporate social responsibility in terms of the company’s contribution to your community make influence on your Honda Motorcycle purchase?

|----------------------------------|--------|-----------|----------|

16. Do you keep considering Honda when you make a future motorcycle purchase?

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<tr>
<th>Consideration</th>
<th>1. Agree</th>
<th>2. Disagree</th>
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17. Personal information

Gender: ______________ Age: ______________
Occupation (optional): ______________
Appendix 3. Interview Record

Interviewee: Tetsuya Kawahara, the Sales Manager of Honda Motorcycle Vietnam

Brand Identity

1. It is said that ‘Honda Brand has actually gained widespread awareness on Vietnam Motorcycle Market’. What do you think of this assessment?

Actually, Honda was warmly welcomed by Vietnamese customers’ right after we penetrated into the Motorcycle Market of the country. The most important reason is that we are from Japan while Made-in-Japan products gain great trust in Vietnamese customers’ minds for their superior quality and reliability.

Over the years doing business in this market, we have tried to sustain the Vietnamese’s belief in Honda Brand’s quality by offering global standard motorcycles. Therefore, Honda has so far acquiring a firm position in Vietnamese customers’ hearts.

2. A brand symbol is considered as the representation of a brand, which helps the viewer to understand, recognize and relating to the brand owner. In the case of Honda Motorcycle, could you please provide a clarification for the symbols of Honda Motorcycle Brand?

Mentioning Honda symbol, every Vietnamese people know about ‘The Power of Dreams’, the ‘Wing Symbol’ and ‘Red Honda’. They are to express our goals to make Vietnamese customers’ dreams come true with the power of Honda Motorcycles.

However, what I want to emphasize when mentioning Honda Brand Symbol on Vietnam Motorcycle Market is Honda Vietnam Brand Symbol that is ‘I Love Vietnam’.

3. Could you please give us an explanation about the company’s hostictic efforts/ attributes to the success of Honda Motorcycle Brand on Vietnam Market?

Our first priority is identifying customers’ needs. Therefore we have put great investments in our R&D activities which are the most important attribute to Honda Motorcycle Brand success.

The second thing that I suppose to be of considerable importance is the PR and marketing activities, especially we ‘strive to become the company that the society wants to exist’. We have made great endeavors in contributing to the society of Vietnam. Honda is really committed to Vietnam society orientation.
4. *It is the product’s personalities that make it easily recognized among those in the same category. So what characteristics has Honda chosen to put into its motorcycles so as to achieve such a warm acceptance from Vietnamese consumers?*

We supply Vietnamese customers with both Cubs and Scooters. These two categories target at dissimilar customer groups. Therefore, their characteristics are also different. They range from youthful to fashionable and luxurious depending on the specific motorcycle model.

5. *According to your evaluation, what is the role of the factor Country of Origin in the success of Honda Motorcycle Brand in Vietnam?*

Vietnamese customers have great trust in Made-in-Japan products while Honda is from Japan. Thus we think we has actually gained substantial benefits when it comes to Honda Motorcycles’ Country of Origin.

**Brand Positioning**

6. *Could you please clarify who are the Vietnam customer groups that Honda Motorcycle targets at?*

At the moment we target at different customer groups in Vietnam Motorcycle Market. In specific, we offer Cubs to satisfy limited income customers and Scooters to serve higher class consumers.

7. *What are the values Honda Motorcycle wants to create for its Vietnamese customers? In other words, which benefits Honda expects to bring to its consumers?*

I have to mention that superior product quality is our first priority. Reasonable price and support services as well as added values and features are also that we pay much attention so as to better serve our customers. Furthermore, advanced technology and environmental friendliness of Honda Motorcycles are also what we suppose to be a valuable addition to our customers’ values.

8. *As we know, in the context of Vietnam market where motorcycles are the main means of transportation, it can be witnessed the tough competitions among a range of domestic and foreign rivals. Therefore, what and how has Honda done to deal with that situation as well as to obtain such a great achievement?*

No answer.
9. *In your opinion, what makes a Honda Motorcycle the truly differentiated brand from those of the competitors which help the Brand become the most popular choice for motorbike users in Vietnam?*

What makes Honda Motorcycle different does derives from our customers’ real need satisfaction. We have tried to identify what Vietnamese customers truly need to offer them on the Motorcycle Market. Since we believe that customer orientation is the only way to a business gets achievements on any market, we specially focus on identifying and meeting our Vietnamese customers’ needs and demands.

10. *How has the Marketing Mix assisted your company in capturing the biggest market share in Vietnam Motorcycle Market?*

I have to say our philosophy to offer customers with products of superior quality still at a reasonable price. Therefore, in Vietnam Motorcycle Market, we desire to supply our customers with products of high quality with numerous support services and added values at a competitive price delivered by our Head systems.

Actually, Marketing and PR activities are what we give pay great attentions. We use a variety of tools like advertising, branding campaigns, trade shows, sales promotions, and PR programs as well as social activities like environment protection, education development, safety driving, sponsor activities, donation and charity. We give special concerns on the issue of Social Corporate Responsibility. We desire to contribute to the development of Vietnam society of which we are business member and a citizen.

**Brand Growth**

11. *How has Honda Motorcycle taken advantages of its existing customers to gain more trading volume and acquire the benefits of cross-selling between brands?*

As I mentioned above, the product quality if our emphasis. Services and Marketing efforts are the next measures for Honda Motorcycles to gain these advantages.

12. *What actions has Honda Motorcycle in Vietnam taken to effectively gain the company’s brand extension?*

They are the product quality, support services; value added activities as well as Marketing and PR efforts.
13. Could you please make the evaluation on the part of innovation in the success of Honda Brand on Vietnam Motorcycle Market?

We not only care about the innovation of the product itself but the manner we offer our Brand to the market. Honda Motorcycle’s elements of advanced technology or new design are certainly play significant roles. However, I want to emphasize the way we use to create Honda image on Vietnamese customers’ mind, it is through our commitment to Vietnam society orientation. Evidence is our program ‘I Love Vietnam’.

Brand Maturity

14. Honda seems to have largely invested in communications. Could you please share with us the role of these strategies in the success sustaining of Honda Vietnam Motorcycle?

We have made considerable investments in communicating our Honda Brand in the public with Marketing and PR tools. Actually, Honda Motorcycle Vietnam Branding strategies are fully adjusted to the market conditions of Vietnam and definitely of considerable importance to our success on the market while our first and foremost priority is Honda products’ quality.

15. With some product lines which have already been on the market for a long period, does Honda plan to bring added values or recreate a perceived difference to the company’s customers?

We find it necessary to bring a different experience to our customers. Hence, Honda has constantly introduced models with added value to create a fresh feeling for our consumers.

16. Compared to the competitors, do Honda motorcycles have the advantages of price and if yes, how has the company been managed to do that?

No answer.

17. In the current Vietnam Market context, there are a large number of imitated motorcycles of superior price from China. How has Honda coped with this type of brand counterfeiting?

Since Honda Motorcycles in Vietnam are only provided by Heads so we do not really care about this issue.
18. *What have been Honda Vietnam Motorcycle’s strategies and initiatives when it comes to improve its customer relationship, influencer proximity and attain the dual management of the brand’s existing customers and those of new generations?*

Actually, we have carried out a series of activities to sustain our Honda Brand on Vietnam Market which range from PR and Marketing activities to Social Activities concerning Education Development, Environment Protection, Safety Driving, Technology Commitments, Social Sponsorship as well as Donations and Charity.
Interviewee: Yuichiro Ishii, Senior Manager of Product Planning Department of Honda Motorcycle Vietnam

Brand Identity

1. It is said that ‘Honda Brand has actually gained widespread awareness on Vietnam Motorcycle Market’. What do you think of this assessment?

Honda has joined Vietnamese market for 13 years. Before we entered this market, Honda had been the word referring to motorcycle in Vietnamese people’s mind, which is still true today. This has actually given us great advantages for our business when we made entry into Vietnam.

So as to achieve such position in Vietnamese customers’ perception, apart from our considerable holistic investments, the comprehensive efforts of our associates, our domestic and overseas suppliers are of truly significant importance. Desiring to sustain our current status on Vietnam Motorcycle Market, we has been making our greatest attempts to bring more values to our target and potential customers as well as to better satisfy their needs and demands.

2. A brand symbol is considered as the representation of a brand, which helps the viewer to understand, recognize and relating to the brand owner. In the case of Honda Motorcycle, could you please provide a clarification for the symbols of Honda Motorcycle Brand?

Our Honda is known for ‘The Power of Dreams’. This message reveals our desires to help our customers ‘see the world not as it is but as it could be’. We want to confirm that with Honda, ‘dream is possible’. Therefore, Honda Motorcycle’s ‘Wing Symbol’ and ‘Red Honda Letters’ let customers experience the feeling of ‘flying into the future with strong power’.

Actually, when we do business in Vietnam, we has also introduced a unique Vietnamese symbol with ‘I Love Vietnam’ which has so far received great welcome thanks to our extensive market research.

3. Could you please give us an explanation about the company’s hostiotic efforts/ attributes to the success of Honda Motorcycle Brand on Vietnam Market?

Orienting to customers and customers’ taste is what brings us the success. Actually, at this time, we have a series of product categories targeting at different customer groups.
Before launching new models, we always carry out careful and extensive market research. That is the reason why we know exactly what our customers need and expect from a new model.

Furthermore, we also would like to mention the service element in our products, which should help us keep our customers close to the company. We provide service and other added-value activities via our Head system (Honda exclusively authorized Dealer). Heads should be responsible for maintaining the motorcycles. Actually, we stay accountable to customers even when the maintenance time ends.

Overall, for customers’ right is our top priority all the time.

4. It is the product’s personalities that make it easily recognized among those in the same category. So what characteristics has Honda chosen to put into its motorcycles so as to achieve such a warm acceptance from Vietnamese consumers?

In fact, we offer two different motorcycle categories which are Cubs and Scooters with different personalities, and each of which includes a range of product models. For instance, Cubs like Super Dream, Future and Wave targeting at middle class customer group would be dynamic and youthful, while Scooters such as Dylan, SH and Lead to aim at high class segment are fashionable and luxurious. As I stressed above, its our understanding of and orientation to Vietnamese customers’ needs that helps us have more opportunities to receive a warm welcome on the market.

5. According to your evaluation, what is the role of the factor Country of Origin in the success of Honda Motorcycle Brand in Vietnam?

We are deeply aware that the Vietnamese highly appreciate made – in – Japan goods for the high quality, long duration and good appearance.

Honda Vietnam has gained substantial benefits from this thinking style. Nevertheless, we do think if we can not prove that we have the capability and ability to produce the true – Japanese products we will soon be out of the playing field despite the belief of customers about a Japanese trademark. Therefore, it is our responsibility to sustain the reputation of Japan, which also means keep earning customers’ trust.

**Brand Positioning**
6. Could you please clarify who are the Vietnam customer groups that Honda Motorcycle targets at?

At present, we have two product categories Cubs and Scooters with a variety of models in each category. They target at specific customer groups. In particular, Cubs for people with limited income and Scooters for higher class segment.

Overall, our goal is to bring customer the highest value.

7. What are the values Honda Motorcycle wants to create for its Vietnamese customers? In other words, which benefits Honda expects to bring to its consumers?

Actually, a global quality Motorcycle going hand in hand with excellent after-sales service with a variety of added-value activities are what we desire to offer our customers and also what we can do in reality. In the near future, a Honda Motorcycle should not only be the means of transportation but also serve as the creation of “fun to drive” spirit.

8. As we know, in the context of Vietnam market where motorcycles are the main means of transportation, it can be witnessed the tough competitions among a range of domestic and foreign rivals. Therefore, what and how has Honda done to deal with that situation as well as to obtain such a great achievement?

No answer.

9. In your opinion, what makes a Honda Motorcycle the truly differentiated brand from those of the competitors which help the Brand become the most popular choice for motorbike users in Vietnam?

As I mentioned, we always aim at what customers need. Researching the competitors is among our strategy but not our priority.

At the moment, Honda Motorcycles are famous for the fuel efficiency, strong engine and environmental friendliness. The achievements totally derive from our thorough understandings of what customers wish.

10. How has the Marketing Mix assisted your company in capturing the biggest market share in Vietnam Motorcycle Market?

Honda Motorcycles with superior quality at a reasonable price is what we desire to offer our customers and also could do it in reality. Honda Motorcycles are exclusively
distributed by our Heads. This is for the purpose to effectively manage the distrubtion channels as well as limit the Honda imitated product offerings.

Marketing and PR activities are actually what we give great concerns. Our goal is using these tools to create the image of Honda Motorcycle Vietnam as a society orientation company which is expected to exist.

**Brand Growth**

11. *How has Honda Motorcycle taken advantages of its existing customers to gain more trading volume and acquire the benefits of cross-selling between brands?*

   The most important thing is we have to keep our principle in the product themselves which is supplying the superior quality goods still with a reasonable price. Services and after-sales services are also what we really care about.

   In addition, we also give great attention to PR and Marketing activities to gain more awareness of customers about Honda Brand and the products we supply.

12. *What actions has Honda Motorcycle in Vietnam taken to effectively gain the company’s brand extension?*

   Focusing on the products themselves, services and added values as well as PR and Marketing activities are what we concern.

13. *Could you please make the evaluation on the part of innovation in the success of Honda Brand on Vietnam Motorcycle Market?*

   We pay great attention to the innovation of our motorcycles. In fact, Honda has made great endeavors in R&D activities to satisfy our customers in an innovative way. We are committed to apply advanced technology to our motorcycles as well as try to make it ‘the creation of fun to drive’. We suppose that these efforts would help us gain more love from Vietnamese customers.

**Brand Maturity**

14. *Honda seems to have largely invested in communications. Could you please share with us the role of these strategies in the success sustaining of Honda Vietnam Motorcycle?*
Our communication efforts link Honda Vietnam to the public, meaning not only our customers but also the government and those who concern about our operation.

We divide the communication into two separate fields including PR & Marketing. These two departments operate separately meanwhile still support each other.

15. *With some product lines which have already been on the market for a long period, does Honda plan to bring added values or recreate a perceived difference to the company’s customers?*

Definitely every year, we always launch new versions of old product lines. That is, up to now, our Wave line has 5 categories. We do believe that this should create the fresh to our customers. In each new category, we add new features as well.

The product itself is not enough to attract customers. We know customers hope to receive much more than a mere product. They need support services and advice. They want to be offered close concerns even after completing their purchases. Therefore, we provide good and quick services, seriously deal with our customers’ complaint and give prompt as well as detailed advices.

16. *Compared to the competitors, do Honda motorcycles have the advantages of price and if yes, how has the company been managed to do that?*

No answer.

17. *In the current Vietnam Market context, there are a large number of imitated motorcycles of superior price from China. How has Honda coped with this type of brand counterfeiting?*

Actually, we do not pay much attention to the imitation motorcycles because our products are just delivered by Head system. Customers are therefore guaranteed not to buy such a motorcycle at Head.

Furthermore, most of Honda Motorcycle Vietnamese customers often put a lot of thought and invest a great deal of time searching information on what a Honda Motorcycle is and where to buy it etc before making their purchasing decisions, therefore, we do not think that they are likely to buy Honda-copied motorcycles.
18. What have been Honda Vietnam Motorcycle’s strategies and initiatives when it comes to improve its customer relationship, influencer proximity and attain the dual management of the brand’s existing customers and those of new generations?

No answer.