

Market entry strategy for construction chemicals firm in Vietnam

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Received 26 November 2021; accepted 21 February 2022

Abstract:

Economic development has led to increased demand for construction in Vietnam, which creates great potential for the growing market of construction chemicals. This paper examines influential factors of market entry success by reviewing related literature, gathering information about market characteristics in Vietnam, and surveying firms in the field. This study's results reveal some factors that strongly influence the success of a market entry strategy including research and development and adaptive abilities of marketing and sales when responding to market changes.

Keywords: barrier to market entry, market entry strategy, Vietnam construction chemicals market, Vietnam market entry.

Classification number: 2.2

Introduction

Construction chemicals are used in construction activities to extend the functional scope of construction materials as well as speed up construction, enhance durability, and provide strength to structures. In Vietnam, over the past decade, the construction chemicals market has been steadily growing. Currently, according to the World Bank, "Vietnam is now one of the most dynamic emerging countries in East Asia". Given urbanization, economic development, and population growth in Vietnam, the demand for new construction and upgrade of old structures are increasing rapidly [1]. Consequently, this supports steady, fast growth of the country's construction chemical industry. Indeed, the Vietnamese construction chemical market has high growth prospects because of many supportive factors including rapid urbanization, increasing investments in infrastructure and real estate construction, and expanding industrial zones.

In addition, rising income levels and the desire to enhance the style and quality of living spaces lead to higher construction standards. Consequently, this

also supports increasing demand for construction chemicals. Besides this great potential, the market also has many challenges and difficulties. For example, the current market is highly fragmented, competitive, and changing fast with various market participants that include both small, local companies and multinational corporations. There are some merger and acquisition activities in the market to expand market share, which can be used as a way to eliminate direct competitors, and indeed most of these situations occur between a key player and a domestic producer.

For many reasons, most major foreign players have limited business networks that focus mainly on big construction projects with high demands of technology. On the other hand, the domestic players exploit advantages of having market insight and flexibility to develop distribution networks and sales, increasing market share of low-tech products, and continuously improving their technical abilities for enhancing competition. Because of more accessible production techniques, more and more local producers are appearing in the market and competition in the

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segments of low-tech products is becoming tenser while profit margins remain slim. However, the market size of such products increases rapidly, and total revenue grows accordingly.

Some research on market entry in Vietnam has been conducted, and most of these works focus on how to select the mode of market entry for international companies and identify contributing factors of market entry strategy [2-4]. However, there is a notable lack of analysis and detailed knowledge about actual factors affecting the success of a market entry. Therefore, this article aims to examine characteristics of the Vietnamese construction chemicals market. What are the most influential factors of the success of the market entry in actual business operation? All these results will provide a better understanding of the market entry and highlight key factors to develop a comprehensive market entry plan or expand the market, confronting the rapidly evolving world around business activities.

We organize the rest of the article into three sections. First, we review existing research on market entry, barriers to market entry, and market entry in Vietnam in particular. Second, we describe the method and data collection. Third, we discuss findings, limitations, and further research.

Literature review

Market entry

To avoid making a biased entry decision, one needs to carefully analyse other factors such as critical stakeholders, success factors, barriers to entry, appropriate strategies, etc. X. Wang and L. Duan (2018) [5] stated that “market entry is the activity associated with bringing a product or service to a targeted market”. There are two kinds of markets: the primary market refers to the market where the companies sell new products to the customers for the first time and the secondary market is one in which the customers trade the products among themselves”.

Regarding market entry timing and other factors of market entry, D.J. Teece (2018) [6] show that “a firm’s market entry timing and entry mode can significantly influence the firm’s performance. Many factors such as control, experience, and cultural distance can influence the formulation of a firm’s market entry strategy”.

G.D. Markman, et al. (2019) [7] provided another aspect of market entry, “some firms can operate inside their market niches with limited growth, while many enter a new market as important means to either grow sales, develop capabilities, or diversify in terms of both a product range and geographical presence”. This author also provided “a field-wide perspective of market entry by expanding on the framework of market entry” by considering factors including “the who - players such as incumbents, entrants, suppliers, etc., when - the timing and sequence of entry, how - the strategy, resources, capabilities, etc., where - the space of entry, and what - product, service, business model, etc”.

There has been a lot of attention paid to the fundamental research to “develop market entry strategy formulation: a hierarchical modelling and consumer measurement approach” conducted by G.L. Urban (1979) [8] because of the benefits brought to the firms. “New product development requires large amounts of money and time and presents major risks of a failure”. Therefore, firms can increase the benefits of their current products or services by “an effective strategy for market entry can increase the likelihood of success and improve the potential payoff by focusing development efforts on attractive market opportunities”.

The Collins Dictionary of Business prepared by C.L. Pass, et al. (2005) [9] provides the most comprehensive explanation on the definition of market entry:

“The entry into a market of a new supplier in the form of either a greenfield operation (i.e., an additional supply source), merger with, or takeover of, an existing supplier. Market entry constitutes a major business strategy decision, reflecting a strategic initiative on the part of a firm to develop or reshape its product/market positioning. Such entry occurs largely in response to the perceived long-run profit potential of the target market, which in turn is importantly influenced by the size of the market and its perceived growth potential, concerning the expansion of total primary demand and particular market segments. Successful new entry requires the firm not only to overcome any initial barriers to entry but also to develop a long-term strategy for establishing and sustaining competitive advantage over rival suppliers”.

In general, the scholarly topic on market entry has grown steadily over decades, and many papers have

analysed related theoretical perspectives such as transaction cost economics, the resource-based view, influent factors, etc. At present and in the future, the topic of market entry will remain important because entrants are often mounting significant threats to trade war, the COVID-19 pandemic, climate change, incumbent performance, industry profitability, and many other factors.

The barrier to market entry

Understanding barrier factors to market entry plays a vital role in the successful strategy of companies to enter the Vietnamese construction chemicals market. A barrier to market entry impedes and or undermines the ability of a company to enter the market successfully.

The topic of a barrier to entry has been discussed and synthesized over many decades with a pioneering study by J.S. Bain (1956) [10], which provides the following definition: “a barrier to entry is an advantage of established sellers in an industry over potential entrant sellers”. In the aspect of production costs, G.J. Stigler (1968) [11] suggested, “barrier to entry is the production cost (at some or every rate of output) which must bear by firms which seek to enter an industry, but the firms already in the industry do not need to bear such costs”. According to D.W. Carlton and J.M. Perloff (1994) [12], “a barrier to entry is anything that prevents an entrepreneur from instantaneously creating a new firm in a market”. J.R. Church and R. Ware (2000) [13] also indicated that: “an entry barrier is a structural characteristic of a market that protects the market power of incumbents by making entry unprofitable”.

The above definitions of barriers to market entry focus mainly on market characteristics and their negative impacts on new entrants’ making market entry decisions. Besides that, more concepts of barrier to market entry focus on other aspects relating to strategic behaviour as well as natural and artificial barriers.

A. Pehrsson (2009) [14] proposed that “a firm that enters a market late and faces extensive barriers would choose a broader product/market scope and differentiate its products to a larger extent than an early entrant”. F. Karakaya and M.J. Stahl (1989) [15] provided more ideas on the concept: “the importance of barriers differs depending on the market and the

type of product marketed”. According to Encyclopaedia Britannica, “barriers to entry, in economics, obstacles that make it difficult for a firm to enter a given market”. The classification of barriers is based on the natural and artificial characteristics of the market. Most of them happen due to the firms already operating in the market or by the government [16].

Different barriers to market entry

It is necessary to specifically identify market entry barriers and consider the possibility of overcoming them before making a market entry decision. To make it more specific for academic study and strategic management, many scholars have classified barriers over the last few decades.

For example, M.E. Porter (1980) [17] proposed six significant entry barriers including: 1) cost advantages of incumbents; 2) product differentiation of incumbents; 3) capital requirements; 4) customer switching costs; 5) access to distribution channels; and 6) government policy. For more details, F. Karakaya and M.J. Stahl (1989) [15] pointed out 25 market entry barriers and classified them into two categories: 1) competitor-activated or controllable barriers to entry and 2) environmental or uncontrollable barriers to entry.

Furthermore, the small and medium enterprises (SMEs) and Entrepreneurship Program financed by the Netherlands’ Ministry of Economic Affairs provided a report on barriers to entry prepared by J. Blees, et al. (2003) [18]. The purpose of the report was: “to identify and describe all possible barriers to entry and their potential effects on competition”. Thirty-seven different barriers were identified “with a special focus on the possible side effect of the barrier, the sustainability of the barrier, the way it can be measured and the relation with other barriers to entry”. The report describes each barrier, “the mechanisms behind the barrier and how the barrier influences or restrains competition and entry”. Additionally, it analysed the relationship between the barriers. Some examples of market entry barriers mentioned in the report include access to distribution channels, advertising, availability of skilled labour, brand name, capital requirements, cultural distance, customer loyalty, government licences, government policies, investment risk, level of technology, selling expenses, and technological change.

Market entry in Vietnam

Regarding the topic of market entry in Vietnam, few studies show a comprehensive approach for practitioners or as scholarly references. However, some researchers published, to some extent, outlines of lessons learned and other aspects of the subject.

On the subject of cultural factors on the entry mode, M.H. Nguyen, et al. (2020) [4] mentioned cultural distance as a crucial factor significantly affecting the entry mode selection of multinational enterprises. The result of the study showed that “when the cultural difference between Vietnam and their home country is high, foreign-invested firms prefer wholly-owned subsidiaries over equity joint ventures”. Z. Li and T.T.H. Nguyen (2017) [3] contributed to the research topic by “analysis of the strategy of Chinese enterprises to open up Vietnam market - a case study of a Hong Kong invested enterprise entering the Vietnamese market”. The result of the analysis points out two valuable conclusions. Firstly, “each company should have its correct decision-making and fully understand Vietnam’s laws and regulations”. Secondly, “they also should not tend to ignore the training and promotion of Vietnamese employees in the process of Vietnamese market development”.

In addition to the research topic focusing on entry strategy and entry modes, D. Simonet (2012) [2] contributed some exciting findings on the entry modes of European firms in Vietnam a decade ago. According to the research results, there are some concerns of European firms when choosing entry modes in Vietnam. Firstly, the market is “still heavily government regulated and some time that leads to uncertainty about economic conditions”. Secondly, there is a “lack of trust in partners and institutions”. These factors gave the firms low expectations and so they preferred low equity entry modes although Vietnam has high potential, such as a large market and high growth rate. B.H. Wafler and Y.F. Badir (2017) [19] also shared findings on two European multinational companies’ adaptations to suit “market uncertainty and political instability in a newly emerging market”. Balancing between standardization and adaptation on product quality and performance-labelled as a semi-adaptation solution-can work well in the market. This strategy is more effective than the

variety of product categories.

Regarding lessons learned from enterprises’ market entry in Vietnam, H.T. Nguyen (2020) [20] presented an “analysis of Starbucks’ entry strategy into Vietnam market”. Starbucks has been recognized as a well-known brand worldwide with successful experience in China, reliable resources and capabilities, and supported by the great potential of a fast-growing economy and the rapidly increasing size of the middle class. However, eight years after entering the Vietnamese market, Starbucks’ business has moved slower than planned, and they intend to close some stores in the next few years due to unexpected business results. For reasons of such effect, this paper suggests some points to consider as lessons learned for reference. Firstly, Starbucks offers “cafes - dispensing drinks from Arabica” - a less common coffee in Vietnam. Meanwhile, Robusta coffee comprises most of the coffee market in Vietnam. This situation may come from a lack of insight into the favourite beverages of Vietnamese consumers. Secondly, Starbucks is inflexible in changing menus to meet market trends while local coffee chain stores have appropriate adaptations to meet their target customers’ tastes.

Conclusions of literature review

A review of literature on market entry strategy reveals that the concept of the subject is still fragmentary in its definition, problem identification, and lacks a coherent theory. Some studies present “market entry”, which is understood as foreign or international, usually focusing on entry modes with different equity entries and risks. In contrast, other papers understand that “market entry” means firms enter into both new geographical areas and new industries as well. Consequently, the term “market entry” remains unclear in terms of distinctions between foreign market entry and business diversification.

Given that Vietnam’s market size has been increasing rapidly and its deep integration with the global economy, more and more studies on market entry in Vietnam are becoming present in books, research papers, theses, etc. However, as far as the time of implementation of this study, there is no existing research on market entry for construction chemicals in the Vietnamese market. Furthermore, many other aspects of successful market entry strategy in practice are still lacking in literature

due to the diversity of different markets and industries. Given that, the goals of this study are to explore how firms can make a successful market entry strategy in the field of construction chemicals. Furthermore, this work contributes to a better understanding of the research literature on the topic.

Methodology and data

Based on the purpose of this research, our methodology consists of four modules that have links to each other to facilitate the analysis and synthesis of the outputs and outcomes. For more detail, Fig. 1 below presents an overview of the methodology and process of the study implementation.

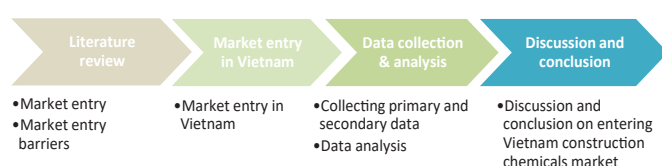


Fig. 1. Illustration of research methodology and process.

As shown in Fig. 1, the first and second modules are study literature on market entry theory and market entry in Vietnam, respectively, which provide an overview on the status of the related research topic that helps identify research gaps, specific issues, and a theoretical basis for implementing the following research modules. In the third research module, desk and empirical research were conducted by using secondary data from credible sources on the internet and primary data collected by a questionnaire survey to understand the characteristics of the Vietnamese market. In addition, other data sources also were used such as unofficial consultations with suppliers and buyers, and observations from the actual business operation of the author.

Outputs of the above research modules of theoretical basis and understanding of the actual market situation helped to develop the fourth research module, deriving knowledge from actual market entry experience and identifying and analysing factors that influence firms' market entry and business development. Knowledge gained from analysing and synthesizing the above research modules helps develop recommendations for Vietnam market entry and business development in the construction chemicals industry. For more detail, based on influential factors and the relationships between them, and understanding crucial background

information, help explain why and how to lead to the typical patterns of strategic success and failure in terms of the market entry and business development.

Data collection

Construction chemicals are a niche market of the chemical industry and have limited participants. However, the empirical survey conducted with participation of all significant types of market players, including local and international traders, local and international producers, and training and research organizations. The respondents are directly involved with construction chemical business and technology activities in Vietnam and work at different positions, organizations, business models, company sizes, and segments in the market.

To build an insightful understanding of the construction chemicals market in Vietnam, we conducted a survey questionnaire to collect thoughts, opinions, and attitudes on market entry from experts in the field.

Understanding competition, supportive factors, and barriers to entry provide insight into the market and have an essential role in developing a market entry strategy. In line with that, the survey groups questions into three different sections:

- The first section gathers respondents' understanding of market and competition and other relative factors.
- The second section concerns the supportive factors for successful market entry. This section covers issues regarding factors influencing success, for example, price of the product, brand awareness, etc.
- The final section is to check barriers to market entry, for example, quality of human resources, leaders' motivation on market entry, Etc.

Besides the suggested factors in the questionnaire, the respondents can add in other aspects.

The reasons for grouping questions are 1) to help respondents answer questions in a more manageable way and 2) to provide more clarity for the respondents to better understand the meaning of the questions. This also facilitates coherent answers and helps avoid overlaps and misunderstandings. Respondents rank the importance of the factors in the questionnaire as

inputs to gauge their opinions and attitudes on aspects of the market entry into the Vietnamese construction chemicals market.

According to the report on “Vietnam Construction Chemicals by Type, End-Use Sector, Competition Forecast & Opportunities (2013-2023)” prepared by TechSci Research - a research-based management consulting firm [21], the Vietnamese construction chemicals market has high growth prospects because of many supportive factors, which include rapid urbanization, increasing investments in infrastructure and real estate construction, and expanding industrial zones. In addition, rising income levels and the desire to enhance the style and quality of living spaces lead to higher construction standards. Consequently, this also supports the increasing demand for construction chemicals.

Except for the Sika Company, for many reasons, most of the major foreign players have limited business networks and focus mainly on big construction projects with high demands for technology. On the other hand, domestic players exploit the advantages of having market insight and flexibility to develop distribution networks and sales, increasing market share of low-tech products, and continuously improving their technical abilities to enhance competition.

Because of increased accessibility to production techniques, more and more local producers are appearing in the market and competition in the segments of low-tech products is becoming more tense. Meanwhile, profit margins remain slim. However, the market size of such products increases rapidly, and total revenue grows accordingly.

Similar to other markets in the South East Asia area, the Vietnamese construction chemicals market is fragmented in nature as well. There are some merger and acquisition activities in the market to expand market share or used as a way to eliminate direct competitors, but most of these situations occur between a key player and a domestic producer.

Together with improving quality of life and materials, the architects, contractors, and investors have good awareness of the value and importance of construction chemicals to support the quality and

performance of structures. Furthermore, requirements on quality and eco-friendly factors are considered more strictly, and many are mandatory to enter the market. These are supportive factors to increase demand for higher quality, eco-friendly products.

As stated above, more expenditure on infrastructure, rapid urbanization, growing engineering and construction activities, and the increasing income level of the people are growing trends in the market.

Results and discussion

Findings on entering Vietnam construction chemical market

Factors in human and management: the human factor has the most crucial role in the development of firms. Participants also recognized this factor in their actual business operation, which was reflected in their response. As shown in Fig. 2, the most common response shows that leaders’ motivation on the success of market entry (100%) and human resources (HR) management (57%) are essential for the success of the market entry. Besides, a significant number (50%) of responses show that corruption does not play an important role, reflecting the reality of doing business. In a market with a high level of competition, the market entry success should not rely on corruption.

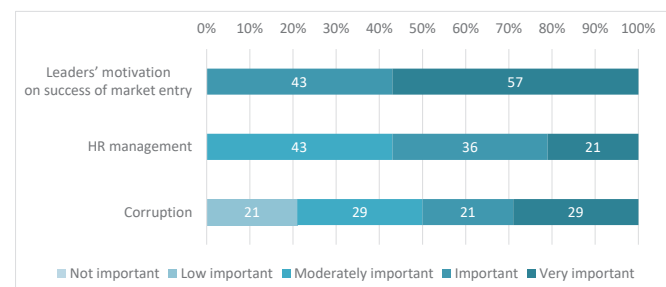


Fig. 2. Respondents’ attitudes to human resources and management.

Factors in market and competition: 100% of respondents think that knowing the competitive advantages of the firm, customer need, anticipating demand, and market trends are very important for market entry success. In addition, 79% of responses indicate the importance of knowing competitors attract customers effectively while knowing the challenges of competitors received a lower number of responses on importance with a score of 57% (Fig 3).

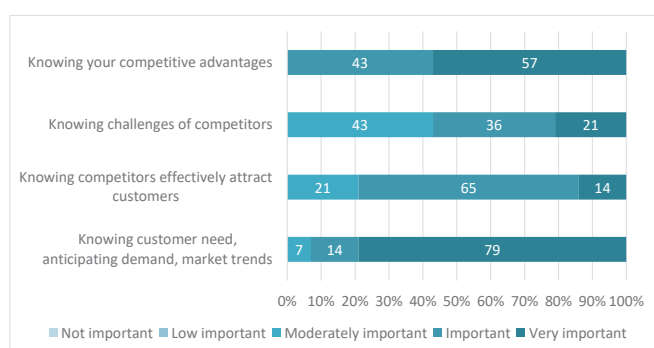


Fig. 3. Respondents' attitudes to market and competition.

Factors in marketing: as shown in Fig. 4, the survey results indicate that among many marketing factors, brand awareness and/or preference (93%) ranked the highest on the number of responses of importance. The lower ranked responses are market adaptation (79%), brand loyalty (72%), and market segmentation (72%). This survey result is similar to observations in reality. For example, the Sika Company is the most significant key player in the Vietnam market, which is in line with the fact that their brand is most popular in the field of construction chemicals. On the other hand, promotional activities (28%) have a significant number of responses indicating low importance on the market entry success.

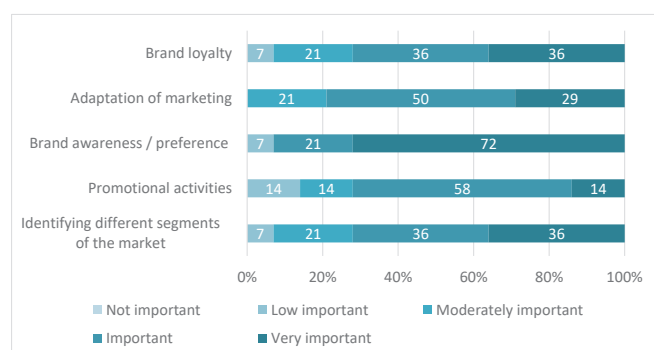


Fig. 4. Respondents' attitudes to marketing.

Factors in R&D and products: according to survey results, the product's origin has a small number (43%) of responses on the importance of market entry. Similarly, the factors on the flexibility of product quality and diverse product range also received a low number of responses on importance.

On the contrary, the use of advanced technologies (79% of response), products, and R&D based on purchasing trends (93% of response) received the most concern on the importance of market entry. The

results highlight that the core values of products brought to the customers are a strong foundation for business development (Fig. 5).

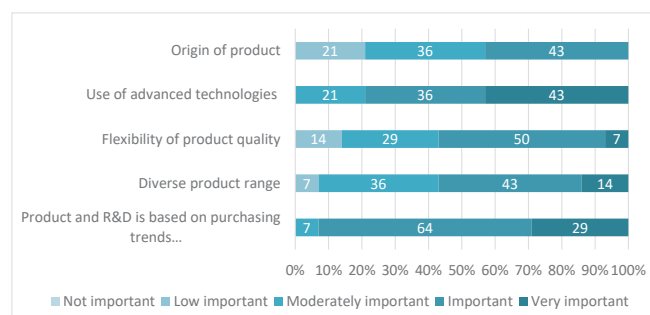


Fig. 5. Respondents' attitudes to research and development and products.

Factors in sales and distribution: Fig. 6 shows that low price products (7%) and online purchasing (35%) have low concern from respondents regarding sales and distribution success, which shows that users need quality assurance for their construction and technical support directly from suppliers. Apart from this, at higher levels of concerns are the availability of products (64%) and flexibility of sales (65%).

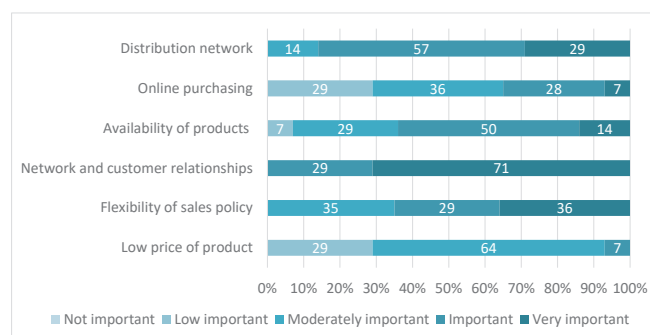


Fig. 6. Respondents' attitudes to sales and distribution.

Differing from the above factors, respondents think that network and customer relationships (100%) and distribution networks (86%) play the primary role in sales and product distribution. A possible explanation of this result is that construction chemical products need technical support to provide reasonable solutions and to be applied correctly, so relationships and networks play essential roles in selling products.

Discussion on research results

This section discusses the findings and initial analysis of the existing literature, as discussed in chapter two. This study set out to develop preliminary guidance

and recommendations on entering the construction chemicals market in Vietnam and considering the possible contribution to the literature on the market entry. As noted in the literature review, there are many research papers on the topic including barriers to market entry, emerging market entry, market entry in the construction industry, and market entry in Vietnam.

To enter a new market, a firm needs to identify and overcome barriers. This study shows that the most critical barriers to entering the construction chemicals market are customer need and market trend, brand awareness, and network and customer relationships. The findings of this study would agree with the literature regarding entry barriers. M.E. Porter (1980) [17] presented six significant entry barriers, while 37 barriers were also listed by J. Blees, et al. (2003) [18] in a research report on differences in barriers to entry for SMEs and large enterprises. On the other hand, as shown in empirical findings and observation on actual business operation, low motivation for the success of market entry should be considered as one of the most significant barriers to market entry success. When leaders have low levels of motivation or aspiration to enter the market that undermines inspiration and motivation of the workforce.

The research on marketing strategies of specialty chemicals by K.D. O’Gorman and R. MacIntosh (2015) [22] pointed out, “An approach to solve business challenges through innovative solutions will become a key differentiator for increased market share”. Consistent with this literature, the empirical survey found that the use of advanced technologies, products, and R&D based on purchasing trends received respondents’ most significant concerns.

According to the World Bank, Vietnam is an emerging market. However, it has both challenges and opportunities. Therefore, studies have been conducted to find out the influence of some factors on a firm’s market entry. In terms of culture and human resource management, H.T. Nguyen, et al. (2020) [20] mentioned cultural distance determining levels of equity and risk. On the other hand, the authors [3] pointed out that ignoring the training and promotion of local employees will demotivate them, leading to weakening sales and distribution. These views have close links to empirical

findings and prove the importance of the points. In the context of Vietnam’s construction chemicals market, there are no different levels of technologies between competitors. So, the success of market entry mainly relies on effort of the workforce to have market insight and to develop network and customer relationships.

Another notable discussion is the lesson of Starbucks’ entry strategy into the Vietnam market by H.T. Nguyen, et al. (2020) [20]. According to this author, reasons for Starbucks to reduce business activity in Vietnam are “lack of insight into the favourite beverages of Vietnamese consumers” and “not flexible in changing menus to meet market trends”. This result of the market entry shows clear evidence in the empirical survey result, i.e., 79% of respondents agreed the essential importance of knowing customer needs and market trends. Therefore, the study’s findings support the literature and prove a strong positive link between market insight and entry success.

Dissimilarities in the market context, level of technology, and cultural and natural environment create different characteristics and obstacles to successful entry into a new market. This research has revealed some factors on entry success as well as particular insight into the construction chemicals market in Vietnam, which contribute to our understanding of the research topic. The following sections provide a series of recommendations for practitioners and academics for areas of further research.

Conclusions

Construction chemicals are a niche segment of the chemical industry. They can be used in new construction and refurbishment projects, bringing durability and strength to the structures, and speeding up the work. With strict technical requirements and fluctuating demand due to changes in construction activities and market trends, all aspects of market entry need to be gathered and considered carefully. No market entry model suits any business forever. According to the circumstances of each market and firm, market entry should also change appropriately. Firms should have insight into the market including knowing customer needs, anticipating demand trends, and identifying competitive advantages of the firm by understanding customers, market,

competition, and competitor. As presented above, this market is fast-changing and continues to improve with high demand for construction and increasing awareness of the values and roles of construction chemicals for structures. In the scope of this study, based on knowledge from the literature review, characteristics of construction chemicals markets in Vietnam, and results of the survey, some recommendations are revealed about the successful strategy of construction chemical market entry in Vietnam as follows:

- As indicated in the previous section, product and research & development need to be based on purchasing trends and customer satisfaction in terms of the quality strategy. Therefore, advanced technologies and technological ability play an essential role in creating a core value of products, building customer loyalty, brand awareness, and preference.

- Regarding marketing and sales, each market has its characteristics of standard business practices and culture. Therefore, the market entry also needs to adapt to marketing, the flexibility of sales policy to develop network and customer relationships, and distribution network.

- Regarding human factors, leader motivation on the success of market entry plays a crucial role in promoting the process and severely impacts the performance of those who are directly involved in the implementation of the entry strategy. Besides, human resource management also showed the importance of the success of market entry, which needs to be transparent, create equity, and improve talent, etc.

To enter a new market, a firm needs to identify and overcome the barriers. This study shows that the most critical barriers to entering the construction chemicals market are customer need and market trend, brand awareness, and network and customer relationships. Another point is technology and product quality. However, in the context of Vietnam's construction chemicals market, there is almost no difference in levels of technologies between competitors in the same segment.

Dissimilarities in the market context, level of technology, and cultural and natural environment

create different obstacles to successful entry into a new market. This research has revealed some factors on entry success and particular insight into the construction chemicals market in Vietnam, which contribute to our understanding of the research topic and serves as a reference for practitioners.

Limitations and further research

Due to limited resources and research ability, the study has limitations summarised in the following points:

Firstly, the formulation of research aims, to understand the successful strategy of companies entering the Vietnamese construction chemicals market, is only based on input data gathered by literature review, general information about the market, and small survey results, which may not be enough evidence to come up with an ultimate solution or conclusion.

Secondly, the sample size and the number of surveyed parties account for a small part of the firms in the market. Therefore, the survey results do not reflect the market situation entirely.

Thirdly, the scope of discussion is limited because impacts from the COVID-19 pandemic are ongoing and there is no update available. Thus, information and data used for research and discussion in the paper disregard influences from the pandemic.

The points mentioned above could not cover all aspects of research limitations and can complement others.

This paper is not a comprehensive study, and there is room for future research. It may be necessary to carry out further research on Vietnamese construction chemicals market entry in a broader survey to contribute to a greater understanding about the topic.

The research area of market entry is highly complex, with multiple variables and theories. Therefore, more research is needed to improve understanding of the system theory.

COMPETING INTERESTS

The authors declare that there is no conflict of interest regarding the publication of this article.

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