

Voluntary Report – Voluntary - Public Distribution

Date: September 21, 2023

Report Number: VM2023-0050

Report Name: Retail Promotion Yields Big Results in the northern Vietnam market

Country: Vietnam

Post: Hanoi

Report Category: Agricultural Situation

Prepared By: Ngoc Tran

Approved By: Ralph Bean

Report Highlights:

FAS/Hanoi's successful in-store promotion in July 2023 at the WinMart retail chain highlights growing opportunities to promote U.S. food, beverages and agricultural products in Vietnam. In addition to boosting sales of promoted products by 231 percent over the same time last year, the event generated good media exposure and raised brand and product profiles among consumers.

EXECUTIVE SUMMARY

The United States Department of Agriculture’s Foreign Agricultural Service (FAS) in Hanoi partnered with WinMart, one of the fastest growing retailers in Vietnam, to bring American tastes closer to Vietnamese consumers. The promotion featured eighty U.S. food and beverages products, including directly imported fresh cherries and blueberries; beef; pork and poultry; and other consumer-oriented products including canned food, sauces, dry fruit, nuts, milk, cheese, ice cream and yogurt, soft drinks and wine, and beer and spirits. The marketing campaign was rolled out at more than 1,000 Winmart supermarkets and convenience stores, including 40 WinMart supermarkets and 962 WinMart+ stores in Hanoi. The promotion offered sales pricing and sampling opportunities to consumers in Vietnam’s capital. (It is worth noting that WinMart+ stores, while having a footprint comparable to a convenience store, frequently operate as small groceries, offering an extensive selection of fresh fruit, vegetables and meat).

OUTCOMES

Outcome #1: Sales increase by 231%

The total value of sales of the promoted products increased by 231 percent during the promotion, as compared to the same period the previous year. The table below illustrates sales by categories:

Country of Origin	Category	Revenue stream from participating U.S. food, beverages and agriculture products (in US\$)		% Change
		June 29 - July 12, 2022 Same period last year, without promotion	June 29 - July 12, 2023 With Promotion	
USA	Confectioneries	\$9,086	\$2,237	-75%
USA	Dairy, ice-creams, nutrition drinks	\$9,563	\$129,168	1251%
USA	Frozen fruits and canned foods	\$1,298	\$1,735	34%
USA	Frozen beef, pork, chicken	\$15,163	\$18,780	24%
USA	Dried food	\$1,645	\$2,029	23%
USA	Fresh fruits	\$29,188	\$64,038	119%
	Total	\$65,943	\$217,988	231%

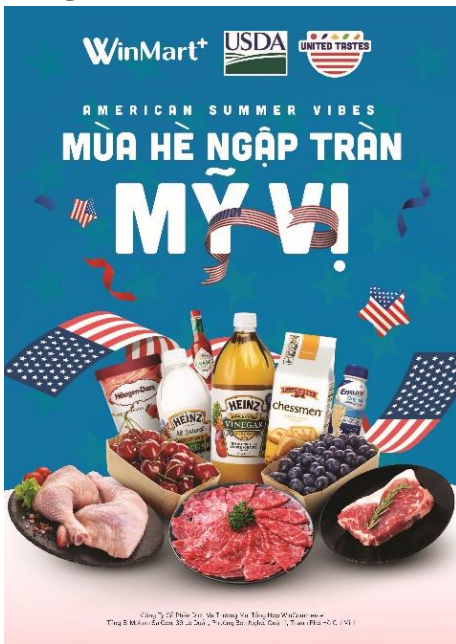
Source: WinCommerce/WinMart, July 31, 2023

The figures were provided by WinCommerce/ Trade Marketing department. While sales of confectionery products declined, fresh fruits, nutritional drinks, and ice-cream saw significant growth. The increase in fresh fruit sales was connected both to strong pricing and a strong in-store sampling program supported by California Cherries and U.S. Highbush Blueberries. Notably, the average price of U.S. cherries during promotion was half that of last year. Strong performance for dairy products and nutritional drinks shows the strong potential for U.S. dairy products in Hanoi’s retail sector, and reflects health conscious trends among both young and elderly Vietnamese consumers. As for U.S. frozen meat, in this promotion, the majority of growth is from frozen beef, though retailers note good opportunities for poultry as well.

Outcome #2: Brand visibility

The instore promotion generated substantial exposure for participating products and brands through the large volume of point-of-sale-and-marketing (POS) items including leaflets, promotion booklets, wobblers, mock-up hangers, pricelists, standees, flaglines, promotional islands and welcome gates; which were produced and displayed at 10 flagship stores, 30 supermarkets and 962 convenience stores of the WinMart chain in Hanoi. Below are the design and photos taken at some key WinMart outlets:

Design of POSMs:



Kick-off Event:



More photos are from [HERE](#).

POSM display at WinMart outlets:

More photos are from [HERE](#).

Outcome #3: Media Exposure

The promotion exceeded all targets for media exposure. For articles, the target was for 10 publications outside of advertising, but ultimately reached 18. For social media impressions, the target was 8,000, but the final count exceeded 28,820 during the period of the promotion.

Strong support from WinMart, FAS, and the U.S. Embassy contributed heavily to this stronger-than-anticipated result. The Embassy's Deputy Chief of Mission, Melissa Bishop, and Agricultural Counselor, Ralph Bean, participated in the launch ceremony for the promotion, along with Nguyen Trong Tuan, the Director of Supply Chain for WinMart Vietnam.

Articles published leaned heavily on quotes from the Embassy and FAS. Sample content from one of these publications includes the following:

“More U.S. agricultural products, food, and beverages will be available in Vietnam through WinMart, one of the largest supermarket chains in Vietnam, as part of efforts to promote United Tastes in the Southeast Asian country. The partnership between the U.S. Department of Agriculture’s Foreign Agricultural Service in Hanoi and WinMart aims to bring American tastes closer to Vietnamese consumers through the American Summer Vibes campaign. Accordingly, 80 U.S. food and beverages products, including directly imported fresh cherries and blueberries; beef; pork and poultry; and other consumer-oriented products, including canned food, sauces, dry fruit, nuts, milk, cheese, ice cream and yogurt, soft drinks and wine, and beer and spirits. U.S. agricultural products, food, and beverages are becoming more popular in Vietnam thanks to their high quality, safety, availability, and diversity, said USDA Agricultural Counselor Ralph Bean. For that reason, the cooperation between USDA/FAS and WinMart will effectively promote high-quality, safe, nutritious, and healthy products imported from the U.S., he highlighted.

“Vietnam is an important export market for U.S. agricultural products. In 2022, U.S. exports of consumer-oriented products to Vietnam reached over \$1 billion and are expected to grow along with Vietnam’s dynamic retail industry,” Chargé d’Affaires Melissa Bishop from the U.S. Embassy in Hanoi said at the Kick-off event for the American Summer Vibes campaign in Hanoi. The premium quality, consistent supply, and sustainable values of U.S. food and beverages contribute tremendously to the growing bilateral trade relationship between the U.S. and Vietnam, she stressed.

According to U.S. Ambassador to Vietnam Marc Knapper, agriculture plays a prominent role in trade relations between the U.S. and Vietnam. Relevant agencies are attempting to increase the availability of American agricultural products in the Southeast Asian nation to increase the market share of those products. “We are looking for ways to expand U.S. agricultural imports into Vietnam,” Ambassador Knapper told The Hanoi Times. “We think our agricultural products have the highest standards in the world and the best tastes, so we keep producing and continuing to introduce great products from the U.S. to the people of Vietnam,” he said. “We believe that through American food products, we can introduce the people of Vietnam even more from the U.S.,” the Ambassador emphasized.”

Below are the links to the articles:

1. [Tung bùng Lễ hội Mỹ tại WinMart Times City \(TP. Hà Nội\) \(tienphong.vn\)](https://tienphong.vn)
2. [Lễ hội Mỹ mang gần 100 sản phẩm Mỹ đến Thủ đô tại WinMart Times City \(nhandan.vn\)](https://nhandan.vn)
3. [Rộn ràng mua sắm sản phẩm Mỹ nhập khẩu tại Lễ hội Mỹ của WinMart Times City \(24h.com.vn\)](https://24h.com.vn)
4. [Tung bùng Lễ hội Mỹ tại WinMart Times City \(TP. Hà Nội\) \(eva.vn\)](https://eva.vn)
5. [Tung bùng Lễ hội Mỹ tại hệ thống WinMart Hà Nội \(hanoimoi.vn\)](https://hanoimoi.vn)
6. [Lễ hội Mỹ mang gần 100 sản phẩm Mỹ đến Thủ đô tại WinMart Times City \(baodautu.vn\)](https://baodautu.vn)
7. [Mang gần 100 sản phẩm Mỹ đến Thủ đô tại WinMart Times City \(laodongthudo.vn\)](https://laodongthudo.vn)
8. [Tung bùng Lễ hội Mỹ tại WinMart Times City \(tiepthigiadinh.vn\)](https://tiepthigiadinh.vn)

9. [Lễ hội Mỹ mang gần 100 sản phẩm Mỹ đến Thủ đô tại WinMart Times City \(tuoitrethudo.com.vn\)](http://tuoitrethudo.com.vn)
10. <http://daidoanket.vn/tung-bung-le-hoi-my-tai-winmart-times-city-5722206.html>
11. [Rộn ràng mua sắm sản phẩm Mỹ nhập khẩu tại WinMart Times City \(kinhdoanhvaphattrien.vn\)](http://kinhdoanhvaphattrien.vn)
12. [Tung bừng Lễ hội Mỹ tại WinMart Times City \(TP. Hà Nội\) | Đời sống - Giải trí | trithuccuocsong.vn \(kienthuc.net.vn\)](http://trithuccuocsong.vn)
13. <https://vietnamdaily.trithuccuocsong.vn/doi-song-24h/ron-rang-mua-sam-san-pham-my-nhap-khau-tai-le-hoi-my-cua-winmart-times-city-178271.html>
14. <https://hanoitimes.vn/united-tastes-continue-expanding-in-hanoi-324104.html>
15. <http://dtinews.vn/en/news/017002/84572/american-summer-vibes-campaign-launched-at-hanoi-supermarkets.html>
16. [United Tastes continue expanding in Hanoi \(vietstock.vn\)](http://vietstock.vn)
17. [Đưa hương vị Mỹ tới gần hơn với người tiêu dùng Việt Nam \(vietnamnet.vn\)](http://vietnamnet.vn)
18. [Rộn ràng mua sắm sản phẩm Mỹ nhập khẩu tại Lễ hội Mỹ của WinMart Times City | Đời sống 24h | Vietnam Daily | Tin tức Việt Nam Daily, cập nhật mới nóng 24/7 \(trithuccuocsong.vn\)](http://trithuccuocsong.vn)

For social media, as noted the total number of impressions (effectively “likes”) 28,820 from social media channels of the U.S. Embassy in Hanoi and of WinMart. The number of interactions (effectively re-posting or comments) were 562, including:

- On the Facebook page of the U.S. Embassy in Hanoi: 312 interactions
- On the Facebook page of WinMart: 250 interactions

Below are the links of the posts:

The U.S. Embassy in Hanoi Facebook page: [LINK](#).

The Facebook page of WinMart:

- Post on June 30, 2023: [LINK](#)
- Post on July 3, 2023: [LINK](#)
- Post on July 5, 2023: [LINK](#)
- Post on July 8, 2023: [LINK](#)
- Post on July 11, 2023: [LINK](#)

VIETNAM’S RETAIL LANDSCAPE - BACKGROUND

Vietnam’s retail industry has grown significantly during the last five years, with food retail revenue increasing by 10 percent in 2022, to reach \$64 billion (GSO). Vietnam’s food retail sector accounts for 26.7 percent of the total goods and services retail sector (GSO). Total retail sales of goods in 2022 was \$189 billion.

The Top ten retailers in Vietnam are: Central Retail, Lotte Vietnam, Satra, WinCommerce (Winmart), Saigon Coopmart, Sasco, MM Mega Market, IPPG, BRG Mart and AEON Vietnam. Notably, WinMart, which rebranded from VinMart in 2019, has seen rapid expansion and now has more than 3,500 outlets nation-wide. For the period 2017-2020, WinMart's sale volume grew at an average of 50 percent (WinCommerce Retail Department). By end of 2022, the supermarket chain has a consumer base estimated at 10 million consumers.

WHAT NEXT?

The Foreign Agricultural Service offices in Hanoi and Ho Chi Minh city continue to engage Vietnam's consumer markets through a mix of consumer promotions, trade shows, and engagements with institutional buyers and food manufacturers. These offices have identified opportunities retail promotion of U.S. frozen poultry, cheeses, and fresh fruit, including oranges, apples, cherries, blueberries, pears, grapefruit, and table grapes. FAS/Hanoi is also in the process of identifying opportunities with other retail chains in the north, including AEON, Lotte, BRG or Go! by Central Retail Group.

USDA cooperator groups such as the USA Poultry and Egg Export Council and California Cherries also routinely conduct single-product promotions with retailers across the country.

SECTION V. KEY CONTACTS AND FURTHER INFORMATION

For additional information on FAS program and data sources refer to: FAS Website:

<http://www.fas.usda.gov>.

FAS Hanoi, Vietnam

Agricultural Affairs Office

Rose Garden Tower, 3rd Floor, 170 Ngoc Khanh, Ba Dinh District, Hanoi

Tel: (84.24) 3850 5000; Fax: (84.24) 3850 5130; Email: aghanoi@fas.usda.gov

FAS Ho Chi Minh City, Vietnam

Agricultural Affairs Office

8th floor, Diamond Plaza, 34 Le Duan Blvd, District 1, HCMC

Tel: (84.28) 3520 4630; Fax: (84.28) 3520 4633; Email: atohochiminh@fas.usda.gov

Attachments:

No Attachments.