

Opportunities and Threats for Vietnamese Brand Chilli Sauce Products

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Abstract

The article examines the characteristics that make Vietnamese chilli sauce products stand out, and the formation and development of some strong chilli sauce brands leading the Vietnamese chilli sauce market today. At the same time, the article points out opportunities and threats for Vietnamese brand chilli sauce products. Among them, opportunities for the development of Vietnamese chilli sauce products: (i) High consumer demand; (ii) Vietnamese chilli sauce businesses understand the domestic market; (iii) Local and international culinary trends; (iv) Effective marketing strategy; (v) Cooperation and association; (vi) Affirming brand and reputation in the food industry; (vii) Actively participate in fairs and exhibitions in world markets; (viii) Take advantage of e-commerce channels to compete domestically and bring products to the world market. Besides, the article also points out the threats facing the Vietnamese chilli sauce brand: (i) Consumer psychology; (ii) Fierce competition with foreign brands; (iii) Differences in principles for building food standards between countries when bringing chilli sauce products to the world market; (iv) Standards are increasingly strict for the food industry. The research results are the basis for the research team to consider and propose solutions from the government/associations and businesses to develop Vietnamese chilli sauce brands.

Keywords: Chilli sauce, chilli sauce market, Vietnamese brands, opportunities, threats

1. Raising the issues

For a long time, chilli sauce has become a spice present in almost every family and restaurant. Chilli sauce is used with many dishes such as fried chicken, pho, noodles, fried rice... Dishes combined with chilli sauce also become unique, delicious, and more stimulating to the taste buds. (tuongviethoasen.vn, n.d)

Domestic businesses appear to have an advantage in the market share of spices and chilli sauce, and this segment is being dominated by big Vietnamese names such as Masan Consumer and Cholimex Food... Smaller businesses are forced to find niche markets to survive.

According to a report by Euromonitor, the spice industry has a market size of about 33.5 trillion VND, of which chilli sauce is 2.6 trillion VND. In Vietnam, Chin-Su is leading the chilli sauce market with 60% market share. In addition to the Japanese market, this product has been exported to North America, Europe, Australia, China, Korea... Masan Consumer's goal is that by 2030, Chin-Su chilli sauce will become one of the 10 strongest chilli sauce brands in the world, contributing to bringing Vietnam's high-tech processed agricultural products to the international market. (Minh Anh, 2022)

Cholimex is one of the leading companies in the industry along with Masan, Trung Thanh, Nosafood... The company has established a distribution system in 63 provinces and cities nationwide through many popular channels such as Metro, Co.op Mart, BigC... or some brands like: The Pizza Company, Domino's Pizza ... (Nhuan Hoa, 2023)

Currently, the product "Chilli sauce" has 186 brands trading on the e-commerce platform, of which the top brands with the highest revenue are bibigo, chin-su and cholimex; The top brands with the highest sales volume are chin-su, cholimex and lotus soy sauce. (Metric, 2024)

Thus, step by step, Vietnamese chilli sauce brands are gradually asserting their names and positions in the home market and the international market. In this article, we will review the current status of development of some Vietnamese chilli sauce brands and evaluate opportunities, threats of Vietnamese chilli sauce brands in both domestic and export markets. From there, the article offers some solutions to promote the development of Vietnamese chilli sauce brands.

2. Characteristics of Vietnamese chilli sauce products

Vietnamese chilli sauce is used in almost every dish we can think of, from bread, morning bowls of pho, beef noodle bowls, to snacks... The special thing about Vietnamese chilli sauce is that it is not spicy as the main flavor, not as spicy as many international versions of chilli sauce, but that is what makes it suitable for almost every dish. (hoasenk.com, 2022)

Although chilli sauce is not a very special dipping sauce, almost every country has it, but Vietnamese chilli sauce still has the ability to build its own "empire". Vietnamese chilli sauce is not as thick as Korean chilli sauce, nor is it like Thai chilli sauce, which enjoys a strong flavor. Even in China, there is also a type of steamed chilli, but it has a lot of oil, the seeds are intact, and the taste is spicy... but still quite different. Vietnamese chilli sauce has a moderate consistency, perfect for all dishes, from adding to drinks. Chilli sauce can be dissolved in a bowl of hot broth but is still thick enough for fried and stir-fried dishes. Spicy Vietnamese chilli sauce adds a little sweetness and aroma of garlic, just enough to make the dish less bland without breaking the original flavor structure of the dish. (hoasenk.com, 2022)

In Vietnam, chilli sauce has become a spice present in almost every family and restaurant. Chilli sauce is used with many dishes such as fried chicken, pho, noodles, fried rice... Dishes combined with chilli sauce also become unique, delicious, and more stimulating to the taste buds. Currently on the Vietnamese market there are many reputable chilli sauce brands, including the top 10 famous chilli sauces: Cholimex chilli sauce; Chinsu chilli sauce; Vietnamese Lotus chilli sauce; Vifon chilli sauce; Sriracha chilli sauce; Mr. Cha Va chilli sauce; SG Food Wasabi chilli sauce; Indonesian chilli sauce; Heinz chilli sauce; Tabasco chilli sauce. (tuongviethoasen.vn, n.d, a)

3. Strong chilli sauce brands, leading the market in Vietnam

The domestic chilli sauce market has a number of strong brands, leading the market by large companies such as Masan, Cholimex, Nosafood, Trung Thanh

Masan and Chinsu brand

In Vietnam, Chinsu is currently leading the chilli sauce market with 60% market share. Products are also exported and popular in European, North American, Chinese, Korean, and Japanese markets... (kinhtevn.com.vn, 2023)

Masan Consumer's goal is that by 2030, Chin-Su chilli sauce will become one of the 10 strongest chilli sauce brands in the world, contributing to bringing Vietnam's high-tech processed agricultural products to the international market. (Thu Ngan, 2021)

On November 25, 2023, CHIN-SU chilli sauce surpassed more than 400 chilli sauce brands (Chilli Sauces) being sold on the Amazon e-commerce platform and reached the Top 8 Best Sellers. This is an important achievement for any salesperson. That means CHIN-SU chilli sauce is among the most popular items in the category, is a product that is loved and purchased more often than its

competitors. The strong start in the US, Korea, and Japan is a lever for Masan Consumer's products to easily penetrate many other developed markets around the world such as Australia, Europe and North America... Successfully exporting products to major markets not only marks a new step forward for Masan Consumer, but also contributes to affirming the position of Vietnamese flavors on the world culinary map, helping to promote the image of the country for long-term future benefits. (Hanh Nguyen, 2024)

Box 1. Chinsu's marketing strategy

Chinsu's Marketing strategy is expressed through 4 aspects: product marketing strategy, price marketing strategy, distribution marketing strategy and marketing communication strategy.

- Product marketing strategy

- + Distribute products according to consumer preferences and habits. Chinsu researches consumers' culinary preferences and eating habits to create many unique product lines. Chilli sauce has: Original flavor chilli sauce; Super spicy chilli sauce; Pho-flavored chilli sauce; Truffle chilli sauce
- + Provide a variety of quality products, focusing on developing core products
- + Quickly innovate according to customer tastes

- Chinsu's marketing strategy on price

- + There are 2 types of customers who buy Chinsu: retail customers and distributors (agents, supermarkets, shopping centers).
- + + Chinsu fish sauce products are only half the price of traditional fish sauce products. With a wise competitive price strategy and understanding of its target customers, Masan has left behind a series of names and monopolized the market for many years.

- Chinsu's strategy on place

- + Masan tries to make its products "available" to customers.
- + Chinsu brand products are present everywhere, suitable for Vietnamese people's shopping habits: Shopping centers, supermarkets; Convenient shop; Local market; Ecommerce level ...

- Chinsu's marketing strategy on promotion

- + Masan and Chinsu focus on bringing core messages into quality advertising TVCs. The number of advertisements is large and continuous to be imprinted in the subconscious of customers
- + Masan and Chinsu apply the "small trial package" strategy to stimulate consumers to try and experience the product directly.

Source: <https://hbr.edu.vn/chien-luoc-marketing-cua-chinsu-thanh-cong-nho-don-dau-xu-huong>

Cholimex

Entering the chilli sauce market in the late 1980s, Cholimex is still one of the leading companies in the industry along with Masan, Trung Thanh, Nosafood... The company has established a distribution system in 63 provinces and cities nationwide through many popular channels such as Metro, Co.op Mart, BigC... or brands such as The Pizza Company, Domino's Pizza... (Nhuan Hoa, 2023)

Cholimex brand is in the top 10 famous chilli sauces, well-known and popular in the production of spices and foods. Many families and restaurants have chosen to buy it with confidence. Although the presence of chilli sauce is just a dipping sauce to add flavor, many dishes without chilli sauce are a mistake. (tuongviethoasen.vn, n.d, a)

Cholimex products are manufactured based on modern technological processes, ensuring quality and ensuring the health of users. In addition to natural ingredients and distilling the essence from fresh agricultural products, Cholimex Food always focuses on user taste. Cholimex chilli sauce is made from fresh chilli peppers and pure fresh garlic, without using spicy powder or artificial garlic flavor. The natural spicy aroma stimulates the taste buds, making the dish more salty and delicious. Use with grilled dried squid, boiled seafood, fried seafood, spring rolls, fried chicken, french fries, noodles, hamburgers, pho, pizza... increase the appetite when enjoying the food. (cholimexfood.com.vn, 2024)

With the right strategies, Cholimex Food has always been one of the major enterprises in the spice and sauce industry in Vietnam over the past four decades. Products are currently available at 80,000 retail counters, more than 4,000 restaurants, fast food chains and more than 5,000 supermarkets nationwide, and exported to more than 30 countries and territories. (Vnexpress.vn, 2024)

Some other famous chilli sauce brands of Vietnam

Tuong Viet Hoa Sen chilli sauce

The top 10 famous chilli sauces today cannot lack the presence of chilli sauce from Tuong Viet Hoa Sen. Using raw materials from local agricultural products combined with researching scientific knowledge to apply to modern-scale production with the desire to bring health safety to users. On the market, Tuong Viet Hoa Sen chilli sauce is trusted by many people, not only domestic customers but also foreign friends. (tuongviethoasen.vn, n.d, a)

Vifon chilli sauce

For consumers who have a spicy taste, or have a strong love for dishes that have a spicy taste that they can both eat and inhale, you should not miss the familiar chilli sauce brand Vifon. Spicy and delicious in each dip is the main feeling of diners when enjoying dishes with Vifon chilli sauce. (tuongviethoasen.vn, n.d, a)

Sriracha chilli sauce

One of the good and trusted chilli sauce brands in Vietnam is chilli sauce bottles from the manufacturer Sriracha. The Sriracha chilli sauce brand has won the trust and affection of consumers with the quality of its products over the past time. From the freshest chilli peppers, Sriracha chilli sauce bottles are born with a safe and hygienic production formula while still ensuring the natural spicy flavor of chilli peppers is maintained at the highest level. (tuongviethoasen.vn, n.d, a)

Ong Cha Va chilli sauce

The Ong Cha Va brand has been around for a long time among chefs in Saigon and is an indispensable element for professional chefs. This type of chilli sauce also has a natural red color, containing no chemical dyes. According to consumers' votes, this chilli sauce will increase its deliciousness if consumers combine it with soy sauce or mayonnaise to prepare a dipping sauce. (tuongviethoasen.vn, n.d, a)

Wasabi SG Food chilli sauce

Wasabi chilli sauce is a unique combination of the strong smell of wasabi and the spicy flavor of chilli. This chilli sauce has a quite spicy taste. The characteristic strong smell of wasabi combined with the spicy flavor of chilli peppers, all blend together, creating the sophistication of SG Food wasabi chilli sauce products. (tuongviethoasen.vn, n.d, a)

Box 2. Sriracha chilli sauce! Chilli sauce “the most common in the world”

For many Vietnamese people living in the US, Huy Fong brand Sriracha chilli sauce is one of the indispensable spices in every meal, but few people know that this “world’s the most common “ chilli sauce is Invented by a Vietnamese owner - Mr. David Tran. (vietnamnet.vn, 2019)

Currently, Huy Fong brand Sriracha chilli sauce ranks in the top 10 most famous chilli sauce brands in the US in 2023. (Andrea Lobas, 2023)

Huy Fong Foods' products are produced at a factory in Irwindale, California with an output of tens of millions of bottles per year but are still not enough to meet consumer demand. Huy Fong controls 9.9% of the US chilli sauce market worth \$1.55 billion. This is a feat for a business that has never spent a dime on advertising for its products, instead creating this food empire based solely on word of mouth, many Sriracha lovers are crazy. It's so hot that dozens of commercials and songs have been created specifically for this chilli sauce on the Youtube channel. (vietnamnet.vn, 2019)

Source: Compiled by the research team

3. Opportunities and threats of Vietnamese brand chilli sauce products

3.1. Opportunity for Vietnamese brand chilli sauce products

The chilli sauce market is an indispensable part of Vietnam's food industry and has great potential for development. Below are some opportunities that Vietnamese chilli sauce brands can take advantage of to expand and develop:

Consumer demand increased: In Vietnamese cuisine, chilli sauce is one of the indispensable spices that adds flavor and spiciness to dishes. Chilli sauce is not only used in Vietnamese cuisine but is also widely used in many countries around the world (tuongviethoasen.vn, n.d, b). Rising consumer demand provides opportunities for brands to expand production and distribution.

Popular in the domestic market. The domestic chilli sauce market with a number of domestic brands such as Masan, Cholimex, Trung Thanh, Nosafood understands the market, knows how to do PR, branding and a large retail system.

If Masan's advantage is understanding the market, knowing how to do PR, branding and a large retail system, the cooperation between Saigon Co.op and Wilmar is also expected to combine the advantages of both sides to enhance their competitive advantage and coverage of the Nam Duong brand. (brandsvietnam.com, 2016)

Local and international culinary trends: With amazing natural landscapes and a humid tropical monsoon climate, Vietnamese cuisine is capable of competing in the region and reaching out to the world with a national vision and promotion strategy on an international scale. Many Vietnamese businesses have been and will be making their mark and positioning themselves on the global culinary map. Booking.com's "2024 Travel Trends Study" report has shown that culinary experiences are one of the top popular travel trends in 2024. (toquoc.vn, 2024)

Meanwhile, for Vietnamese cuisine, chilli sauce is an indispensable spice. With its rich, spicy flavor, chilli sauce has become a familiar ingredient in many traditional dishes and specialties. (hoasenfoods.vn, 2024)

Prioritizing the discovery of local cuisine is considered a trendy trend for tourists not only in 2024 but also before that. Another statistic from the World Food Tourism Association (WFTA) shows that international tourists spend about 25 - 35% of their travel budget on spending related to food and drinks during the trip. 73% of Vietnamese tourists want to explore dishes on the "must try" list when visiting a new place. 94% of Vietnamese guests want to try local cuisine and explore traditional flavors. In particular, indigenous culinary tourism experiences are forecast to increase sharply in 2024. From 2019 to 2023, Vietnam won for 5 consecutive years in many culinary tourism categories voted by the World Travel Awards, along with a series of other prestigious tourism

awards. In particular, in 2022, the famous travel magazine The Travel announced a list of 10 countries with the world's most attractive cuisines, including Vietnam. (toquoc.vn, 2024)

Effective marketing strategy. Marketing is the way to bring chilli sauce products to customers. Using effective traditional and online marketing channels can help the Vietnamese chilli sauce brand reach a large number of potential customers.

As in the case of Chinsu, it has left a deep mark in the hearts of young people, especially in the context that many brands are actively renewing themselves with youthful marketing strategies. This success comes not only from understanding the psychology and trends of young people but also through a diverse combination of communication channels, from online to offline, creating a brand full of excitement and active. It can be mentioned that the outstanding campaign “Ten thousand delicious dishes with delicious flavors” has been deployed on many platforms, the Chinsu brand has “touched” young customers, those who are passionate about exploring food and looking for experiences. Experience the taste in every moment. (advertisingvietnam.com, 2024)

Cooperation and association: Collaborating with manufacturers, distributors and other partners in the food industry can help chilli sauce brands take advantage of market opportunities and expand their business reach.

As in the case of Nam Duong, after many years of being dominated by big names such as Masan and Cholimex, at the end of 2015, Saigon Co.op also joined hands with Wilmar International Limited (Wilmar) to establish a joint venture Food Co., Ltd. Nam Duong International, producing sauces and spices under the Nam Duong brand, aims to regain market position for Nam Duong sauce after a long time falling into the hands of Masan and Cholimex. Wilmar has a distribution system in many countries, so Nam Duong's market share opportunities will be more open, not to mention Saigon Co.op's extensive retail system also contributes to marketing products to consumers. (brandsvietnam.com, 2016)

Vietnamese chilli sauce brands have affirmed their brand and reputation in the food industry. While in the food and beverage sector, international brands of multinational corporations are making waves in the market, in the food sector alone, Vietnamese brands are establishing a steady foothold. Surveys in the food sector show that the popularity of domestic brands completely overwhelms foreign brands. The tradition of domestic brands in the food sector brings great advantages, in addition to the ability to be flexible, responsive and suitable to the tastes of domestic consumers. Vietnam's food and beverage sector is considered a potential market as average income is increasingly improving. (tapchitaichinh.vn, 2013)

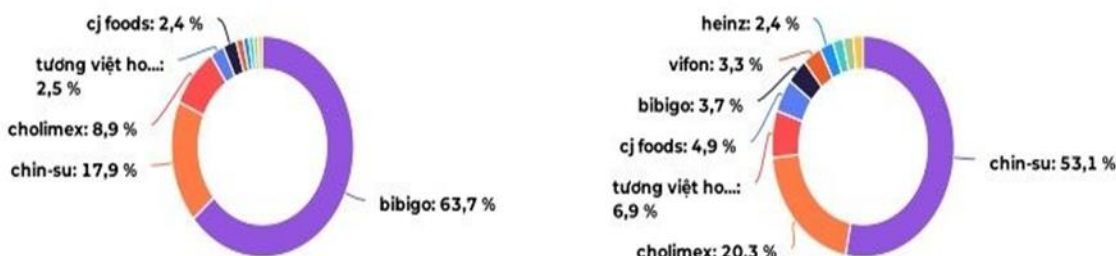
Vietnamese chilli sauce actively participates in fairs and exhibitions in the world market. Many Vietnamese businesses are ready, and looking for solutions to take their products further and reach the world market. Chin-su chilli sauce continues to be present at agricultural and culinary fairs in Japan. Chin-su is a familiar chilli sauce brand of Vietnamese people, has “conquered” and has a certain position in the Japanese market. Right in the first days of 2021, this product appeared on the booths of the international food and beverage exhibition Foodex Japan 2021. However, to continue to maintain its position in this market requires a significant effort and constant changes to increasingly suit the needs and preferences of the people of this country. (cafef.vn, 2021)

During the Japanese market launch event at Foodex 2023 CHIN-SU continued to launch Chin-su Wasabi chilli sauce with a special combination of 2 unique and attractive “spicy styles” of 2 cuisine cultures: The warm spicy taste stimulates the taste buds of Vietnamese specialty Chi Thien chilli, mixed with the refreshing spicy notes of typical Japanese Wasabi. (Vov.vn, 2023)

Take advantage of e-commerce channels to compete domestically and bring products to the world market.

The total revenue in 2023 of chilli sauce products on the chilli sauce e-commerce platform is 25.9 billion VND, with a total number of successfully traded products of 459 thousand product units, and a total number of shops. There was an order for 2 thousand shops. Thus, on average each month, the product “Chilli Sauce” achieves a revenue of 2.2 billion VND. The product “Chilli sauce” has 186 brands trading on the e-commerce platform and there are 1,985 shops trading on the e-commerce platform. (Metric, 2023)

Figure 1. Top 10 brands with the highest revenue and highest sales volume on e-commerce platforms



Source: Metric (2023)

The top brand with the highest revenue is Bibigo, a Korean brand, followed by two Vietnamese brands, Chinsu (17.9%) and Cholimex (8.9%). The top brands with the highest sales volume are all three Vietnamese brands: Chinsu (53.1%), Cholimex (20.3%) and Tuong Viet Hoa Sen (6.9%).

Table 1. Revenue, sold products and products with sales volume of some brands and sellers of Vietnamese “Chilli Sauce” on the e-commerce platform from December 1, 2023 to December 31, 2023

TT	Brands and Sellers	Revenue (VND)	Sold products (product)	Number of product types sold
1	Masan Consumer	1.303.590.000	21.759	9
2	Tuong Viet Hoa Sen food	396.468.200	10.934	15
3	Cholimexfood	133.645.680	5.262	21

Source: Metric (2023)

Revenue, products sold and products with sales volume of some brands and sellers of Vietnamese “Chilli Sauce” on the e-commerce platform include Masan Consumer with revenue of 1,303,590,000 VND, number of products sold 21,759, product has sales volume 9; Tuong Viet Hoa Sen food has revenue of 396,486,200, products sold are 10,934, products with sales volume are 15; Cholimexfood has a revenue of 133,645,680 VND, 5,262 products sold and 21 products sold.

Table 2. Statistics of Vietnamese chilli sauce products with good reviews in 2023

TT	Product’s name	Total of evaluators (person)	Average rating (on a 5-point scale)	Good rating (4 stars and 5 stars)	Bad reviews (1 star and 2 stars)
1	One kilo - bottle of Chin su chilli	2.350	4.95	3.714	13

	sauce				
2	CHINSU chilli sauce	2.830	4.95		

Source: Metric (2023)

Among the top well-rated products, the product 1 bottle of Chinsu chilli sauce 1 kg has an average rating of 4.95 with a total rating of 2,350, of which good ratings (4 stars and 5 stars) are 3,714, and bad ratings (1 star and 2 stars) are 13; Chinsu chilli sauce product with a total rating of 2,830 and an average score of 4.95.

In addition, e-commerce also helps bring chilli sauce products to the world market as in the case of the Director of Tomcare Biotechnology Company Limited (Chillica fermented chilli sauce brand, Ho Chi Minh City), said that as soon as the product goes on the market in June 2020, the company plans to put the product on Amazon so it has fully prepared the standards and legal requirements. From December 2022, the company has officially exported chilli sauce to the US market. Among the partners, the company only chooses 1 exclusive partner to distribute on Amazon, then the e-commerce site of Walmart supermarket for consistency, as well as a way to support other partners in Sales in traditional channels. Thanks to this strategic direction, in October 2023, Chillica will officially be available on Amazon with much more economical costs. Thanks to this channel, businesses can easily introduce to customers where to buy products when the coverage of traditional channels is not wide. (Ngoc Anh, 2023)

3.2. Threats of the Vietnamese domestic chilli sauce market

Consumer psychology of foreign preference. Consumers' mentality of favoring foreign countries and believing that big brands are good is still the biggest barrier, causing "rookie" or small businesses joining this "playing field" to face many obstacles, despite their enthusiasm. (longhau.com.vn, 2016)

According to Metric statistics (2024), the top brand with the highest revenue on e-commerce platforms belongs to bibigo (63.7%) which is a Korean brand.

Fierce competition with foreign brands. The issue of trade discounts to penetrate the market through the supermarket channel faces many difficulties. If you want to enter supermarkets, you will get high commercial discounts, but if you want to distribute through traditional stores and agents, you will be "channel-hacked" by "big guys", especially foreign companies, meaning they increase display fees, offer many attractive benefits and commissions to agents so that small businesses no longer have beautiful display locations, leading to domestic businesses being "disrupted". (Lu Y Nhi, 2016)

Differences in principles for building food standards between countries when bringing chilli sauce products to the world market

Each country has principles for establishing food standards, which can be based on people's food habits when consuming that food. Regulations on the use of food additives may vary between food groups. For example, Benzoic Acid is a substance in the list of preservative additives of the International Food Standards Committee but is regulated on its usage content. Currently, there are 186 countries using Codex's common standards, including Vietnam. The general standard is the same, but among Codex members, some countries allow and some countries absolutely ban benzoic acid. As in the case of Chinsu 2019 in Japan, the Osaka city government issued a notice recalling all 18,168 bottles of chilli sauce imported from Vietnam under Masan's Chin-Su brand because they contain the banned substance benzoic acid. According to analysis results of the Tokyo Food Technology Research Institute, the benzoic acid content in the bottles of Chinsu chilli sauce that has just been recalled is at 0.41-0.45 g/kg. This is a banned substance used in chilli sauce in Japan. In

Vietnam, regulations of the Ministry of Health also allow the use of this additive with a maximum concentration of 0.1%, ie 1g/1 liter, 1g/1kg. (hoanhap.vn, 2019)

Standards are increasingly strict for the food industry

The food industry in general and chilli sauce in particular will have to comply with increasingly strict standards, including:

ISO standards (International Organization for Standardization): There are standards related to food safety, quality management and other requirements for food production.

HACCP standard (Hazardous control point analysis and control point management): This is a widely applied food safety management system to ensure food safety and quality.

Food safety standards of local or national food authorities: Each country usually has its own food regulatory agencies, such as the Food and Drug Safety Administration (FDA) in the United States or the Food Safety Authority (EFSA) in the European Union.

Food conformity standards of other international organizations such as Codex Alimentarius, a set of international food standards developed by the World Health Organization (WHO) and the Food and Agriculture Organization of the United Nations (FAO).

Additionally, specific standards and regulations for chilli sauce may vary by product type, country and specific region. For manufacturing and export purposes, businesses often must comply with both the exporting country and the importing country's standards.

Box 3. Reach out to the demanding market

In the world, each country applies its own standards and regulations to products, especially food products, which are more strict and “fastidious”. For example, in Asia, Japan is a country with its own specific industrial and agricultural standards, complex distribution system, high trade promotion and market investigation costs; Technical barriers to strict food products such as regulations limiting the amount of chemicals in each agricultural product; Consumer tastes here are always changing. However, even in this “difficult” market, some Vietnamese brands still achieve achievements and gain a fairly stable market share if there is careful adjustment and study of national regulations. One of them is the Chin-su chilli sauce brand of Masan Group. After an initial difficult time when entering the Japanese market, Chin-su chilli sauce has made changes and overcome difficulties, proving its appeal by continuously increasing its market share. The market share of this brand in 2019 was 55%, then increased to 60% in 2020 despite this being a fiercely competitive segment.

Source: baophapluat.vn (2021)

4. Some solutions to promote the development of Vietnamese chilli sauce brands

Solutions from the State/Associations

Support research and product development. Provide funding to research and develop high-quality chilli sauce products that can attract the attention of international markets. Providing training and consulting programs to manufacturers on how to produce chilli sauce according to high quality standards and export requirements of consuming markets.

Brand promotion. Support chilli sauce businesses to participate in international events, food exhibitions and brand promotions to raise awareness and access to potential markets. Organize advertising and marketing campaigns to increase chilli sauce brand awareness. Use social media channels, websites and trade events to generate awareness and enhance product reputation.

Supports standardization and certification. Support businesses in complying with international food safety standards and receiving appropriate certification, helping to increase trust

from export partners. Vietnam needs to soon amend food safety regulations to suit exporting countries. Ensuring compliance with the standards and regulations of the host country is mandatory, right from the inspection stage, the export of products must be thoroughly handled. It is necessary to apply international standards soon, Vietnamese businesses must research to innovate technology and take international and regional standards to apply to production.

Infrastructure and logistics construction. Invest in infrastructure and logistics services to improve transportation efficiency and reduce costs, thereby increasing competition for exported chilli sauce products.

Promote product quality. Manage product quality and conduct periodic inspections to ensure that exported chilli sauce meets high standards of food safety and quality. This includes increased monitoring of the production process, use of high quality ingredients and compliance with food safety regulations.

Strengthen trade cooperation. Create favorable conditions for chilli sauce businesses to participate in free trade agreements or regional trade agreements to enhance export potential. For the industry, the Customs industry needs to be proactive in researching domestic and international legal systems and, when necessary, issue immediate warnings. Coordinate with state management agencies and clearly notify proactive businesses. In the context of Vietnam's transition, each industry must also promote its role and issue general warnings in the state management system as well as to businesses to reduce losses.

Solutions from the business side

Search for niche markets with small-scale production enterprises. For chilli sauce manufacturing businesses whose production scale is still low, new entrants to the market can look for opportunities in niche markets. Because large businesses rarely focus on the rural, low-income segment, small businesses with good products still have a chance to survive. With the "provincial" market, people buy reasonable prices, beautiful packaging, delicious food, and good taste. This is still a market characteristic with a high proportion of the population living in rural areas. This is an open opportunity for small businesses and rookies.

Improve product quality. Ensure that your chilli sauce products meet the highest quality standards. Using the best materials and modern production processes to ensure products gain trust from consumers.

Develop distinctive branding and packaging. Unique, attractive, recognizable and professional brand and packaging design. Beautiful and unique packaging and labels, high product quality can help products stand out on store shelves and make a strong impression on consumers.

Create a communication platform. Develop a comprehensive communications strategy, including traditional advertising, digital marketing and public relations. Use social media channels and websites to create consumer engagement and increase brand awareness.

Promote trust. Create food safety and quality assurance programs, as well as certifications from reputable organizations. Ensuring trust from consumers will be an important factor in building a brand.

Create relationships with customers. Create creative and effective marketing campaigns to promote chilli sauce products. Offer special offers and promotions to attract and retain customers. Build a brand loyal community by creating opportunities to interact and communicate with customers through promotions, product experience events and direct communication via social networks.

Promote sustainability. Ensuring that chilli sauce production is done in a sustainable and socially responsible manner, this can help enhance brand image and value. Carrying out business activities that benefit the community and the environment can help enhance brand image and value.

Conclusion

Vietnamese chilli sauce has had a significant market share growth in recent decades, becoming an indispensable seasoning in the meals of both domestic and international consumers. Chilli sauce manufacturers in Vietnam not only provide basic chilli sauces, but also expand to many other types of products such as garlic chilli sauce, onion chilli sauce, green chilli sauce, and other versions with different flavor and varying levels of spiciness. Most chilli sauce brands in Vietnam focus on product quality and food safety. Production processes are strictly controlled to ensure that products meet food safety and quality standards. Vietnamese chilli sauce products have entered the international market and achieved some significant success in exporting products to other countries. This has helped enhance the reputation of Vietnam's food industry in the international arena. Chilli sauce brands in Vietnam have focused on marketing and promotion strategies, using media and distribution channels to effectively reach customers. Advertising campaigns and participation in cultural events have also helped increase brand awareness. The chilli sauce industry in Vietnam is becoming more competitive, with the emergence of many new brands as well as competition from imported products. This poses threats but also creates opportunities for businesses to improve the quality of products and services. With consumers' love for dishes using chilli sauce and the trend of increasing the use of spices in cuisine, the chilli sauce brand in Vietnam still has a lot of potential for development in the future. This requires businesses to continuously innovate and improve product quality to meet the increasing demands of the market.

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