

**National Cheng Kung University**

**Institute of International Management**

**Qualitative Research Methods – Spring 2022**

**Effects of Place elements in 7Ps marketing mix: A case  
of Vietnam beer industry during Covid-19**

Not a very  
qualitative  
sounding title!  
However topic is  
intriguing

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# 1. Introduction

## 1.1. Research background

I'd left align titles - it is easier to read

"1,2,3 Yo!" which means "1,2,3, Cheers!" is a common cry in social gatherings in Vietnam. People drink beer as a way to socialize. "Nô phong". A saying roughly translated means "A man without spirit is like a man without beer." It stresses the relationship between alcohol and masculinity in the Vietnam context. Therefore, beer is highly celebrated in Vietnam. The beer market in Vietnam is one of the fastest growing in the emerging and burgeoning Asian countries. From 2006 to 2016, beer consumption in Vietnam increased from 1.5 billion liters to 2.5 billion liters, moving Vietnam to ninth place globally, only behind the United States, China, Brazil, India, and Russia. In Asia (Kirin Holdings, 2019), the average consumption per capita, Vietnamese drank 47.6 liters in 2019 (Nguyen, 2021), while China and Japan drank 29.6 liters and 21.5 liters per capita, respectively (Marketing to China, 2021; Diep, 2021). The beer company has been doing well, especially after 1991, when the state-run economy turned into a market economy. **Wow! Thirsty** many foreign brands penetrated the market, **The introductory sentences, while still needing refining, are highly readable and great way to bring the reader into the topic** namely Heineken, Carlsberg, Sapporo (Vinh, 2017), Asahi (Vinh, 2013), and Thai Bev (through a 2017 acquisition of the largest state-owned brewery, Singha, (Vinh, 2017)). The growing middle-income class, young population, and rising disposable income had fueled growth for this industry in Vietnam.

such as

Covid-19 has damaged many industries and hospitality has been one of the hardest hit (REF).

~~However, under pandemic circumstances, industries are heavily affected.~~ In Australia, lockdowns during the first and second waves of Covid 19 resulted in a decline in on-trade beer consumption (Vandenberg et al., 2021). ~~As a result, beer producers have been inadvertently affected.~~ Global beer consumption in 2020 was 177.5 billion kiloliters, decreasing approximately 20.2 billion 633 million bottles (Kirin Holdings, 2022). Similarly, the beer industry in Vietnam had to dive deep when average beer consumption per capita decreased from 47.6 liters in 2019 to 40.5 liters in 2020 (Nguyen, 2021). Interestingly, consumer demand for alcohol during this period was contrasting. Covid 19 brings about mental health problems across countries (Cullen et al., 2020; Cui et al., 2022), which substantiates alcohol demand. Levy et al. (2021) pointed out that continuous Covid-19 has led to a decline in long-term alcohol consumption than short-term Covid 19. Hence, the author would like to explore the impact of Covid-19 on the beer industry in Vietnam. ~~and and sales of alcohol did not match during the Covid-19 outbreak in Vietnam.~~

An idea appears here - but I'm not really sure what is meant

~~During the~~ lockdown period, Covid 19 heavily disrupted the supply chain across affected areas. Thus, by approaching the matter on a marketing mix 7Ps, focusing on the Place element, the

Key point here - Covid reduced beer consumption. It also had a negative effect on supply chains (but in what way?)

author wishes to study the subject more in-depth. The report also compares approaches of beer companies before and during Covid 19.

**1.2. Research objectives**

- ~~To explore why demand and sales of beer companies are changing during Covid 19.~~
- ~~To unveil the Place elements of 7Ps during the occurrence of Covid 19.~~
- ✓ To briefly compare approaches of beer companies before and after the occurrence of Covid 19.

This has some direction - supply side issues - but (1) what do we know about those (2) what aspect do you want to focus on?

**2. Literature review**

**2.1. Definition of 7Ps marketing mix**

Booms and Bitner (1981) first introduced marketing management as the application of the marketing mix. Traditionally, marketing mix was first introduced with the 4P model, including factors starting with the letter P: product, price, place, and promotion. According to Kotler (1976) and Goldsmith (1999), goods consist of tangible goods and intangible services elements. Furthermore, services consumption is inseparable, intangible, heterogeneous, and perishable (Regan, 1963; Zeithaml et al., 1996; Grădinaru et al., 2016). Thus, the marketing mix process extended to three more Ps: people, processes, and physical evidence. According to Booms and Bitner (1981), the characteristics of each P shall be explained as follows:

**Table 1: Overview of 7Ps marketing mix**

You need a more substantial theory

Product	Price	Place	Promotion	Participants	Physical evidence	Process
<b>Traditional</b>						
-Quality -Features and options -Style -Brand name -Packaging	-Level -Discounts and allowances -Payment terms	- Distribution channels - Distribution coverage	-Advertising -Personal selling -Sales promotion -Publicity			

-Product line		-Outlet locations				
-Warranty		-Sales territories				
-Service level		-Inventory levels and locations				
-Other services		-Transport carriers				

Note - format of table.  
See how tables are formatted by looking at any good journal

Source: Kotler (1976)

***Modified and expanded for services***

-Quality	-Level	-Location	-Advertising	-Personnel:	-	-Policies
-Brand name	-Discounts and allowances	- Accessibility	-Personal selling	-Training	Environm ent	-Procedures
-Service line	-Payment terms	- Distribution channels	-Sales promotion	-Discretion	-	- Mechanizati on
-Warranty	-Customer's own perceived value	- Distribution coverage	-Publicity	Commitment	Furnishing s	-Employee discretion
- Capabilities	-	-	-Physical environment	-Incentives	-Color	-Customer involvement
-Facilitating goods	Quality/pric e interaction	- Distribution coverage	-Facilitating goods	-Appearance	-Layout	-Customer direction
-Tangible cues	-	-	-Tangible cues	-	-Noise level	-Customer direction
-Price	-	-	-Process of service delivery	-Attitudes	-Facilitatin g goods	-Flow of activities
-Personnel	-	-	-Process of service delivery	-Other customers' behavior	-Tangible cues	
-Physical environment	Differentiati on	-		-Degree of involvement		
		-		Customer/ customer contact		

-Process of service delivery						
Booms and Bitner (1981); adapted from Rafiq and Ahmed (1995)						

## 2.2. The extension of Place element in 7Ps marketing mix

Place refers to how customers receive the products or services from the company. The place can be explained based on four schools of thought in marketing disciplines: the commodity, functional, regional, and institutional (Powers, 2012). The commodity view treats place as compromising methods related to goods. From the functional standpoint, place aggregates all activities in distribution channels. The regional school refers to a consumer's travel distance in which place is a break-even point. In the last school of thought, the institutional school claims a place as activities of all participating entities, such as brokers, and retailers, constituting to promote channel efficiency as distrib indirect. According to Kotler (2016), the involved parties can segment the to different layers. The first type is a *zero-level* or *direct* marketing channel (man) should be involved in the process between the customers and the pro *channel* involves only one retailer participating as a middleman or selling intermediary. The *second-level channel* engages another wholesaler. Finally, in the *three-level channel*, Kotler (2016) denotes another intermediary, known as jobber, as an adding point between the wholesaler and retailer. Furthermore, the place can be brick-and-mortar or virtual, depending mainly on distribution strategy (Marušić, 2019).

This is very descriptive. Here you want to be narrowing and focusing on the supply chain and covid disruptions

Scholars further extend the concept of place as a vehicle to accommodate consumers' social and psychological needs, not merely utilitarian or functional exchanges (Debenedetti et al., 2014). Commercial or non-profit settings help a consumer meet other requirements such as status, companionship, support, and mental restoration. Public place, given psychology (Cowen, 1982), sociology (Oldenburg & Brissett, 1982), cultural geography (Seamon, 2015), and public health (Frumkin, 2003), plays a pivotal role in affecting human well-being positively. Sherry (2000, p.277) refers to the place as a lived experience and thus can transform the well-being of consumers. The products are often consumed via two main categories in the beer industry context: on-trade and off-trade. The off-trade category mainly encompasses beer sales in supermarkets and retail

stores to drink at home. Meanwhile, on-trade refers to the direct consumption of consumers, which often takes place in bars, restaurants, or hotel settings (Houška & Bill, 2012; Stanislava, 2017). Thus, the psychological aspect of place can also be examined in the on-trade category. A body of research has also solidified the impact of place in beer consumption. During beer consumption, induced joviality and sadness change customers' taste and quality perception. In the case of induced joy, sales can increase (Desira et al., 2020). Köster (2009) also explored the place of consumption could also affect beer wanting, choice, and purchase. Other studies suggest that noise ambiance, or music, can also influence buying behavior and taste preferences of consumers (Woods et al., 2011; Van der Wal & van Dillen, 2013; Yan & Dando, 2015; Spence, 2017; Zemke et al., 2011; Reinoso-Carvalho et al., 2016; Wang et al., 2015; Reinoso Carvalho et al., 2016). Thompson (2019) pointed out supermarkets setting up in-store beer sampling and consumption to replicate pub-like ambiance. This helps customers shift into their indulgent mindset instead of a "shopper" one, thus stimulating more sales. Virtually all studies in some settings to study the effect of place on participants' taste preferences (Thompson, 2019). Some customers are strongly influenced by the place they buy and drink (Thompson et al., 1992).

Note methodology refers to a conceptual discussion of your approach. See in the service encounter paper -- the start of the method section is methodology.

### 3. Methodology

Due to the exploratory nature of the study, the methodology will be qualitative, with an interview conducted for each participant. An interview will be recorded, transcript, and analyzed accordingly.

### 4. Sampling plan

The paper aims to approach the issue from the producers' and distributors' standpoint. Thus, The report will target samples towards these market players.

- One interview from beer producer
- One interview from a wholesaler
- One interview from a retailer
- One interview from a restaurant owner

Why these  
This structure  
needs to be  
explained and  
justified in the  
writing above

The area most affected by Covid-19 is Ho Chi Minh City. Therefore, the interviewee will come from this area.

**5. Interview guidelines**

For beer producer

1. After COVID 19, how did your sales change? Could you elaborate on the effects of COVID 19 on the beer market? Which measures did you take to overcome these challenges?
2. In the beer industry, what are critical success factors, in your opinion? (For example) Critical success factors can range from low prices to wide ranges of products adapted to local preferences, distribution channels, good product images, etc.
3. How would you rate the focus of your company in each of the following aspects? (with 1: Least important; 5: Most important)

				4	5
Low prices					
Distribution channels					
Good product images					
Level of market penetration					
Wide rages of products adapted to local preferences					
Others (please specify):					

What are you going to do with this data?!

4. Could you please elaborate on your company's responses to the place of selling beer during Covid 19 times? Are there any challenges?

5. Could you please rate the tendency to recover after COVID 19 for your company and the beer market?

For wholesaler

1. How would you compare your sales before and during the Covid-19 lockdown (2021)?
2. Could you please describe the city's supply chain during the lockdown period?
3. How could you overcome the challenges (if any) during the lockdown period?
4. Was there any batch of products that expired during the lockdown period? Did you receive any support from the respective beer companies?
5. How would you see the beer industry's future in Vietnam in the prolonged Covid 19 scenario? What can wholesalers do to offset these hindrances?

For retailer

1. How would you compare your sales before and during the Covid-19 lockdown (2021)?
2. Could you please describe the city's supply chain during the lockdown period?
3. How could you overcome the challenges (if any) during the lockdown period?
4. Was there any batch of products that expired during the lockdown period? Did you receive any support from the respective beer companies?
5. Do you offer delivery services to customers during quarantine time? Is there any minimum quantity required?
  - Do beer companies compensate/ offer incentives for you to deliver to customers?
  - If COVID is over, would you continue to offer delivery services?
6. How would you see the beer industry's future in Vietnam in the prolonged Covid 19 scenario? What can retailers do to offset these hindrances?

For restaurant owner

1. How would you compare your sales before and during the Covid lockdown (2021)?
2. Could you please describe the city's supply chain during the lockdown period?
3. How could you overcome the challenges (if any) during the lockdown period?
4. Did you see any changes in customer preferences and consumption when the lockdown period was over?



5. How would you see the beer industry's future in Vietnam in the prolonged Covid 19 scenario? What can beer pubs/bars/restaurants do to offset these hindrances?

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This looks like it is getting closer to what you are doing. Anybody looked as supply side? :D

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**NCKU, IMBA - FEEDBACK, CLASS PRESENTATIONS**

<b>THE GROUP YOU ARE ASSESSING:</b>		<b>Save your file. Use this format: group being assessed your group.doc So an example would be TIV Voltes5.doc – where TIV is the group being assessed and Voltes5 is your group.</b>	
<b>KEMI</b>			
<b>YOUR GROUP NAME:</b>			
<b>INSTRUCTOR</b>			
A	B	C	D
Are ideas presented connected with the aim of the presentation?	Are the ideas presented clearly supported with evidence and logical argument?	Is it easy to follow & to understand? (Are the slides clear and easy to follow e.g. use of new pictures, words, graphs)	Overall impression (is it a group presentation etc.?)
40%	30%	20%	10%

5%	5%	5%	5%
<p>Comments (space will expand as you type)                  Do not forget to add date and student ID to the cover page</p> <p>Generally show the author in literature (rather than number)</p> <p>That is a surprise that Vietnam is so high in beer consumption!                  What type of beer - lager / dark beer?</p> <p>However a research has "proven" - no research cannot prove anything</p> <p>Qu - Gap - reported and actual consumption                  Qu - How motivate the study - focus on place (e.g., meaning of beer (tradition?) / managing distribution in the time of COVID)                  Qu - RQs?                  RQ - Methodology v. method                  Qu - Access - risk here - you have multiple parties in the supply chain?</p> <p>Report                  The starting section is super! However, your stated focus on the supply side (which comes through at the very end) is not really substantiated and explored through the literature review. You want to describe the supply chain in Vietnam then see what you can unearth about how they have dealt with the challenges of Covid. If there is nothing on Vietnam then gradually broaden your search. I see one paper in the references that is in the basic direction of your work. You might then narrow to one part of the supply chain -- depending on the extent of prior work and theoretical structures Hopefully you are seeing that much of what you have as literature review is actually tangential and redundant to what you need to be focusing on!</p> <p>Refocus your research question to get a clear direction for your study.</p>			

**NCKU, IMBA - FEEDBACK, CLASS PRESENTATIONS**

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82%
Grade (%) 20%