

Enhancing Online Marketing Competence for Vietnamese Enterprises

Tran Phi Hoang¹, Vo Huu Khanh²

^{1,2}*Industrial University of Ho Chi Minh City, Viet Nam*

Abstract: *The study results are to identify and analyze the factors affecting online marketing competence for Vietnamese enterprises. The results have shown the following objectives: First, identify the factors affecting online marketing competence for Vietnamese enterprises; Second, determine the impact extent of the factors affecting affecting online marketing competence for Vietnamese enterprises; Third, propose solutions to improve affecting online marketing competence for Vietnamese enterprises. They showed that there are 5 factors having an impact on affecting online marketing competence for Vietnamese enterprises and the impact of these factors are in order as follows: Search engine optimization, social media, e-commerce, email marketing, and websites.*

Keywords: *online marketing, online sales, retail competitiveness, competitiveness, customer attitudes, customer behaviors.*

I. Introduction

Online Marketing or E-marketing is a form of marketing on the Internet, advertising on the online community to promote the sales promotion, branding, image and services of the enterprises to customers. Online Marketing includes email marketing, search engine optimization, social media, website, and e-commerce (Anna Lousis, 2013). Online Marketing can help customers interact with the ad business by clicking on the ad to make a purchase, getting information about the product or comparing this product with other products, this provider with other providers etc. Online Marketing helps suppliers select target and prospective customers that businesses want to reach and from there online marketing help businesses cut costs, improve the efficiency of marketing in particular and sales in general. This is the most basic characteristic of online marketing that other forms of advertising are available such as television, radio, newspapers and magazines. Using online marketing has become a trend in the world in internet age and social networks which have been developing rapidly. Currently the number of Vietnamese people using the Internet is growing at very fast speed. According to the Wearesocial in January 2015 in Vietnam, more than 39.8 million people used the internet accounted for over 40% of the national population, and more than 90% of internet users use search engines such as Google, Youtube, Facebook, Twitter, Linked In, etc. Every day, more than 30 million Vietnamese people use the search engine to find information, products and services they need. Foreign experts said that Vietnam is a potential market. Many large corporations from abroad have invested tens of millions of dollars into this market from 2012 (like Google) and the current share of investment in the sector has continued increasing that level of competition among online business has increasingly been more aggressive. Therefore, Vietnamese enterprises need having online business strategies to enhance competitiveness for their enterprises in the future.

II. Literature Review

In the digital era, social networks and the Internet dominate the market, and the effectiveness of online marketing brings tremendous offers. Just making a few clicks, anywhere in the world customers are able to know information of any products or services that companies want to convey [1-3]. Online Marketing helps businesses locate potential customers, target customers; therefore businesses save a lot of costs to help improve efficiency in the business [4]. Geographic location is no longer an important issue. Online marketing has shortened distances; partners or customers can meet via computer internet. This allows multiple buyers and sellers to bypass the traditional intermediaries [4]. Online marketing is an effective means of marketing to reach customers in markets worldwide which the traditional means of marketing can not [6]. Online Marketing helps reduce time. Online marketers can access, retrieve information and transactions with customers 24/7. Online marketing helps significantly reduce costs which is a special concern of each enterprise. Less than one tenth the normal cost, Online Marketing can provide double performance [1].

Along with the growth of online marketing, it is a change in habits and consumption habits of customers. Therefore, the enterprises, the online marketing managers should have strategy, understand information technology with information management skills, ability to process information quickly [7]. John, O and Bunn.K (2012) emphasize the role of the SEM tool or SEO (Search engine optimization) as they help improve the ranking of a website in the results pages of search engines. SEO tools include On-Page, Keyword,

Content, Backlink and Social Signals. The search engine displays a list format in the search results page (SERP) including pay-per-click advertising and search results list. Zimmerer, T.W. (2014) confirmed that it is necessary to optimize the site, such as the specific content editing, writing and associating codes to increase its relevance to specific keywords and to remove barriers for the search operation [4]. However, SEM or SEO is the most important because it is the site to promote increasing the number of backlinks or national links, increasing the "keyword rankings" on the search results page, and Google is typical. Once the sites get more backlinks from other websites, this proves that website receives much attention from visitors. Google will appreciate this and help increase "ranking keyword" website [4]. When customers purchase at a Website, online sales companies have to know how to build solutions for receiving and automatically processing orders, automatically tracking the sales process until the buyers receive products or services that they purchase. There is no interruption. Implementing it will save costs and keeping customers come back to buy goods [6]. The time that a marketer controls the customers through the computer screen is 30 seconds. It starts by surfing the channels, checking and submitting. All the buyers are individuals or businesses who are very strict and demanding because there are a very large number of suppliers worldwide, all of which are competing fiercely. Therefore, the ability to process information on email marketing, search engine marketing, social media, and website and making timely resolution are extremely important factors. If companies know how to make good use of blogs, forums, podcasts cards, and wiki and video blog on social Media to implement their idea, they will be very successful. Email marketing helps build customer databases. Email marketing helps strengthen the relationship of the companies with customers, build customers' loyalty and encourage returning. Through the existing customers, it will convince many new customers.

Thus, it can be concluded that these factors directly affect online marketing competence for Vietnamese enterprises (variable Y) including the following basic elements: Search engine optimization, social media, e-commerce, email marketing, and website (variable X). Research model includes 05 independent variables (X) and 01 dependent variable (Y).

2.1 Search Engine Optimization and Online Marketing Competence

Search engine optimization (SEO) is a term referring to a set of tools including On-Page, Keyword, Content, Backlink and Social Signals. SEO is a set of methods to improve the ranking of a website in the results pages of search engines and can be considered a sub-field of marketing through search engines. The search engine displays a list format in the search results page (SERP) including pay-per-click advertising lists and search result list. The goal of SEO is mainly aiming to improve the ranking of free search listings in a number of keywords to increase visitors' volume and quality to the site (Paddy Moogan, 2013, *The link building book*). According to experts, if any enterprises invest in SEO, the online marketing competence for Vietnamese enterprises increase corresponding proportion (Hartereserre, A, 2002).

2.2 Social Media and Online Marketing Competence

Social media refers to the means of interactions among people in which they create, share, and exchange information and ideas in virtual communities and networks. A term used to describe a variety of Web-based platforms, applications and technologies that enable people to socially interact with one another online: discussion, feedback, comment, vote (Webopedia, 2016). According to experts, if the enterprises invest more in interactive activities on social networks, the level of brand recognition and online marketing competence for Vietnamese enterprises increase corresponding proportion (Anna Lousis, 2013).

2.3 E-Commerce and Online Marketing Competence

E-commerce (Electronic commerce) is a form of commercial activity by means of electronic, paperless trade; is also the exchange of commercial information through electronic technology which does not generally need to print it out at any stage of the transaction process. According to experts, if any enterprises invest much in E-commerce, Vietnamese enterprises will greatly reduce the sales cost, operating management cost, saving time and online marketing competence for Vietnamese enterprises increase corresponding proportion (Danny Dover, 2011).

2.4 Email Marketing and Online Marketing Competence

Email marketing is directly marketing a commercial message to a group of people using email. In its broadest sense, every email sent to a potential or current customer could be considered email marketing. It usually involves using email to send ads, request business, or solicit sales or donations, and is meant to build loyalty, trust, or brand awareness. Email marketing can be done to either sold lists or a current customer database. Broadly, the term is usually used to refer to sending email messages with the purpose of enhancing the relationship of a merchant with its current or previous customers, to encourage customer loyalty and repeat business, acquiring new customers or convincing current customers to purchase something immediately, and

adding advertisements to email messages sent by other companies to their customers. According to experts, if any enterprises make good investment in Email marketing, online marketing competence for Vietnamese enterprises increase corresponding proportional. (Harterre, A, 2002).

2.5 Website and Online Marketing Competence

A website, also written as web site, is a collection of related web pages, including multimedia content, typically identified with a common domain name, and published on at least one web server. A web site may be accessible via a public Internet Protocol (IP) network, such as the Internet, or a private local area network (LAN), by referencing a uniform resource locator (URL) that identifies the site. All publicly accessible websites collectively constitute the World Wide Web, while private websites are typically a part of an intranet. According to experts, if any enterprises make good investment in websites, online marketing competence for Vietnamese enterprises increase corresponding proportional. (Harterre, A, 2002)

HYPOTHESIS

- H1:** "Search engine optimization" affects positively online marketing competence for Vietnamese enterprises.
- H2:** "Social media" affects positively online marketing competence for Vietnamese enterprises.
- H3:** "E-commerce" affects positively online marketing competence for Vietnamese enterprises.
- H4:** "Email marketing" affects positively online marketing competence for enterprises.
- H5:** "Websites" affects positively online marketing competence for Vietnamese enterprises.

III. Research Methodology

The two major research methods, qualitative and quantitative research are focused, specifically, the research process has three stages.

Stage 1, Based on theory and the related results mentioned the above, qualitative research method was used for group discussing and leading expertsconsultating to select the variables and observed variable groups.

Stage 2, Based on the grouping of factors affecting online marketing competence for Vietnamese enterprises, the researcher designed survey questionnaires to collect the opinions of 872 customers and online shoppers in Ho Chi Minh City. The research model includes 05 scales, 34 observed variables (questionnaires), using 5- point Likert scale, Distance value = (Maximum - Minimum) / n = (5 - 1) / 5 = 0.8: 1. Completely disagree; 2. Disagree; 3. No opinion / Normal; 4. Agree; 5. Totally agree. Survey results were entered SPSS 20.0 and Cronbach's Alpha coefficient was used to test reliability of the scale. In this study, sampling and random method were used. According to Hair et al., (2006), the formula for calculating sample size is $n = \sum_{j=1}^m kP_j$. In which m is the scale and P_j is the number of observed variables of the scale. The proportion of the sample compared to 1 analysis variable (k) is 5/1 or 10/1. Thus, the number of samples is larger than "total observed variables" of scale times "5" and less than "total observed variables" of the scale times "10". However, according to Lee Nguyen (2011), depending on the object of study and research goals, increasing sample size will increase the reliability of data.

Stage 3, After testing the reliability using Cronbach's alpha coefficient, Exploratory Factor Analysis - EFA was analyzed to shrink and summarize the data of the scale (Hoang Trong Chu and Nguyen Mong Ngoc, 2005 "Quantitative Research SPSS"). This method is based on extraction ratio factor (Eigenvalue), under which only those factors having rati on (Eigenvalue) greater than 1 will be kept, those smaller than one will not show information better than origin variable because after standardizing, each original variance is 1. The method of extracting the main components (Principal components) and original method of factor rotation (Varimax Procedure) were used to minimize the number of variables that have large coefficients for the same factor, which increases explaining the factors. The results then were used to analyze multiple linear regression to test the assumptions of the model, which consider the impact of factors affecting online marketing competence for Vietnamese enterprises.

IV. Result & Discussion

Table1. Testing the Average Value for the Observed Variables

OBSERVED VARIABLES	N	MEAN
SE1: Easy to find the website of Vietnamese enterprises	872	3.36
SE2: Connecting and accessing Web pages quickly	872	2.21
SE3: Useful content appear on the forums	872	3.41
SE4: The site layout arrangement is beautiful	872	2.16
SE5: Designing color site are beautiful, visible	872	2.48
SE6: There are many search keywords	872	2.13
S01: Easy to find enterprise name through social networks	872	2.17

SO2: Creating "like" like reading information on home page	872	2.23
SO3: Feedback and answering system is quick and accurate	872	3.45
SO4: Information published interest readers	872	3.23
SO5: Enterprise's name and logo are beautiful, creative and impressive	872	3.42
SO6: 24/7 Hotline service	872	2.47
EC1: Quick online purchase	872	2.21
EC2: quick delivery	872	4.06
EC3: Accessing and searching information of products quickly	872	3.19
EC4: The amount of products are always new and diversified	872	2.26
EC5: Reasonable price	872	2.46
EC6: Support and advice timely	872	2.33
EC7: Marketing staff is professional	872	3.05
EC8: Product packaging is beautiful	872	4.00
EC9: Buying process is simple, fast	872	3.41
EM1: Article title is impressive.	872	2.26
EM2: Information of articles is useful	872	2.34
EM3: Colors of articles are in conformity with content	872	3.48
EM4: The layout is streamlined	872	2.55
EM5: Content of the article are brief and complete	872	2.96
EM6: Click the link when viewing mail	872	3.86
WE1: System website and the websites connect better	872	4.21
WE2: Accessing speed of searching by keyword is quick	872	4.46
WE3: Website content is practical	872	3.16
WE4: User guidance page is easy and logical	872	3.46
WE5: Information layout is reasonable and easy to find	872	4.38
WE6: Color of forum cover is beautiful	872	3.28
WE7: New information is constantly updated	872	3.02

(Source: The researcher's collecting data andSPSS)

The average results of scale testing show that most of the value scales are normal (2:13 to 4:46). In which "Search engine optimization" (2:13-3:41) and "Social Media" (2:17- 3:45) is the lowest compared to the remaining scales. The results of this study has reflected the reality of Search engine optimization of online marketing competence for Vietnamese enterprisesrecently such as the businesses do not promote the number of backlinks, not connect a good link in the country therefore, do not raise "keyword ranking" on search results pages in networks, especially Google which interest visitors and stay long. Besides, the enterprises do not know how to take advantage of social networks to make their marketing campaigns more effective. Therefore, Vietnamese enterprises need to improve this situation more in the near future.



(Source: FPT, 2015)

Statistics on Google Analytics shows the total numbers of visiting sales websites of Vietnamese enterprises from the previous customers are not many, rate of the previous customers coming out of the site is very high (76.55%), the time visitors stay and remain are low (0:01:08). That shows that Vietnamese websites are not attractive enough to attract the previous customers as well as the level of efficiency in accessing websites of visitors. In other words, websites are losing effectiveness in building loyalty of customer base.

Table 2- Testing the results of reliability scales Cronbach's Alpha

Code	Factors	Cronbach's Alpha
IV	SE	Search engine optimization 0.855
	SO	Social Media 0.863
	EC	E-Commerce 0.852
	EM	Email Marketing 0.897
	WE	Website 0.889
DV	GT	General assessment 0.877

(Source: The researcher's collecting data andSPSS)

The test results scale shows that the scale has good accuracy with Cronbach's alpha coefficient > 0.7 and the correlation coefficients of the total variables of measurement variables meet the allowed standard (>0.3), the scale will be accepted. The observed variables are used for factor analysis to discover in the next step.

Table 3. Exploratory Factor Analysis(EFA)

	<i>Initial Eigenvalues</i>			<i>Extraction Sums of Squared Loadings</i>			<i>Rotation Sums of Squared Loadings</i>		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	9,254	46,270	46,270	9,254	46,270	46,270	3,238	16,188	16,188
2	1,576	7,881	54,151	1,576	7,881	54,151	2,926	14,631	30,819
3	1,411	7,057	61,208	1,411	7,057	61,208	2,913	14,564	45,383
4	1,283	6,417	67,625	1,283	6,417	67,625	2,852	14,260	59,643
5	1,213	6,064	73,696	1,213	6,064	73,696	2,809	14,047	73,696

Extraction Method: Principal Component Analysis.

The results of EFA (Exploratory Factor Analysis) shows the total variance extracted is 73.696% greater than 50%. This means that the withdrawing factors would explain is 73.696% for model, 26.304 % is explained by other factors. Extraction ratio factor (Eigenvalue) is greater than 01 that is kept.

Table 4 - Factor Analysis

Code	COMPONENT				
SE5	0.844				
SE2	0.746				
SE4	0.711				
SE6	0.687				
SE1	0.684				
SE3	0.627				
EC3		0.833			
EC6		0.848			
EC7		0.616			
EC4		0.823			
EC5		0.818			
EC9		0.825			
EC8		0.816			
EC1		0.774			
EC2		0.763			
SO3			0.824		
SO5			0.87		
SO4			0.712		
SO6			0.737		
SO1			0.679		
SO2			0.777		
WE6				0.727	
WE3				0.715	
WE4				0.688	
WE2				0.672	
WE1				0.665	
WE5				0.693	
WE7				0.645	
EM2					0.827
EM1					0.819
EM3					0.840
EM4					0.755
EM5					0.681
EM6					0.829

The above results show that the model of EFA (Exploratory Factor Analysis) is consistent with the data, calculated into 5 groups of factors and these results may be used for a multiple regression analysis

Table5 -Summary model

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.871 ^a	.757	.749	.340	1.942

a. Predictors: (Constant), X5, X1, X2, X4, X3
b. Dependent Variable: Y

The above result shows the correlation coefficient adjustment: $R^2 = 0.749$ (verification F, sig. < 0.05); which means 74.9 % of the variable Y shift is explained by the five independent variables (Xi). Coefficient Durbin - Watson (d) = 1.942; some observers n = 872, parameter k = 5, the level of significance of 0.01 (99%), in the statistical tables Durbin - Watson, d_L (less statistical value) = 1.623 and d_U (statistical value over) = 1.725. So $(d_L = 1.623) < (d = 1.942) < [4 - (d_U = 1.725) = 2.275]$ proved that the model has no autocorrelation.

Table 6 – ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	668.669	4	13.734	87.312	.000b
	Residual	122.146	778	.754		
	Total	790.815	782			

Accreditation ANOVA is to assess the relevance of the theoretical regression model. The test results F = 87.312 value and Sig. = 0.000 < 0.05 shows the building model is consistent with the data set and the variables included in the model are related to the dependent variable. Generally, regression analysis is 99% reliability, corresponding to the selected variables with statistically significant at the $p < 0.01$; the results also show that all variables satisfy the demand. Verification of conformity of the model show that multicollinearity phenomenon does not violate (VIF < 10).

Table7 - Factors affecting online marketing competence for Vietnamese enterprises Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	-.230	.165		-1.247	.216		
X1	.150	.062	.144	2.398	.018	.547	1.830
X2	.205	.055	.219	3.720	.000	.505	1.980
X3	.319	.057	.305	5.585	.000	.576	1.735
X4	.232	.055	.250	4.227	.000	.491	2.037
X5	.177	.053	.184	3.365	.001	.577	1.732

The results of regression analysis showed the factors affecting online marketing competence for Vietnamese enterprises and expressed the following priorities: (1) Search engine optimization: $\beta = 0.305$; (2) Social media: $\beta = 0.250$; (3) E-commerce: $\beta = 0.219$; (4) Email marketing: $\beta = 0.184$; (5) Website: $\beta = 0.144$. The regression equation is: $Y = 0.144X1 + 0.219X2 + 0.305X3 + 0.250X4 + 0.184X5$. The research results showed that all t value > 2 was statistically significant and high data reliability. In this research, the results had the Variance Inflation Factor (VIF) and Tolerance shown to be the following VIF < 10 . ($1 < VIF < 10$). This showed that there was not multicollinearity. However, the most of the scales are the average. The above quantitative results affect the right research results of Vinacapital and current situation in Vietnam. This finding is the basis for proposing solutions to improve affecting online marketing competence for Vietnamese enterprises.

V. Conclusions and Recommendation

The study results also show five factors affecting online marketing competence for Vietnamese enterprises and the impact of various factors and the priority order as follows: Search engine optimization, social media, e-commerce, email marketing, and website. The study results are important reference for Vietnamese enterprises enhancing strategies of online marketing competence for Vietnamese enterprises in the near future. First, the businesses need improving the effectiveness of SEO tools in order to improve the ranking of websites in the result pages of search engines, mainly towards improving the ranking of free search lists according to the keywords to increase volume and quality of visitors to the website of the enterprises. Secondly, the businesses need investing in the deployment of their marketing idea or on blogs, forums, podcasts cards, wiki and blog video to enhance and increase the spread of potential customers, besides investing in articles, images; audio and video clips appearing on the Social media. Thirdly, human resource training should be good because the transactions on e-commerce-related technology should require companies to have a reliable IT team who often catch the technological achievements of new information arising and have the ability to design software to meet the needs of the digital economy. Constructing of infrastructure for e-commerce in order to ensure safety for E-commerce transactions, because of the negative side of the transaction, E-commerce is vulnerable for hackers to distribute viruses, attacks on the website; distribute the e-mail, text message spam; steal money from the ATM, bad transaction appears, fake goods, propaganda inciting violence etc. Perfect the legal environment to adapt the legal and international customary in E-commerce transactions. Fourthly, when implementing email marketing strategy, companies need building an email list of potential customers, identifying customers who actually read the email, find out what customers are interested, create the time frame reasonably to convey the message in the email in order to create much positive changes that optimize email

marketing tool. Fifthly, enterprises need investing their websites to become a communication channel and efficient support for their businesses. Website design must meet benchmarks of SEO. First, the website must create its own unique brand of business on the internet that creates opportunities to meet customers at any time, anywhere. Secondly, the website is a channel introducing products effectively. Thirdly, sales website needs supporting businesses in the sale. Fourthly, sales website helps leaders in managing business easily. Fifthly, sales website must bring economic benefits such as increasing customer base, sales and profits with the support of the current search engines (like Google, Bing, Yahoo, etc).

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