



Marketing Mindset and Changes in Public Economic Governance in Vietnam, 2016 – 2019

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Marketing is a science that has been studied by the world scholars since the early years of the 20th century. The current applications of Marketing are mostly in the field of micro-management in businesses with a locus of customers and market issues. This study puts Marketing to a higher level in its application, which is for state management thinking about the economy of a country. The benefits for applying Marketing thinking to Governmental economic management can be realized through direct/indirect foreign investment, digitalization of public services or the efficiency of tourism in attracting tourists. The article selects the period 2016 - 2019 as the beginning of a new term of the Prime Minister of Vietnam with a change in thinking, in vision and action for solving the contemporary issues of the economy. Among those contents, Marketing ideology about the spirit of service, about creating new values for customers and the community allows them to come back to support the political views and policies of the Government. This is something that can be easily recognized but is really hard to implement. Accordingly, the study has shown the dramatic changes of the Vietnamese economy in the new era of leadership, which promises to be the premise for an ongoing sustainable growth.

Key words: *Economic Management, Marketing, Marketing Mindset, Public Governance, Vietnam.*



Introduction

As the society is developing more and more, and the world is getting "flatter", the achievements of the 4th industrial revolution have changed all aspects of social life from production methods, consumption methods to culture, lifestyle, and beliefs (Phạm Đi, 2019). This, in a certain sense, is a positive aspect, in the application of achievements of science and technology in production, communication and traveling; but on the other hand, it also causes great pressure for developing countries on administrative reform towards modernity, taking people's satisfaction as a measure. In other words, as a sole agency to manage the state administration, the Government needs to change the way of thinking, its management and administration, creating favorable conditions for businesses and people to practice and exercise their rights and obligations, especially in the administrative fields.

With the successful Tectonic Government models of development in Japan, Korea, China and some other countries, alongside the successes, there are also many difficulties, ups and downs, and even turmoil (Sanchez-Ramos, M., 2018). It is worth noting that, despite difficulties and obstacles about people, institutions, democratic life, unity of awareness, political determination, most of the countries have strategic plans on building an effective Government, for the people and to serve the people, among which China is with the model of a serving Government and Vietnam is with a tectonic model. They are the typical examples of integrating Marketing mindset into the public governance (Gergana Y. Nenkov, 2012).

As for Vietnam, the tasks of the Government of Prime Minister Nguyen Xuan Phuc for the 2016-2021 term are not only how to achieve the growth target right away in 2016, but also to solve a series of problems and the bottlenecks of the economy. These bottlenecks belong to many different areas, from bad debt, public debt, and high budget deficit, to low efficiency of public investment and the slow restructuring the economy. The economy has taken slow steps, to the point that the growth model reform has not gone far, or it is still necessary to reform the economic situation, moving towards a more complete and modern market economy, avoiding lagging behind compared to the countries in the region and heading towards a prosperous, innovative, equal and democratic society by 2035 (Nguyễn Tiến Lập, 2017). The Government has also been taking actions while promulgating the Action Plan to implement the Resolution of the 12th Party Congress, and the Action Plan to conduct the National Assembly's Resolution on the Economic Development Plan in order to successfully fulfill the Socio-Economic Development Strategy for the five-year period 2016-2020. The determination of this is to reform and build a "Government of development, integrity, and drastic actions, serving the people". This has been repeatedly affirmatively many times by the Prime Minister. Yet determination must turn into action. Only with practical actions of the Government, the localities, and the businesses, the whole economy can be expected to witness a stronger development.



In the new model, the Government of Vietnam must strongly shift from the administrative management method to a service Government, serving businesses and people and considering them as its customers. This requires taking the satisfaction of businesses and the people as the effective measure of the Government's quality at all levels. Besides, the Government has carried out institutional reform, administrative reform and an openly transparent business and investment environment, creating conditions for businesses to develop equally, especially non-state enterprises, and establishing a favorable environment for investment and international trade. Vietnam must also be treated as an innovative destination for foreign tourists. That is a change from the views of the previous terms of office, an openness gained from the Marketing way of thinking in running the Vietnam economy from 2016 onwards.

Literature Review

Marketing

Most of us are looking to sell something in our lives. A salesperson considers sales to be the most important metric in their day-to-day work. For a cleaning staff, what they sell is labor. A business is established to provide the market with certain products and services that make society better. Even a country is always seeking for ways to have more influence in the world politically, economically and culturally so that it can become a reliable tourist destination or a fertile land for international investment projects or to supply weapons and ammunition to other countries for defense purposes. Thus, in order to sell those products and services better, they all have to find a reasonable way to achieve the ultimate goal of the selling process, which is that the buyer is willing to open her purse to pay for the delivery of the items that she is committed for (Ross Gordon, 2011).

It is an inherent need in each person that makes her research in the most scientific ways how goods and services can be best consumed in the market. That theory is called Marketing science. Sometimes, the expression of that process as mere "sales", or "advertisement" is misunderstood as the concept of Marketing. However, Marketing doesn't stop there, it's broader than most people think. Objectively, Marketing has its own evolutionary process. In the beginning, Marketing was mainly product-centric sales activities to help businesses sell the leftovers of mass production from larger factories than before. This is very much related to the development of the first industrial revolution. This stage is called Marketing 1.0 or 'traditional Marketing'. It took place before the 1970s. The focus of traditional Marketing was on businesses' producing what they could without considering the actual needs of customers. The main direction of the business at this time was to produce as much as possible, and to sell goods widely at the lowest possible costs so that everyone could access. Therefore, the common Marketing orientations that apply to this stage were production orientation and selling orientation.



With the advent of computers, manufacturing capabilities were raised to a new level, enabling businesses to begin meeting the unique needs of different customer groups through automated production systems, which had been intelligently programmed. Therefore, the period after 1970s has opened a new era of Marketing which is often called 'modern Marketing'. Here, the focus of Marketing activities has been shifted from the products to the customers. That is also the reason why the era of Marketing 2.0 (customer-centric) was started when the specific needs and wants of the customers had become the source for all production and business decisions of enterprises in the economy (Floreddu P.B., Cabiddu F., 2016). During this period, the famous slogan that brought success to goods manufacturers and service businesses was "Customer is God". Hence, the main Marketing orientation applied in this period was Marketing orientation.

Next, when Marketing activities became so popular that businesses had all been well-trained in the implementation of Marketing activities, what pushed businesses to survive and develop again was to create distinctive features that no one in the market could do. At this time, customers were not only considered as mere helpers of the consumption of goods when they were satisfied by certain functions or emotions that products and services provided. To make a deeper differentiation, companies have been focusing on people themselves with human values that they always aim for in the basic desires of human nature, social values and soul-oriented and benevolent people. That human spirit is at heart of many of the messages we have encountered during the time. Therefore, Marketing 3.0 (human-centric) appeared with a popular orientation related to ethics and society.

During its development, the concept of Marketing was understood in many different ways due to the diversity in contexts and application objects. Some prominent and widely applied definitions can be mentioned as the Royal Institute of Marketing of the United Kingdom (Keith Glanfield, 2011), the American Marketing Association (AMA, 2017) or Philip Kotler et al. (2017). According to the Royal Institute of Marketing, Marketing is a management process concerned with identifying, anticipating and satisfying customer needs for a profit. Later, the American Marketing Association explained further about this concept when considering Marketing as an activity, a set of institutions and processes for creating, communicating, delivering, and exchanging valuable products and services for customers, partners and society. Together with his colleagues, Prof. Philip Kotler has generalized the perception of Marketing science to arrive at a new concept referring to a 3-step process: Marketing is creating value for customers, building relationships with customers and capturing the value in return from customers. Based on the main spirit of these explanations, we can state a concept of Marketing as follows:

Marketing can be understood as a scientific system describing how to approach the market



through understanding the needs and wants of the target customers to carry out value-creating activities that customers expect on the basis of respecting, preserving and constantly fostering the relationship with their customers, towards the goal of certain benefits for individuals and organizations.

With this understanding, we have some important notes about Marketing. Firstly, Marketing refers to an exchange and reciprocal activities between the value creators and the recipients of that value. Here, the created value with the received value are not necessarily identical, but they represent the objectivity of the market when those values are correlated. Thus, businesses as a typical value creator always try to create a value that is superior to the values that similar businesses can create in order to receive more and the most valuable returns from the market. Second, the customer in the above concept is only representative of the value beneficiary. In addition to customers' shopping, consuming goods and services, business partners and the social communities are also the people to whom the value creation activities of businesses are directed. Therefore, besides the relationship with customers, businesses must also pay attention to relationship with partners as well as with the public in general. Third, the created value needs to go hand in hand with the process of building a good relationship with the customers no matter how good the product or service is. If the customer service is not professionally conducted, it is difficult for that business to make sustainable progress in the business and vice versa.

Customer value and customer satisfaction

Customers are willing to pay to own a product/service when that customer feels the value that it may bring to them. The reason for this is because before making a purchase, every customer has an expectation of the benefits they will receive in purchasing and consuming certain goods. This is the result of customers' past experiences, comments from the community, relatives or from the information they receive from the Marketing messages of the manufacturers and businesses (Zhilin Yang, Robin T. Peterson, 2004). Expectations are measured by the price, time, effort and even mental loss in the shopping process that the customer is willing to spend to own the desired product or service. When they have the goods in hand, they compare the actual perceived value with the previously spent cost factors. This is a cost-benefit comparison commonly found in the field of economics. The discrepancy between perceived value and initial expectations (or costs) creates customer value. The passion of businessmen is to bring superior perceived value in reality so that customers get the most benefit when purchasing goods, assuming their expectations are constant. In that case, we call them satisfying customers (Ndubai, R. et al., 2018). When those comparable values are equal, we get satisfied customers. Accordingly, the worst case for businesses occurs when customers' perceived values are lower than their value expectations. At that time, false rumors about the quality of goods from disappointed customers are the things that the company has to face.

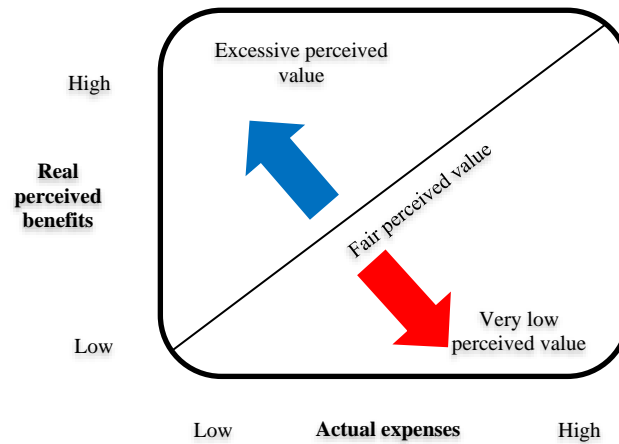


Figure 1. Customer value

Source: William D. Perreault et al. (2015)

In 2015, William D. Perreault et al. have also introduced a model (Figure 1), illustrating customer costs, benefits, and value in his 14th edition of Marketing Principles textbook. In fact, individual customers often make highly emotional decisions, so they rarely stop to fully calculate the losses in a shopping decision. In other words, customer value is a concept that firms care more about than groups of customers do. Here, we also assert that selling at a low price does not necessarily guarantee a high customer value, but it also depends on the final perceived value of the users of the product. Therefore, enterprises must pay attention to both: on the one hand, to reduce production costs in order to have a reasonable selling price; on the other hand, to enhance the actual perceived value of customers through the quality of products and accompanying services. It is also the customer value triangle (quality, service, price) that the production and business decisions of firms must always stick to.

When customer perceived value (CPV) is positive, we have satisfied and 'above' satisfied customers. So, customer satisfaction can be identified as the first criterion to measure the effectiveness of the enterprise's Marketing measures, and also the first thing that businesses aim at in the process of building long-term relationships with its customers. Only when customers are satisfied, do businesses have the opportunity to continue to make them more satisfied and commit to the brand longer, delaying their switching to other suppliers' products (Mohammed Ismail El-Adly, 2019).

So, the most ideal thing for businesses is that their customers feel satisfied or delighted with the products and services of the business. To do that in theory, businesses always try their best to reduce the total costs that the customers have to bear while increasing the perceived value for them. However, when those perceived benefits take a lot of effort and costs to be changed and when the total costs have limits in trying to minimize, the reality of creating



customer satisfaction levels requires firms to deal wisely with the consumption of their resources. Customer satisfaction is important but it is not the absolute goal when managers must satisfy other partners in their business in terms of benefits (employees, suppliers, intermediaries, and other stakeholders). Therefore, managers must understand deeply and come up with measures to balance resources to ensure the achievement of the specific goal of customer satisfaction in a certain time.

Since customer satisfaction is a necessary condition for their long-term engagement to a brand, businesses also need to find ways to measure that satisfaction for many different customers, so that they can adjust their actions and even their business strategy. First of all, that business needs to have a reasonable measure for the customer orientations of each functional department because Marketing is not a specialized activity for a certain department. Next, data on customer perceptions related to the benefits that the product brings and the benefits of the service experiences, the personal benefits and the entertaining effects of the brand image all need to be evaluated by relevant methods with appropriate investigation. It may be the loyalty programs that many companies apply to help them recognize the shopping frequency and needs of specific groups of customers so that the management team may be provided with an interesting perspectives regarding meaningful customer satisfaction.

Customer loyalty

Going beyond the concept of customer satisfaction after every transaction, businesses drive consumers to build shopping habits, brand loyalty and even tie their lives to consuming a line of product (Nha Nguyen et al., 2013). At that time, the business is not doing Marketing for each transaction (transactional Marketing), but it is applying relationship Marketing as well. Their main goal is no longer to just optimize the volume of a customer's transaction at a particular time, but to focus the business on a longer-term question of customer engagement with their businesses. For instance, one time of buying the highest number of goods at the grocery store, one customer can reach up to 10 million VND for her family's daily needs, but if the supermarket chain is only interested in that purchase by increasing the price of goods unreasonably, it risks losing the customer to its most direct competitors. Instead, if the chain is interested in where the customer live, how many times a week she goes to the supermarket, how many goods she purchases each time, how much it is worth, and how many more years she will live there, it is sure to prevail. In case, she can move to live in areas where there is the supermarket chain, then the value that customer may bring to the business does not stop at just one transaction. The value, eventually, can reach several billion VND. This is called customer life-time value (Steven A. Taylor et al., 2004). And, the sum of the lifetime values of all of a business's customers constitutes its customer equity. Thus, whether a business is large or small, whether it is sustainable or not depends a lot on the business orientation of the leadership team about the long-term relationship with the people who are feeding their



business.

Customer loyalty is defined as a deep commitment by a customer to continue to purchase or use a good or service in the future, regardless of influencing situational factors and Marketing efforts to get them to a brand switching behavior. Therefore, loyal customers must first of all feel satisfied while using the products and services of the business. The lasting satisfaction, as well as the short-term satisfaction, give them a special feeling for the brand, making them become brand fans (evangelists) who are willing to bring the image of the product or service to recommend to friends, relatives and colleagues. These efforts are impartial and pervasive, especially because they provide an important source of information for the purchasing decision-making process of those who are shared at no cost about the business. It is also a typical example of Word-of-mouth Marketing (WOM), a type of Marketing activity which is very effective and economical for businesses (Selvi, B., Thomson, J., 2016). In order for customers to become loyal and voluntarily promote such brands for free, enterprises must take many integrated measures. However, we can easily see that the core initiative is still the contents of that business's promise to the market and the business's credibility in ensuring that promise, which is to be fulfilled in any circumstances. In fact, not all loyal customers are profitable for businesses, but businesses need an analytical management theory to filter out those customer groups in order to allocate their limited resources appropriately in serving and retaining these customers. In 2017, Philip Kotler and colleagues have presented a model of customer relationship groups (Figure 2).

For the "Strangers", the potential profits from them are low while their loyalty is assessed in only a short term to the business, the managers should not devote their energy and efforts to invest in changing these customers. Here, businesses need to focus on optimizing their profits in each transaction. Unlike the Strangers, the group of customers in the "Barnacles" has the most annoying characteristics for businesses in their long-term development strategy. They are very loyal, but the profit generated from the trading process is very low. For instance, many bank customers still keep their accounts despite many years of few or no transactions conducted. This means that the bank still has to make sure its system is always ready to serve such group of customers; That cost is even higher than the profits from the customers. This is why this group is called barnacles, clinging very tightly to the bottoms of boats but often creating resistance to the movement of the boats themselves. In a new approach, a business can also find an appropriate way to "fire" these customers while it cannot change their transaction behavior at all.

"Butterflies" is a fancy word for groups of customers who bring a lot of profit in a certain time but do not intend to stick with the brand for a long time. Businesses need to enjoy the most delicious things that this 'swarm of butterflies' has to offer and it is not necessary to try to convince them to become loyal in the long term because their characteristic is to enjoy the product only for a moment and then leave. All the attention of the business should be given to the group of "True friends" because these are loyal customers in the long term and they will

bring a plethora of profits to the business. For them, the brand comes with the products and services that have a great fit with their own needs and desires that they can hardly find elsewhere. Therefore, businesses need to invest in Marketing efforts to make them satisfied and delighted in order to retain them and develop their customer pool from this subgroup.

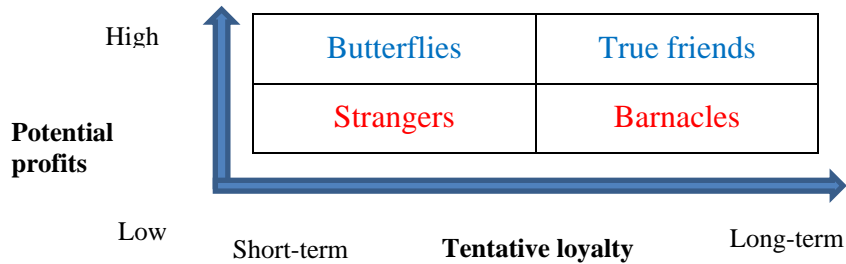


Figure 2 Customer relationship classifications

Source: Philip T. Kotler et.al. (2017)

Marketing mindset and public economic governance

Public sector organizations, to some extent, are like the business counterparts in utilizing various strategies to satisfy their stakeholders, including communicating concepts, advantages, and values regarding the public goods and services they have to provide (M. Watanabe, 2013). Therefore, communication is crucial to the efficient running of Marketing operations. Within an organization, there are three main types of corporate communication: managing, Marketing, and organizing. Promotional strategies, such as sponsorship, direct mail, personal selling, and advertising, are specifically targeted towards the organization's customers.

Public relations, environmental communications, investor relations, and other internal communication are all considered forms of organizational communication. And it is one significant part of Marketing by creating, disseminating value with great respect to the ones they are serving. While accepting these criteria, it might be argued that all three types of communication are used to communicate values to stakeholders (Kuczarski, T.D., 1996). Additionally, it is suggested that effective Marketing communication is a component of all persuasive methods that the organizations often use to entertain their audiences. In fact, public sector organizations are typically more focused on providing services than products.

Despite the claim in the Marketing literature that these are only two of the numerous Marketing activities carried out by firms, many individuals still believe that Marketing is not limited to advertising and selling goods and services. Marketing operations, therefore, involve determining the specific needs and wants of a target market of consumers and then meeting those needs and wants at least as well as or even better than competitors. This viewpoint is in line with the definition of Marketing from the Harvard Business Review in 1998, while Marketing is the activity of planning and executing the conceptualization; It is the planning and execution of the creation, pricing, promotion, and distribution of ideas, goods, services, organizations, and events to build and maintain relationships that will



achieve individual and corporate objectives (Kotter, John P, 1998). Along with this concept, the public economic governing authorities find themselves no exception in the sense of Marketing, while they can really make things better with their policies for individuals, firms, investors and other stakeholders of the economy for a much prosperous and sustainable growth.

Methodology

The study is to be conducted in the orientation of qualitative analyses. In which, data can be gathered through a combination of observations and reviews of relevant documents. This involves a thoughtful selection of typical periods of economic growth for empirical study and a good overview of the economy of Vietnam to do the research on the best relevant events, situation and data to be explained. Afterwards, observing data collection will be done for the period 2013 – 2019 for the comparative view of the two Prime Minister terms of office in Vietnam. Observations are done in the historical process to identify strengths and weaknesses of the economic management capability of each term in such a diverse information background.

In addition, the analyses will be enriched from the process of reviewing prestigious reports and researches on the economy and state governance over the timeframe which has been set forth. Those reports and researches, in their turn, supplement the view on the economy and the effectiveness of each manner of policy execution. A suitable approach for research in this way is narrative description, concerning how Vietnam's Prime Ministers in the period have directed, monitored and fine-tuned the economy activities in his term of office.

Findings and discussion

Public Economic Governance, before 2016

With the goal of diversifying and multi-lateralizing, willing to make friends with all countries, after the WTO membership in 2006, Vietnam has completed negotiations and signed more than a dozen free trade agreements (FTAs), especially within the epic networks such as the European Union – Vietnam FTA (EVFTA) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), formerly known as TPP. In particular, the CPTPP with 11 Asia-Pacific members is considered a new generation free trade agreement with unprecedented cooperation frameworks and covers about 30% of the global economy. Next, transportation infrastructure has been significantly improved in all three areas: roads, airports, and seaports. The completion of the project to expand and upgrade National Highway I and Ho Chi Minh Road through the Central Highlands up to a year ahead of schedule is an outstanding achievement. Along with that, about 600 km of highways have been put into use, which have pulled many remote areas and provinces closer to economic centers such as Hanoi and Ho Chi Minh City. Noi Bai and Da Nang international airports have been expanded while Cai Mep International Port has helped Vietnam receive



the world's largest container ships. It is these improvements that have partly helped Vietnam rank up when international organizations conduct their assessments on the investment environment. According to the General Statistics Office of Vietnam, the poverty rate has decreased from 18.1% in 2006 to 4% in 2015 (GSO of Vietnam, 2015). Also, to the United Nations Development Program (UNDP), the human development index in the period has also increased from 0.598 points to 0.666 points; and, Vietnam is one of the countries with the most stable growth momentum in Southeast Asia (UNDP, 2019). In general, from the perspective of Marketing thinking, the resilience for the economy in these periods is not great and not sustainable. The provision of public services is still placed in the form of orders, administration, and distribution to create several layers of conditions for businesses and people. Accordingly, social issues such as health, education, food safety and hygiene, quality of civil works, security and order in some big cities also arise many pressing problems, demanding to be resolved.

The limitations in Marketing thinking in the state management of the economy of this period have also shown the inadequate consequences that Vietnam has to face:

- The decline of many state-owned corporations: Although there are still large state-owned enterprises doing business effectively, earning the country billions of dollars from outside the border, but it is clear that the pilot state-owned economic group model has revealed many shortcomings. The stories of Vinashin, Vinalines on their verge of bankruptcy are typical examples.
- The growth stimulus for many years still relies on natural resources or cheap labor: These have reached their limit, which urge for a boost in transforming the country's growth model with innovation in the perception of sustainable development of the economy.
- The ratio of public debt to GDP has exceeded 60%: The Government also has to spend a lot of time improvising with public debt, with a financial market that sometimes seems to be on the verge of collapse. The two-year national treasury (2014 - 2015) has been on the alert, with recurrent expenditures accounting for about 64-65 percent, while the sources of revenue have been so difficult. In order to have money to invest, the Government constantly has to borrow money from abroad. Meanwhile, the management and use of the borrowed capital have not been quite effective. The phenomenon of scattered, wasteful, investments in many localities has caused the Ministry of Planning and Investment a lot of pressure to find ways to manage the capital flow in the medium term, which so far has only achieved initial and humble results.
- The rate of bad debt in the banking and financial system is still high: bad debt is considered a 'blood clot' of the economy after a long time. Credit institutions have been racing for interest rates, while inflation has reached 23% in a year.

Public Economic Governance, 2016-2019

The central operating points of view of the Government in this period are: Develop, form and operate all kinds of markets in a synchronous manner, initially connecting with regional and



international markets; Accelerate economic restructuring in association with renovating the growth model, improving productivity, quality, efficiency and competitiveness of the economy; Focus on improving the efficiency of public investment capital; Accelerate disbursement of public investment capital in association with speeding up the progress of important national projects and works; Implement drastically, synchronously and effectively the solutions to restructure credit institutions and handle bad debts, ensuring system stability and safety; Improve the efficiency of state-owned enterprises; Exploiting and promoting potentials and advantages of each industry, field, and locality, attracting resources for development; Industrial development becomes the mainstay of the economy, capable of deeply and effectively participating in global value chains, and Building a comprehensively developed agriculture towards modernity, high efficiency and adaptation to climate change, ensuring food security in all situations.

Under the direction of the Marketing spirit, the average Consumer Price Index (CPI) in the 2016-2019 period was about 3.2%, a sharp decrease compared to the 2011-2015 period (7.65%). Core inflation has been well controlled over the years, keeping at a relatively stable level, reaching 1.81% on average, a sharp decrease compared to the 2011-2015 period (5.15%) (GSO of Vietnam, 2019). The Government has also actively and flexibly operated monetary policy tools in line with the situation, completing financial policies, restructuring the state budget and managing public debt in an approach to international practices and in line with the actual situation, ensuring a safe and sustainable national finance. The Government has also paid great care on promoting exports, controlling imports in association with focusing on strong and solid development of the domestic market, while concentrating on effectively strategic breakthroughs, in which, the socialist-oriented market economic institution is gradually perfected in a synchronous direction, meeting the requirements of national development and international economic integration. Especially, the Government has decided on promoting cooperation while selectively attracting foreign investment. In the 2016-2019 period, Vietnam's FDI attraction increased sharply, when the total registered FDI capital was about 173-174 billion USD, and the realized capital was about 92 - 93 billion USD.

To establish a fair and feasible playground for businesses, the Government has issued 50 legal documents to cut down 3,893/6,191 business conditions (nearly 63%). The Government, including Prime Minister, Ministers, and Heads of ministerial-level agencies have issued 21 legal documents to simplify 30/120 specialized inspection procedures, cutting 6,776 / 9,926 (reaching 68%) of the list of specialized inspection lines (VN Govt., 2019). The Government has directed the handling plan focusing on one focal point to carry out specialized inspection for 1,501 items with overlapping jurisdiction between Ministries to facilitate businesses and reduce customs clearance time, improving the efficiency of specialized goods inspection. With the goal of improving the quality of service to people and



businesses, ensuring a close and synchronous connection between administrative procedure reform and e-Government development, the Government has promulgated 19 resolutions. The legal documents then have simplified more than 1,000 administrative procedures and citizen papers, creating an important premise for when the National Database on Population is put into operation, it is possible to minimize the declaration and submission of notarized papers and information in the country. The administrative procedure has worked towards ensuring the synchronous and unified implementation of one-stop-counter mechanism, solving requests for people and businesses through the National Public Service Portal. 100% of ministries, branches and localities have completed the consolidation of the One-Stop-Counter Department at all levels to handle administrative procedures, of which 59/63 localities have established provincial-level Public Service Administration Centers. In particular, there are localities that have piloted the settlement of administrative procedures according to the "5 on-the-spot" method, including (1) Receiving, (2) Appraising, (3) Approving, (4) Stamping and (5) Returning final results. Many localities have closely linked the establishment of a "physical" door in administration with an "electronic" gateway to facilitate on-time processing, which has reached 97.37% in ratio. With a firm determination in continuing the National Single Window to facilitate import and export activities, 13 ministries and branches have connected to it with 207 administrative procedures, including tax and customs, which allow information exchange of Certificate of Origin (C/O) form D with 09 ASEAN countries through the ASEAN Single Window.

As a result, the business environment has been improved drastically. In 2016, the ranking of the business environment increased 9 levels (from 81 to position 92) according to the assessment of the World Bank. The management policy approach to business has changed, applying common and popular international practices. Vietnam no longer goes its own way. Based on the ranking of the global business environment in the period 2016-2019, Vietnam has increased 20 levels, ranked 70/190 countries and ranked 5th in ASEAN region. In terms of global competitiveness, according to the ranking of the World Economic Forum, in the period of 2018-2019, Vietnam has increased by 10 levels, from 77 to 67 over 141 countries and territories (Klaus Schwab, 2019).

In addition, the Government has been promoting the provision of online public services at level 4, aiming to reach 30% by 2020, where a number of ministries and agencies handle work records in the network environment. To do this, the Government has directed the construction and completion of a number of specialized databases of fundamental nature such as: national database on business registration; national insurance database; national database on population and national database of land. The integration for data sharing among the state agencies has been increasingly being promoted. 100% of the ministries, sectors and localities have already been in the online connection for sharing ministerial/provincial data and connecting to the National Data Sharing and Integration Platform. As per the evaluation of



the United Nations, the e-Government Development Index of Vietnam has increased 3 levels compared to 2016, ranked 86/193 countries, ranked 6th in ASEAN (United Nations, 2016).

However, the insensitivity of some cadres and civil servants to the problems of businessmen and enterprises in the State administrative agencies is still common. It is a normal practice for them to blame on the "regulations", but they do not think with such regulations and with their authority, there should be better way to meet the requirements of the businesses and the people. They are their customers to be served. And, their experiences should be nurtured to keep them stay loyal to the public services with open support and advocacy. Although this work of attitude changing is difficult in a short period of time to realize the Tectonic Government's viewpoints, it is still a must for a better economic appearance of the country.

Conclusion

According to Marketing school of thoughts, a Tectonic Government is the Government that orients, creates the framework, conditions and environment for development and aims to serve the people (Sasson, U., 2015). Those should be the elements of core values that a political organization brings to its main customers (citizens and businesses). Accordingly, when the Government can create superior values compared to the previous terms, its customers will go from satisfaction to absolute loyalty, with expressions of support, consensus and compliance in the implementation of all undertakings, policies and directions of economic development. It is the total strength of a country, which is the so-called social capital that not all countries possess.

In short, a Tectonic Government focuses on building an appropriate institutional framework and creating the necessary conditions for everyone to promote their capacity and creativity for their own benefits and to contribute to the society. Compared with other countries, when approaching the Tectonic Government model, Vietnam on its own also builds a model of Government on the principle of multi-sectoral ministries, in the directions of compactness, efficiency and cooperation. This has been emphasized by the Central Party's several resolutions and is the task and goal of the overall plan in State administrative reform. This is also a common trend of countries around the world, reforming for the requirements of a good governance within an effective market economy and an overwhelming international integration.

Although Vietnam has some peculiarities in terms of its political system, it does not stay out of the trend. In order to well manage the economic relationships in the country, the Government of Vietnam also needs to solve the following tasks:

- *Improving the business environment*: Shifting from pre-inspection to post-audit



thinking, avoiding the situation of cutting down business conditions but "growing sub-licenses"; Continuing to deploy electronic administrative services to help reduce time and costs for businesses while carrying out business registration procedures.

- *Determining the market order*: creating an equal competitive environment among all types of enterprises, in which all enterprises are allowed to compete fairly, but must protect the interests of their consumers.
- *Building a strategic vision in economic development*: Optimizing the import and export structure, making better use of foreign markets and external resources; Expanding investment abroad to find new resources for economic development; Attracting knowledge and expanding the consumption network in the international market, and improving the technical innovation capacity and business capacity of enterprises.

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