

IMPACT OF THE GLOBAL ECONOMIC CRISIS ON THE MODERN RETAIL INDUSTRY IN EMERGING MARKETS: THE CASE OF VIETNAM

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Abstract

The current economic global economic crisis has been ravaging not only developed countries, but also developing countries since 2008. In this context, the retail sector seems one of the most affected by this downturn as it faces significant reduction of private consumption and hence retail sales. For developed countries such as the U.S.A, Western Europe, and Japan, the negative impact of the current recession on their retail industry is more visible with a strong decrease of consumption power leading to losses or shrinkage of profit of retail formats. Do global retailers operating in emerging markets such as India, China, Vietnam, Mexico, the Middle East, also struggle such a difficult time like players in developed countries? And in what extent they have to encounter these issues?

This paper investigates the impact of economic crisis on the modern retail industry in Vietnam as an emerging market and proposes alternatives to survive. Our findings will help both local and global retailers to elaborate marketing mix strategy and development strategy in the long run.

Key words: Global crisis, retail industry, emerging market, distribution channels, , product category, marketing strategy, development strategy