

# Starbucks in a war for coffee market



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The brand competition between the coca-cola and pepsi-co has occurred for a long time. The corporations continue to improve technology and reduce cost. The people who enjoy the most benefit from this competition is consumer, they can buy goods with lower price and good quality. On January, 2013 Starbucks have just opened the first store in Vietnam. It makes the violent competition with local brands. Typically, Trung Nguyen Corporation. We will analyze some strong points and good conditions of Starbucks and Trung Nguyen Corporation in the Vietnam market.

When Starbucks went into the Vietnam market, there was a lot of coffee brands in Vietnam, but the number of people who consumed coffee is very huge, this is an officer, businessman, ... all of them are young men, they like new things, foreign goods and especially Starbucks is the top brand in the world. The financial potential of Starbucks is very strong, its sales are 10 billion dollars each year with 150,000 staffs, more than 18,000 coffee stores all over the world.

Schultz is the CEO of Starbucks, he is a talent manager and looked like the second Steve Jobs of the Apple brand about ability of exchange situation. Trung Nguyen is the Vietnamese brand that has become fond of Vietnamese people for a long time. The taste of Trung Nguyen coffee is strong, that is suitable to Vietnamese people's favourite. Trung Nguyen defeated Nestle in the Vietnamese market, that is a historical mark for all staff of Trung Nguyen in competition with Starbucks. The CEO of Trung Nguyen is Dang Le Nguyen Vu, who grew up from difficult conditions.

Moreover, he is ambitious and always gives dreams for young men, many people drink Trung Nguyen coffee as they like Dang Le Nguyen Vu. The war for coffee market share staged. All the coffee brands have to compete fiercely.

with each other to scramble for the pieces of the cake. The brands have been competing with each other acute by making heavy investments in technologies, plants, lowering sale prices and offering sales promotion campaigns. Meanwhile, the other lesser known brands have also been trying to diversify their products to share the remaining modest market share.

Trung Nguyen has spending heavily on advertisement campaigns, offering many sales promotion programs, trying to make the brand more friendly by organizing writing and photography contests. Especially, Trung Nguyen has launched a lot of new products that fit the taste of consumers in different regions. Marketing: owner flexible marketing strategy with effective brand promotion activities, creating brand Trung Nguyen coffee strong and the products perfectly suit customer tastes.

Production: application of advanced production technology brings unique products bearing its own characteristics of the Trung Nguyen. Trung Nguyen has strong distribution network spread across the country with full of dealers, distributors and major retail, franchise ensure Trung Nguyen products are brought to consumers using a quick and reasonable Trung Nguyen's competitive position. In the coffee industry today, Trung Nguyen is considered to hold a dominant position.

Besides, Trung Nguyen is a Vietnamese brand first implementation of the strategy franchise in Vietnam and in the world market with the marketing strategy flexibility be applied successfully. Recently, Starbucks has officially entered the Vietnam market, and become formidable competitor of the domestic coffee brand It's not easy to squeeze into Vietnamese coffee market According to Jinlong Wang, President of Starbucks Asia Pacific, are

built based on high-quality arabica coffee, products and especially passionate and experienced baristas.

Besides, Starbucks will boost the localization of stores in its business strategy in Vietnam to make Starbucks stores the third destination for local people, after their home and office. Staff professional and friendly service According to the principle, the customer will be served within 3p and 5p latest in rush hour too busy shops. Starbucks employees are trained Each expert preparation of Starbucks coffee at the same time managing four trays, at least 15 minutes stirring once and never allow a cup of coffee for more than 30 minutes.

They do this even during breaks, cold coffee thrown away and not served. They also design the self-timer for iced coffee, iced tea and pastries to ensure that everything is fresh flavor. Most Starbucks stores are equipped with coffee Mastrena sophistication of Switzerland, is designed to give the highest quality Starbucks provides much more than just the best cup of coffee, we will offer a place where people come together, connect with family and friends and celebrate the local Vietnamese coffee culture and heritage,” Wang said.

Starbucks has started to purchase high-quality arabica coffee in Vietnam and will continue seeking arabica coffee supply in Vietnam in the long term. In addition, Starbucks will work closely with local coffee farming cooperatives to increase the quality of arabica coffee and introduce Vietnam’s distinctive coffee heritage to its global customers. PART3: Starbucks is the brand for entrepreneurs who are always busy and lack of time. They are the loyal

customers of the brand. Many people in VN like tasting a cup of rich coffee in the traditional booth or on sidewalk, sightseeing and talking for hours.

Meanwhile Starbucks customers of Starbucks need environment, space, style tasting coffee than flavor, Trung Nguyen focus on versed crew in coffee. Sure many people choose Starbucks when being busy, receiving guest. But when they want to taste a cup of delicate and rich coffee, they com with Trung Nguyen cofee. Obviously Starbucks and Trung Nguyen can be parallel, with different customer. The problem is which customers they will access and how to maintain the top position in the group. The arrival of Starbucks has brought great lessons for business in Vietnam.

Without direct an ad on TV, Starbucks bring the position of famous and have from benefit from the brands they build in a long time. Young people with curiosity and your experience become PR channel for the arrival of Starbucks on social networks, in the stories and spreading images. These are great lessons for Vietnamese enterprises, because, no brand yet we do like that The entering of Starbucks and many other coffee companies bring different style models, the modern way of doing business and honest. They help Vietnam coffee market more healthy competition.

Dang Le Nguyen Vu have from benefit the war with Starbucks all the time. Trung Nguyen image at this time in the eyes of Vietnamese associated with one of the world's most famous names. Starbuks not only bring a beverage, it also brings own culture, to help the Vietnamese have opportunities to access cultural the world . Consumers have more choice. The competition between brands contribute to improving the quality of coffee products,

bringing real benefits to consumers and contribute to Vietnam's coffee industry.