

ACKNOWLEDGMENTS

I would like to thank Dr. Eduardo T. Bagtang and the International center Education of Thai Nguyen University, Southern Luzon State University for guiding me throughout this research and for providing me with the opportunity to conduct this research and for helping me to carry out the necessary revisions to this dissertation.

I would also like to express my deep gratefulness to Vietnam Intimex Company for providing me with useful and necessary information for doing this research, to my wife, my son and daughter, my colleagues for encouraging, inspiring me when I conduct this research, giving necessary feedbacks for making this dissertation successful.

Finally, I would like to thank all my classmates for giving me constant support and encouragement as well as helping me with needed materials and reference.

APPROVAL SHEET	X
CHAPTER I: THE PROBLEM AND ITS BACKGROUND	11
1.1. Background of the study	14
1.2. Statement of the problem	18
1.3. Objectives of the study	18
1.4. Hypotheses of the study	20
1.5. Significance of the study	20
1.6. Scope and Limitations of the Study	20
1.7. Location of the study	21
CHAPTER II: REVIEW OF RELATED LITERATURE AND RELAT	ſED
STUDIES	23
2.1. Coffee Production in Vietnam	23
2.1.1. Coffee Export into USA's market	26
2.1.2. Vietnam coffee export: Lesson learnt	29
2.1.3. Vietnam coffee industry at present	31
2.2. Future of Vietnam Coffee Export	36
2.2.1. Quality Improvement for Vietnam coffee	37
2.2.2. Production cost reduction	
2.2.3. Variety and product shifting, production adjustment to the mark	et
demands	
2.2.4. Coffee consumption promotion in the domestic market as well a	is to great
potential countries	
2.2.5. Reorganization of production and export structure in a better sci	entific,
modern, effective and steady way	
2.3. Major Market For Coffee Exports	40

2.3.1. Problems Encountered in Doing Business in the US	41
2.3.2. Countries Considered by Vietnam as Competitors	42
2.4. Company Analysis: The Intimex JSC Vietnam	43
2.4.1. Features	43
2.4.2. Organizing structure	45
2.4.3. Management	46
2.4.4. Achievements of Intimex Vietnam	50
2.5. Other Related Studies	51
2.6. Conceptual Framework	61
CHAPTER III: METHODOLOGY	64
Methods and Procedures	64
3.1. Research Design and Methodology	64
3.2. Respondents of the Study	64
3.3. Data Gathering Tools	65
3.4. Treatment of Data	67
CHAPTER IV: RESULT AND DISCUSSION	69
4.1. The Current Status of the Coffee Exporting Companies of Vietnam	69
4.2. Qualitative Data Analysis	
4.2.1. Existing competitors and market structure of coffee export	
4.2.2. Product Quality	91
4.2.3. Coffee drinking trends in the American	92
4.3. Test of Significant Relationship	94
4.3.1. Hypothesis testing	100
4.3.2. Individual partial coefficient test	
4.3.3. Testing overall significance of the multiple regressions	105

4.3	3.4. Testing the drop variable in the regression model	106
4.3	3.5. Errors in the model	
CHAP	TER V: SUMMARY, CONCLUSIONS AND RECOMME	ENDATIONS 116
5.1.	Summary of Findings	116
5.2.	Conclusions	119
5.3.	Recommendations	120

BIBLIOGRAPHY

APPENDICES

ABSTRACT

Following the trend of globalization, especially after Vietnam joins the WTO, in order to enter the international playing field, Vietnam has determined that it needs to boost exports. In terms of agricultural products, the export of coffee is one of the first priorities. With that business orientation, enterprises specializing in processing and exporting coffee are looking for strategy to penetrate international markets. One of the leading enterprises pursuing this direction is the Vietnam Intimex Joint Stock Corporation (Intimex). With its export turnover reaching an annual average of nearly \$300 million, Intimex is the leading enterprises in Vietnam of which product lines have been certified by many associations of coffee in the world, namely 4C, UtzKappeh, Organic coffee.

For several years, the United States (U.S) has become one of the biggest importers of coffee products. The Intimex's export value of coffee to this market accounts for US Dollar 200 million in 2009.

With a view to maintaining its dominant status in this field and increasing its market shares in the U.S. Intimex always place much importance to the marketing activities, having the good marketing mix will bring efficiency to the company's export business.

Given the above-mentioned rationale, I have decided to choose the topic: A study of export demand for coffee: The case of Intimex Vietnam JSC.

After collecting data from both primary sources by utilizing questionnaires, interviews and secondary sources: articles, published documents, books and online articles, regression analysis models were utilized to find out the factors affecting coffee import demand of the US. By statistical approaches, the dissertation points out

different qualitative and quantitative factors that have influence on the coffee import demand. These factors are:

• Quantitative data: commodity price, coffee beverage price index,

price of the biggest substitute, and coffee market share.

In data analysis, E-view program was used to deal with figures from secondary sources. By statistical methods, I draw the conclusion about the dependent variables as follow

On the hypothesis of significant relationship, it was found out that the key factors affecting coffee import demand are commodity price, price of the biggest substitute (tea) and coffee market share of Vietnam in the US market. The commodity beverage price index of the U.S. as one of the four has no significant impact on the dependent variable.

The model of regression analysis has been checked for errors: multi-co linearity, heteroskedasticity and autocorrelation. In general, after conducting a set of statistical treatments, the model proves to be quite reliable and can explain the dependent variable based on independent variables.

After data analysis using regression models, results are drawn and conclusions are made. Based on those results and conclusions, I have point out the recommendations to improve current situation of coffee export to the US markets in Chapter 5. These conclusions are based on findings from the data analysis and qualitative data assessment.

LIST OF FIGURES

Figure 1: Organizational Chart of Intimex Vietnam17
Figure 3: Coffee productivity, area, and output in province Daklak in period 2006–
2012 (%)25
Figure 4: Vietnam coffee export market share 2st half of 2013
Figure 5: Amount and value of coffee export into USA's market for period 2006–
201227
Figure 2: Conceptual Paradigm
Figure 6: Data collection and process
Figure 7: Coffee market shares
Figure 8: World's export value of coffee
Figure 9: Heteroskedasticity graph

LIST OF TABLES

Table 1: Vietnam Coffee export to the world
Table 2: List of respondents
Table 3: No. of Companies with Coffee as Major Export 71
Table 4: Coffee Export destinations
Table 5: Type of Coffee being exported to USA
Table 6: Possible problems when doing business in the US for Vietnam coffee
enterprises
Table 7: Opportunities for Vietnam coffee exporters 74
Table 8: Solutions posed by respondents
Table 9: US Import Policies That Affected the Coffee Export Business of Intimex
Vietnam JSC to US
Table 10: Factors that affected the market share of Vietnam Coffee Export77
Table 11: Vietnam Government Interventions to Help Coffee Industry
Table 12: Countries Considered as Competitors in Coffee Export
Table 13: Marketing Strategies Adopted and Found to be Effective as Identified by
Intimex Vietnam JSC
Table 14: Product Policies Adopted and Found to be Effective by Intimex Vietnam
JSC as Marketing Strategy
Table 15: Distributor chain Policies Adopted and Found to be Effective as Marketing
Strategy as Identified by Intimex Vietnam JSC83
Table 16: Price Policies Adopted and Found to be Effective as Identified by Intimex
Vietnam JSC
Table 17: Advertisement Policies Adopted and Found to be Effective as
Table 18: Challenges experienced by Intimex

Table 19: Measures and Strategies Recommended by Intimex Vietnam JSC to	
Increase Volume of coffee Export to the US	88
Table 23: Analysis of Covariance	100