

**Hung Hau business analysis using CPM matrix: A case of Hung Hau Corporation in Vietnam****Boleslaw Rafal Kuc<sup>1</sup>, Hoang Tien Nguyen<sup>2</sup>, Leo Paul Dana<sup>3</sup>**<sup>1,2</sup> Academy of Social Sciences, Poland<sup>3</sup> Montpellier Business School, FranceCorresponding Author: **Boleslaw Rafal Kuc****Abstract**

Vietnam's economy is currently an open economy. Vietnam is actively joining world economic organizations such as WTO, AFTA, etc. Therefore, every business operating in the economy must comply with regulations market law, competition law. In order to gain a competitive advantage,

enterprises must know how to maximize their advantages and consider in every decision to achieve the highest efficiency. The article examines the business operation and strategy of Hung Hau holding using CPM matrix as an analytical tool.

**Keywords:** Corporate Strategy, Matrix, Strategic Analysis, Business Environment

**1. The concept of CPM Matrix****1.1 The concept of Competitive Profile Matrix (CPM)**

Competitive Profile Matrix, abbreviated as CPM. The competitive image matrix is a model that identifies a company's main competitors with its own strengths and weaknesses relative to the competing company's strategic position. We set up a competitive image matrix to make comparative assessments of the company with major competitors in the same industry, the comparison is based on the factors affecting the company's competitiveness in the industry or branch. Thereby, the competitive image matrix allows managers to see the strengths and weaknesses of the company with competitors, identify competitive advantages for the company and the weaknesses that need to be overcome.

The same factors are used to compare companies. This makes the comparison more accurate. Analytics displays information on a matrix, making it easy to visually compare companies. The results of the matrix facilitate decision making. Companies can easily decide which areas they should strengthen, protect or what strategies they should pursue.

**1.2 Steps to build a competitive profile matrix (CPM)**

To build a competitive image matrix, we should go through 5 steps:

**Step 1:** Make a list of about 10 key factors that have an important influence on a company's competitiveness in the industry.

**Step 2:** Rank the importance from 0.0 (Not Important) to 1.0 (Very Important) for each factor. The importance of each factor depends on how much it affects the company's competitiveness in the industry. The sum of the importance scores of all factors must be 1.0.

**Step 3:** Determine a weight from 1 to 4 for each factor, the weight of each factor depends on the company's ability to factor, where 4 is good, 3 is above average, 2 is average, 1 is weak.

**Step 4:** Multiply the importance of each factor by its weight to determine the scores of the factors.

**Step 5:** Add the scores of all factors to determine the total score of the matrix. Evaluation: Compare the company's total score with major competitors in the industry to assess the company's competitiveness.

**2. Business analysis of Hung Hau Group using CPM matrix****2.1 Overview of Hung Hau Corporation**

Hung Hau Development Joint Stock Company (abbreviated as "HungHau Holdings") was established in 2010, initially focusing on the fields of Agriculture, Education and Distribution. HungHau Holdings constantly strives to create perfect products and services exclusively for its customers and partners. Regardless of the field, HungHau Holdings also shows professionalism and creativity to build a brand with Vietnamese identity and honor Vietnamese values. With a long-term vision and a view of sustainable development, at present, HungHau Holdings focuses on developing in 06 strategic areas including:

- Agriculture (HHA)
- Biotechnology (HHB)
- Communication (HHC)
- Distribution (HHD)
- Education (HHE)
- Food (HHF)

## 2.2 Analyzing Hung Hau's education business by CPM matrix:

With the goal towards rapid and sustainable development, contributing to providing a quality trained human resource, meeting the needs of society as well as preserving and promoting good traditions and culture of Vietnam, HungHau Holdings has invested and developed HungHau Education from Kindergarten to Doctorate according to eight Vietnamese vocational training ladders including Kindergarten, High School, Intermediate School, College and University. Current HungHau Education members include:

- Van Hien University (VHU)
- Van Xuan College of Engineering and Technology (HEX)
- Van Tuong Intermediate School (HET)
- Van Hanh Secondary School of Medicine and Pharmacy (HEH)
- Au Lac Hue Middle School (HEA)
- Viet Elite School Primary School
- Au Lac Kindergarten

About FPT Corporation, FPT Education Co., Ltd. has been established, which provides training in high school, college, university, postgraduate, online university, training for businesses, etc., including:

- FPT High School
- FPT Polytechnic College - Practical College System
- FPT university
- University of Greenwich FPT

Vingroup has established a non-profit, inter-level education system from preschool to high school and university training invested and developed by Vingroup, including:

- VINUNI
- VINSCHOOL

Through the competitive profile matrix CPM of Hung Hau Group, competitors can be ranked as follows: Vingroup ranked first (3.2); followed by FPT (3.1) and then Hung Hau (2.71). Hung Hau is trying to follow VinGroup with continuous improvements, although it can surpass FPT, it still whispers when FPT is following closely to compete with VinGroup in the market. Both are formidable opponents with close competition totals. Vingroup is at the top with many advantages and strengths due to the large scale of a company with a lot of reputation, prestige and high quality. Next is FPT with a wide presence online and a large market. Finally, Hung Hau has quite a few strengths, but just needs to overcome a few factors, it can be on par with other companies.

## 2.3 Agricultural business analysis for Hung Hau using CPM matrix

Hung Hau was established very early in 1976, HungHau Agricultural Joint Stock Company - HungHau Agricultural (formerly known as Seajoco Vietnam) is proud to be one of the pioneer enterprises, representing innovation with the mission of bringing market products processed from seafood with outstanding quality and high nutrition.

LaviFood was established in 2014, Lavifood is a company specializing in preliminary processing, production and processing of high quality Vietnamese vegetables and agricultural products to the global market.

Hoang Anh Gia Lai International Agriculture Joint Stock Company (HAGL Agrico) was established in 2010 when Hoang Anh Gia Lai Joint Stock Company (the parent company) implemented a group restructuring program. Having a competitive advantage in terms of large land bank, adjacent to the region, abundant water resources, favorable for mechanization and application of high technology in agriculture.

Through CPM competitive analysis, it shows that HAGL Agriculture is the strongest player in the industry with relative strengths in quality, profit, production ability, and finance. On the other hand, the dominant Hung Hau is also relatively stable. Lavifood is the weakest of them all and doesn't have any relative strengths compared to its rivals. Companies should create their strategies according to their strengths and weaknesses and improve their rankings in the most important areas of the agricultural industry.

## 2.4 Food business analysis for Hung Hau using CPM matrix

Hung Hau is one of the leading companies in Vietnam engaged in manufacturing, processing and exporting vegetable and fruit products and various types of noodles with high nutritional value, along with industrial snacks. .

CJ Cau Tre Food Joint Stock Company - a member unit of Saigon Trading Corporation - One Member Limited Liability Company (SATRA) was built in 1982. The company's products are diverse and rich in processing, from seafood and agricultural products that are consumed nationwide.

VISSAN, Vietnam Animal Products Industry Joint Stock Company was established on November 20, 1970 and went into production and business operations on May 18, 1974. Currently, VISSAN is one of the leading enterprises in the food industry in the country.

Through the analysis of the CPM matrix, we see that "Brand prestige and technology" are the two most important factors for success. VISSAN has a better advantage over competitors in terms of brand reputation and market share of customers. The total critical score of VISSAN is 3.12 which proves that they are the strongest competitor. Hung Hau is trying to follow VISSAN with continuous improvements and improving ratings for its field.

## 2.5 Distribution business analysis for Hung Hau using CPM matrix

HungHau Distribution Company Limited (HungHau Distribution) is proud to be a member of HungHau Holdings - an experienced company in many fields. Currently, Hung Hau's distribution segment focuses on two main areas: fuel distribution business and distribution of consumer food products in the domestic market. At the time of establishment, the distribution segment of HungHau operated in the form of a general agent of petrol and oil distribution units and a domestic sales department; It was then planned into 2 member companies under HungHau Holdings: HungHau Petro and HungHau Distribution.

Southern Logistics Joint Stock Company - SOTRANS was established in 1975 with the main warehouse and transportation system of the trade industry, in 2007 SOTRANS transformed from a state-owned enterprise to a joint stock company and operated. strong in the fields of multi-function warehouse, petroleum trading, international freight forwarding.

Viettel Post Corporation (referred to as: Viettel Post), With a long-term vision and a view of sustainable development, Viettel Post has focused on investing in the field of Delivery. With continuous efforts, Viettel Post has become one of the leading brands in Vietnam in terms of delivery with a series of post offices, operation centers and network expansion to all 100% of provinces and cities nationwide. Business courier services, parcels, logistics services, food transportation.

CPM analysis shows that Viettel Post is the strongest company in the industry with relative strengths in distribution channels, human resources, reputation and prestige. On the other hand, Hung Hau dominates in network, reputation and prestige. Sotrans scores lower of all due to having few strengths compared to its rivals.

## 2.6 Biotech business analysis for Hung Hau using CPM matrix

Hung Hau Biotechnology was established with a mission based on modern science, the combination of research processes and high-tech technical equipment to create technological processes and biological products. HungHau-branded environment-friendly school, serving the basic and practical needs of people, contributing to the socio-economic development of Vietnam. Biotechnology is one of the new fields that HungHau Holdings is focusing on investing and developing. Hung Hau Biological Co., Ltd., with projects to produce high-biomass herbal products, is being built and developed towards creating high-tech, smart and environmentally friendly farming areas.

Phuong Nam Biology Company Limited (English name: Phuong Nam Biology Company Limited) was established in 2008. With a force of highly qualified officers and employees, the predecessor from the research group of the Department of Biology Applied Biology, Institute of Tropical Biology, Vietnam Academy of Science and Technology, has the task of basic and applied research in the fields of physiology, biochemistry, microbiological technology, research and development. production, import and export of biological products for the food processing, food processing, animal husbandry, aquaculture, cultivation, environmental treatment towards sustainable ecological agriculture and environmental protection school.

The Center for Biotechnology in Ho Chi Minh City was established under the Decision No. 161/2004/QD-UB dated July 2, 2004 of the People's Committee of Ho Chi Minh City. Ho Chi Minh. With the close attention and investment priority of the City People's Committee, with the desire to rise up and the strategy of sustainable development, the Center for Biotechnology of Ho Chi Minh City strives to become a center of research and development. Biotechnology application leading in Vietnam, reaching the advanced level in the region and in the world.

According to the CPM matrix, we can see that Hung Hau's level of competition is good in the market, strong patents, company size, finance, etc. are all favorable for development. However, there is also a great challenge that is the increasingly strong competition of companies in the industry.

## 2.7 Communication and media business analysis for Hung Hau using CPM matrix:

HHC Hexagon Joint Stock Company, in terms of communication, HungHau Holding has invested and

developed, the Consumer Division operates with the purpose of creating products and services to meet the daily needs of people. In addition to continuously researching, improving and manufacturing consumer products, the Consumer Division also provides travel, media, event organization, cleaning, security and sports services.

Hakuhoda Vietnam is part of HAKUHODO group - the second largest advertising group in Japan, Hakuhonda was established in 1895. With a network of more than 80 companies in 17 countries and territories, more than 2,400 employees, Hakuhonda brings integrated media advertising solutions, from creating creative strategies to advertising content to media planning for all clients.

Viva Network grasps the trend of Online and Video Marketing, Viva Network Co., Ltd (abbreviated as "Viva Network") was established, invested, and developed on the basis of cooperation between the two leaders of the Company. Cat Tien Sa Company Limited and Netlink Online Communication Company. In particular, Viva Network is the exclusive management and exploitation unit of social media channels on Facebook and copyrighted content in the field of music and entertainment on Youtube.

Through the analysis of the CPM matrix, we see that "brand reputation and large market" are the two most important factors for success. Hung Hau has a better advantage over its competitors in terms of service and location of facilities. Hakuhoda Vietnam's total critical score is 3.37, which proves that they are the strongest competitor because their strategies to respond effectively to external and internal factors.

## 3. Conclusion

Through the analysis of the above competitive matrix, it can be seen that although the industries do not have equal strength, Hung Hau is still closely following the competition. The establishment of this matrix is intended to make comparative assessments of the company with its major competitors in the same industry, the comparison based on factors affecting the competitiveness of the company in the industry. Thereby, it allows us to see the company's strengths and weaknesses compared to competitors, identify competitive advantages for our company and weaknesses that need to be overcome. Hung Hau needs to come up with specific policies, diversify distribution channels, invest in more sectors of the education sector, overcome communication activities in the market, biotechnology needs to achieve more achievements, set goals the domestic revenue of the agricultural industry and, finally, Hung Hau must always focus on the goals of society and the community.

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