



Prifysgol Cymru
Y Drindod Dewi Sant
University of Wales
Trinity Saint David

LCMB7034 International Business Concepts
Report

Student Name: Tanvir Ahmed
Student ID: 2510639

Table of Contents

Section 1: Report.....	3
1. Introduction.....	3
2. Industry and Country Overview.....	4
a. Introduction to the Fast Fashion Industry in Vietnam.....	4
b. Size, Scope, and Economic Importance of the Industry	5
c. Major Firms and Competitive Positioning in the Industry.....	6
3. Application of Michael Porter’s Diamond Model of National Advantage	7
3.1 Overview of Porter’s Diamond Model.....	7
4. Critical Evaluation of Factors Affecting the Success of a Major Foreign MNC in Vietnam’s Fast Fashion Industry	10
4.1 Introduction to the Selected Multinational Company.....	10
4.2 Consider the Market’s Overall Attractiveness using PESTLE Analysis	11
5. Conclusion	16
Section 2: Reflective Account Using Gibbs Reflective Cycle.....	17
1. Description.....	17
2. Feelings	18
3. Evaluation	18
4. Analysis.....	19
5. Conclusion	19
6. Action Plan.....	20
References.....	21

Section 1: Report

1. Introduction

International business can be defined as commercial activities that entail exchanging goods and services, capital, technology and knowledge across national boundaries (Markusen, 2023). It helps firms to diversify their operations and venture outside the domestic markets and exploit global opportunities in terms of new consumers, reduced cost of production, and internationally based supply networks. The internationalisation of business has made international business extremely important, especially in other industries like the fashion retailing industry, where business organisations operate in more than one country. The report evaluates the fast fashion industry in Vietnam and examines the competitive environment that multinational companies in the industry encounter. It gives an introduction into the industry and country background, uses the Diamond Model of national competitive advantage created by Porter to create a critical analysis of how the political, economic, legal, and socio-cultural environments affect the future success of Zara in Vietnam.

2. Industry and Country Overview

a. Introduction to the Fast Fashion Industry in Vietnam

Overview of the Global Fast Fashion Industry

The fast fashion industry is one of the fastest-expanding sectors of the world's apparel industry. The global fashion market size was estimated USD 136.19 billion in 2024, and fast fashion is estimated to contribute almost 20-25% of all the apparel in the market (Cardona, 2025). Fast fashion companies specialise in quick production time, inexpensive clothes and the quickness in adapting to the fashion trend, with companies releasing more than 12-24 new collections annually as compared to a couple to 4 seasonal collections in standard fashion retailing.

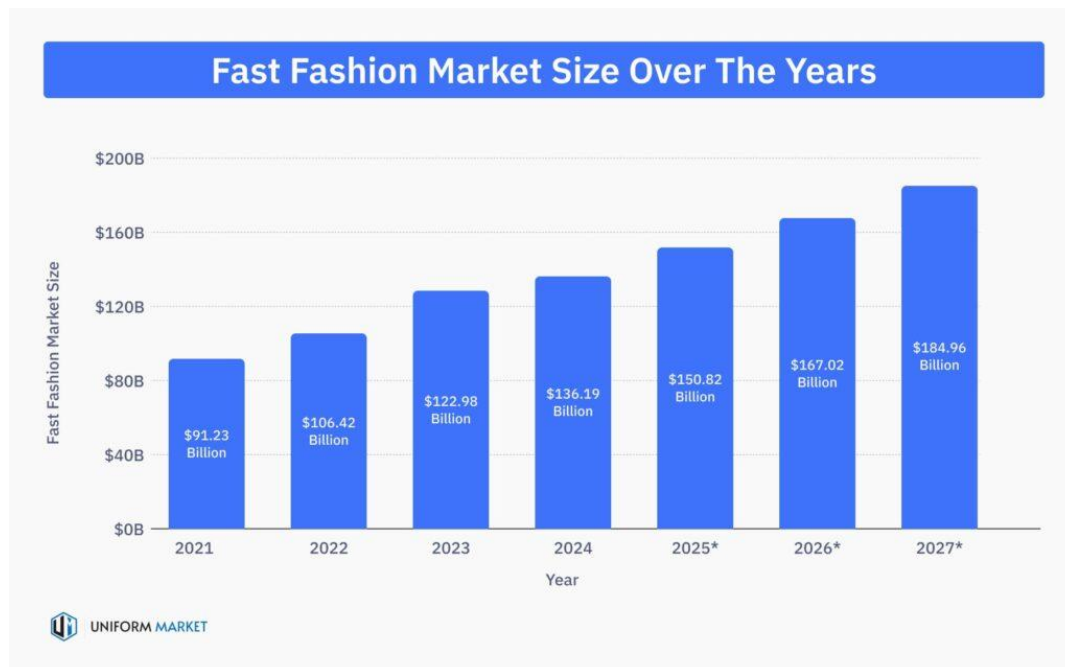


Figure 1: Fast Fashion Market Size Over Ten Years

Source: (Cardona, 2025)

Development of the Fashion Market in Vietnam

With a population of more than 100 million people, of which more than 70 percent are under 35, Vietnam has emerged as one of the fastest-growing fashion markets in Southeast Asia with the result that it has boosted demand on trendy and affordable clothes (Hong Lan and Watkins, 2022). The market size of the Vietnamese retail apparel is estimated to be approximately US\$7.2 billion in 2023, and it is projected to grow by 8-10 per cent at a compound annual growth rate (CAGR) in the 2024-2030 period.

Consumer Trends Driving Fast Fashion Growth

Vietnamese buyers are growing more price-conscious, youthful, and stylish, with surveys showing that more than 60 per cent of the youths in the 18-30 years prefer international fast fashion brands to domestic labels (Hong Lan and Watkins, 2022). The growing disposable income has also boosted the market demand because Vietnam's GDP per capita rose by nearly US 2,700 in 2019 and more than US 4,300 in 2023.

b. Size, Scope, and Economic Importance of the Industry

Market Size and Growth

The Vietnamese fashion and apparel retailing industry has registered a high growth owing to high economic growth and consumer purchasing power. By 2023, the Vietnamese apparel industry reached about US\$78 billion in revenue, which is about 10% of total retail sales of the consumer goods industry in the country (TextileToday, 2024). It has been forecasted that by the year 2030, the industry will be over US12 billion, thus reaching an average growth rate of about 9/year. Much of this growth can be credited to fast fashion, especially among urban middle-income shoppers who value low prices and new fashions frequently.

Economic importance of the industry

The fashion industry is interconnected with the textile and garment industry of Vietnam, which is among the significant export companies. In 2023, Vietnam had a textile and garment sector with an export income of about US 40.3 billion, which is about 12-15 per cent of total exports in Vietnam (B&Company, 2024). Another key contribution of the sector is employment as the sector employs over 2.5 million people in more than 6,000 manufacturing firms.

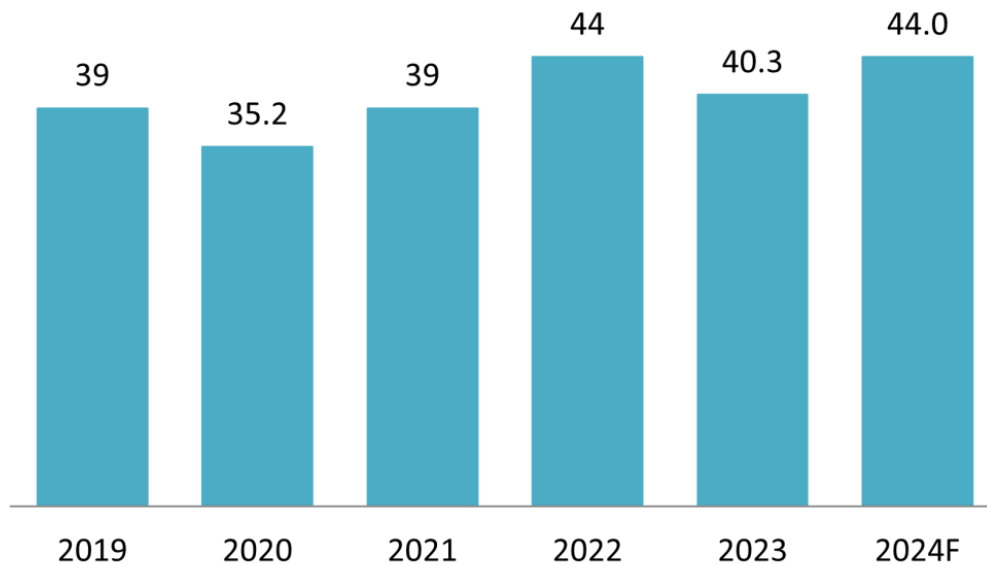


Figure 2: Export value of Vietnam textiles and garments

Source: (B&Company, 2024)

c. Major Firms and Competitive Positioning in the Industry

Key Multinational Fast Fashion Companies

The fast fashion market in Vietnam is very competitive and is controlled by the multinational retailers with good brand recognition and global supply chain (Nayak and Akbari, 2023). Inditex owns Zara, which opened in 2016 in Vietnam, where it registered first-day sales of a record-breaking US\$1 million in the Ho Chi Minh City flagship store. Similarly, H&M also ventured into Vietnam in 2017 and has grown to over 10 stores across the country, specialising in low-cost pricing and sustainability measures, including recycling programmes of garments. Uniqlo is another notable rival that penetrated the Vietnamese market in 2019 and in less than two years, grew to more than 15 stores, focusing on customers interested in high-quality basics and functional clothes.

Domestic Fashion Brands

Local Vietnamese brands are another factor that has a significant influence in the market because of their focus on particular consumer groups (Nguyen, Nguyen and Barrett, 2025). Other brands (NEM Fashion, IVY Moda, and Routine) have hundreds of stores and are mainly aimed at domestic customers with middle income. Local companies tend to compete through lower prices, locally made clothes, and closer cultural identification with Vietnamese fashion tastes.

Strategic Positioning and Market Segmentation

Pricing strategy, brand image, and supply chain efficiency are some of the key drivers of competitiveness in the fast fashion market of Vietnam (Duong Quang Hao, 2024). Zara is distinguished by a high-quality fast fashion positioning and turnover of products (new designs every two to three weeks) which enables the company to react swiftly to fashion trends in the global market. H&M competes by pricing its products cheaply and running sustainability campaigns based on mass-market, and aimed at younger consumers and students.

Comparative Market Performance

Zara, which is a multinational brand, is commonly seen as a high-end leader in fast fashion, bringing in more revenue per store based on the perception of the brand as well as high product turnover levels. H&M tends to attract bulk customers with lower prices and Uniqlo has been able to grow at a rapid pace with the objective of quality and technological fabric development (Cheng, 2024b). In general, there is a prevalence of multinational brands in urban shopping centres and in higher-income consumer segments, and domestic Vietnamese brands are still competitive with a price advantage and local market experience.

3. Application of Michael Porter's Diamond Model of National Advantage

3.1 Overview of Porter's Diamond Model

The Diamond Model by Michael Porter describes the achievement of the national competitive advantage as a result of the four determinants that include factor conditions, demand conditions, related and supporting industries, and the firm's strategy, structure and rivalry (Jin and Moon, 2023). According to the model, the interaction between these determinants determines whether a country can establish a global competitive industry. The fast fashion and garment industry in Vietnam is a successful one as the country has become the third-largest apparel exporter in the world, and its textile and garment exports made up to US 46 billion in 2025.

Porter's Diamond Model

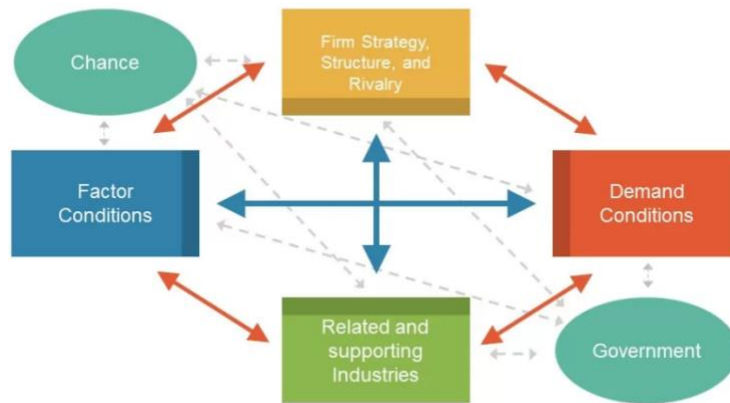


Figure 3: Porter's Diamond Model

Source: (Model, 2024)

Factor Conditions

Labour Resources and Production Capacity: Vietnam has good factor conditions, especially on labour availability and manufacturing capacity. One of the largest industrial employers in the country is the textile and garment sector, which employs about 2.7 million people in over 6,000 enterprises (Hong Lan and Watkins, 2022). The population of the country is over 100 million people of which almost half is in the working-age group which offers an enormous labour force in the fashion manufacturing industry.

Infrastructure and Investment: The Vietnamese garment industry is another sector that possesses good inflows of foreign direct investment (FDI) (Gangnes and Noy, 2024). Foreign-invested companies produce about 60 per cent of Vietnam's clothing export, which shows significant internationalisation in the apparel supply chain. US\$2 billion of new foreign investment is also drawn to the industry annually to help it expand its factories, upgrade its technology, and enhance its production efficiency.

Demand Conditions

Domestic Market Growth: Demand conditions are also significant in enhancing the competitiveness of the Vietnamese fast fashion industry. Vietnam recorded about US 6 billion of retail revenue in domestic clothing sales, a sign of increased demand of modern fashion products by consumers (Jhon, 2025). Quick urbanisation and the growth of disposable incomes have

boosted fashion consumption, especially among the young consumers, aged between 18 and 35, who are a significant target market of foreign fast fashion brands.

Export Demand and Global Market Integration: In addition to the domestic consumption, the fashion industry in Vietnam enjoys high demand in the world. Vietnamese garment and textile products are also exported to over 138 nations across the globe, with the key ones being the United States, the European Union and Japan. Vietnam has a high level of integration in global apparel supply chains with the United States alone taking about 38 percent of Vietnam garment exports.

Related and Supporting Industries

Supply Chain and Manufacturing Ecosystem: The Vietnamese fast fashion industry is enabled to be competitive due to a sizable and diversified manufacturing ecosystem (Gangnes and Noy, 2024). The garment industry in Vietnam is able to produce about US\$20 billion of garment trade surplus a year and also plays a role in ensuring that the country has a high industrial production. It also generates the US\$5 billion in secondary logistics and transportation revenue, indicating that the industry has deep connections with allied industries like logistics, packaging, and retail distribution.

Structural Weaknesses in Supporting Industries: Even with these strengths, the textile and garment industry in Vietnam has continued to experience limitations of the upstream supporting industry (Nadvi, Thoburn and Thang, 2026). In the textile industry, domestic production provides approximately 40 per cent of the raw materials needed by the industry thus, the manufacturers have to avoid depending on imported fabrics and yarns. This reliance on imported goods diminishes the capacity of the industry to realise full value in the global supply chain, and limits its competitiveness in the higher-value fashion-producing segment.

Firm Strategy, Structure, and Rivalry

Competitive Business Environment: The level of competition in the fast fashion sector in Vietnam is very high as local producers and foreign fashion houses vie to secure a market share (Hong Lan and Watkins, 2022). There are thousands of garment-related businesses in the sector currently, including export-oriented garment factories as well as home-based fashion shops. The availability of multinational firms like Zara, H & M and Uniqlo competes and promotes innovation, effectiveness and better management of the supply chains.

Global Competitive Position: The garment industry has transformed slowly to become a major fashion supply source in the world with Vietnam acting as one of the manufacturing bases because

of low cost and labour supply. The country has gone beyond mere contract manufacturing into investing more in design ability, branding and technological advancement to add more value in its creation (Gangnes and Noy, 2024). Nonetheless, the sector continues to experience competition by other leading garment exporters like China, Bangladesh and India who compete based on the labour cost, scale of production and integration of the supply chain.

4. Critical Evaluation of Factors Affecting the Success of a Major Foreign MNC in Vietnam's Fast Fashion Industry

4.1 Introduction to the Selected Multinational Company

Zara is a multinational Spanish fashion group that owns one of the most influential brands in the global fast fashion industry (Zara, 2024). Inditex is now ranked as one of the largest fashion retailers in the world, with a global revenue of around 35.9 billion, and Zara alone makes about 70% of the total sales of the group in 2023 (Statista, 2024). Zara has over 2,000 stores across more than 90 countries, serving millions of customers each year via physical stores and online.

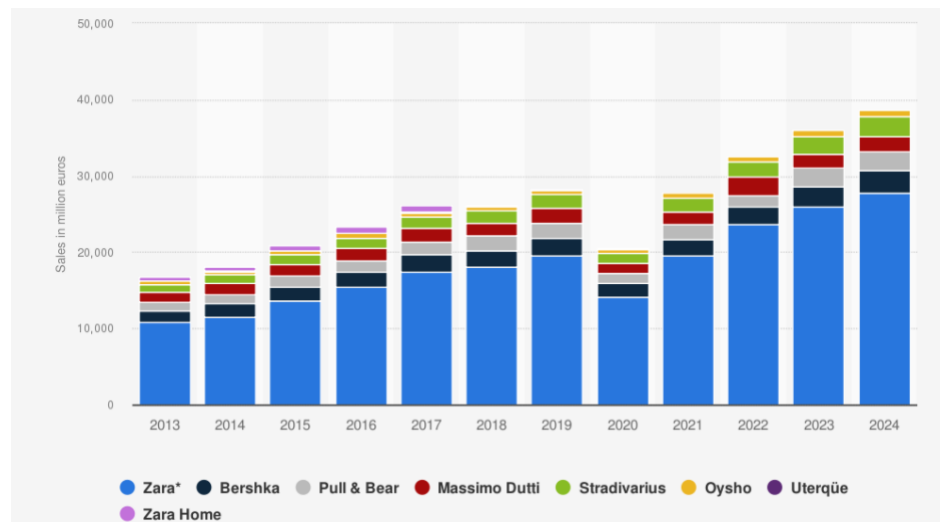


Figure 4: Net Sales of the Inditex Group Worldwide

Source: (Statista, 2024)

In 2016, Zara opened its first flagship store in Ho Chi Minh City, and its first sales totalled about US\$1 million, one of the highest opening-day sales volumes in the entire retail history of the brand (Thor, 2022). The company went on to include Hanoi where it reinforced its market in the two biggest urban fashion areas in Vietnam. The entry success of Zara illustrates the increasing appeal of Vietnam as a fast fashion investment destination.

4.2 Consider the Market's Overall Attractiveness using PESTLE Analysis

The PESTLE analysis is a critical evaluation tool that evaluates the political, economic, social, technological, legal, and environmental environments of international business operations.

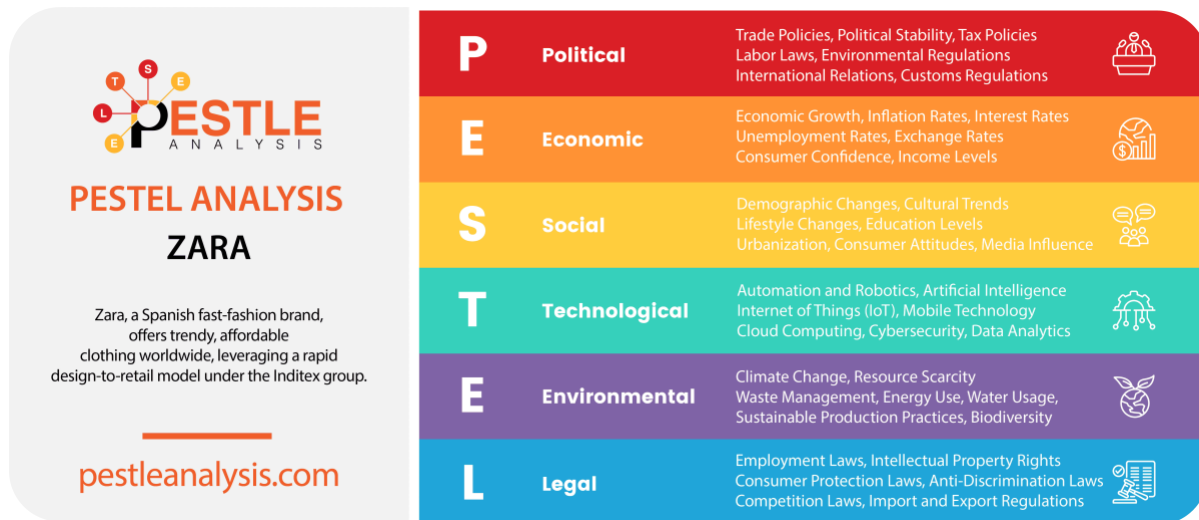


Figure 5: PESTLE Analysis

Source: (Makos, 2024)

Political Factors Affecting Zara's Success in Vietnam

Political Stability and Government Policy:

Vietnam is generally regarded as one of the most politically stable nations in Southeast Asia, which offers a favourable environment to foreign multinational firms like Zara (Hong Lan and Watkins, 2022). It is a single-party political system with the Communist Party in power and has had stable economic policies after the Doi Moi economic reforms were instituted in 1986. Due to these reforms, Vietnam has realised average GDP growth rates of about 6-7 per cent per annum in the last 20 years, placing it among the fastest-growing economies in Asia.

Trade Policies and International Agreements:

Another way in which Vietnam has enhanced its appeal to multinational firms is through the signing of several international trade agreements. The nation has signed over 15 large-scale free trade agreements (FTAs), among them the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the EU-Vietnam Free Trade Agreement (EVFTA). Such agreements decrease the tariffs on imports and make it easier to access the market for international corporations located in Vietnam.

Government Support for the Retail Sector:

The Vietnamese state has also been enacting the policy of developing the retail sector, especially the urban one. By 2024, there were over 1,200 modern-day retail centres and shopping malls in the country, most of which have international fashion brands. The governmental efforts towards enhancing the urban infrastructure and retail investment ensure that companies such as Zara have favourable environments to increase their store chains and tap into the bigger consumer markets (Zara, 2024).

Economic Factors Affecting Zara's Success in Vietnam

Economic Growth and Rising Consumer Purchasing Power:

The high economic growth in Vietnam is one of the most significant variables that determines the success of Zara in the country. In 2024, Vietnam was one of the largest emerging economies in Southeast Asia, with its GDP of about US\$430 billion. Also, the GDP per capita grew between about US\$2,700 in 2019 and over US 4,300 in 2023, which shows a consistent growth in household income and purchasing power. This growth in disposable income has seen the middle class in Vietnam grow fast and is expected to hit upwards of 50 million people by the year 2030.

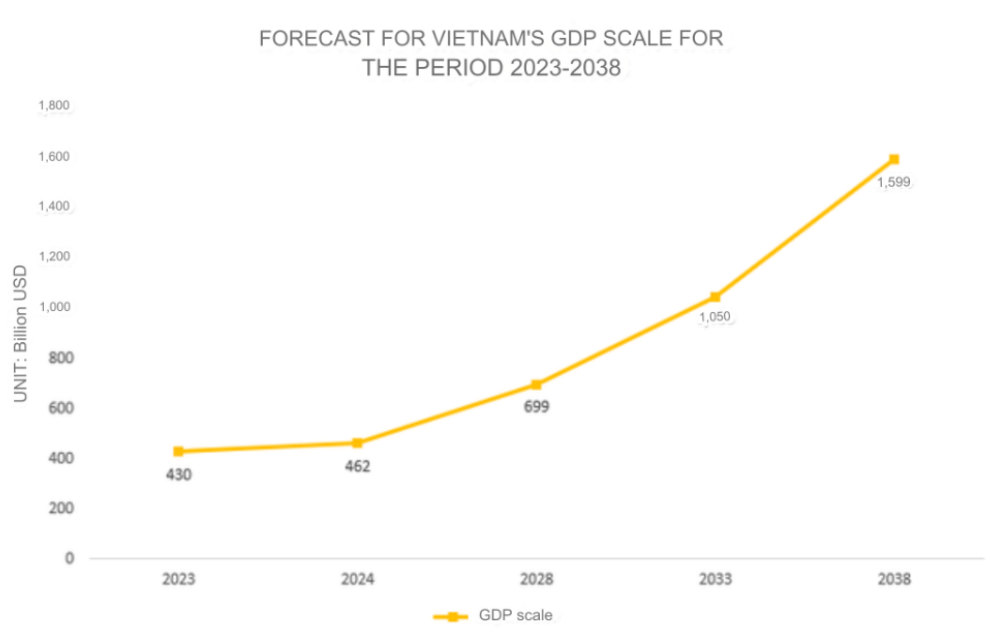


Figure 6: Vietnam's GDP in 2023-2024

Source: (Matus, 2024)

Expansion of the Retail and Fashion Market:

The fashion retail industry in Vietnam has also growing at a very high pace during recent years. In 2023, the apparel retail market in the country has a turnover of about US\$7-8 billion, and the

predictions of the industry are that the market might grow to over US\$12 billion by 2030. A developing percentage of this market is covered by fast fashion as more young urbanites seek to fulfil their needs (Gangnes and Noy, 2024). Moreover, the 100 million people in Vietnam can serve as a significant market for fashion products.

Foreign Direct Investment and Business Expansion:

The other economic environment that has affected the success of Zara in Vietnam is the high foreign direct investment (FDI) inflow and the consistent business growth in the retail industry (Ha and Parsons, 2023). By 2023, Vietnam received about US \$36.6 billion in FDI, which shows that investors put a lot of confidence in the developing economy of the country. A considerable part of this expenditure has been channelled towards the production, retailing and development of infrastructure. The trend of having international shopping malls and commercial centres in cities like Ho Chi Minh City and Hanoi gives the international brands modern retailing space.

Social and Cultural Factors Affecting Zara's Market Performance

Demographic Structure and Consumer Behaviour:

The demographic setup in Vietnam favours the growth of fast fashion brands. The country also has one of the youngest populations in Asia with an estimated population of 35 years old and above. Fast fashion products are in high demand by young consumers who are usually more concerned with fashion trends, social media influence and foreign brands. Instagram, TikTok and Facebook are other social media platforms that have greatly contributed to fashion consumption.

Cultural Preferences and Fashion Trends:

Vietnamese consumers are also shifting towards global fashion trends, though with some cultural inclinations towards modest dressing style and seasonal fashion trends. The capacity of Zara to launch new fashion pieces after every two to three weeks is a factor that makes the company flexible to the evolving preferences of consumers. Nevertheless, the issue of cultural differences can still impact the demand of products (Garbarino and Lerman, 2022). In the case of Vietnam, the climate there is mainly tropical and, therefore, lightweight garments, casual, and summer collections occupy a higher percentage of fashion sales than in colder areas.

Urbanisation and Lifestyle Changes:

The other phenomenon that has significantly influenced fashion consumption in Vietnam is urbanisation. The population now resides in cities in large numbers, that is about 38 per cent of the total population; the population is projected to be over 45 per cent by the year 2030. People living

in urban areas tend to earn higher and are more exposed to the global fashion patterns; thus, are one of the major target markets of the Zara retail outlets (Zara, 2024). The cities like Ho Chi Minh City and Hanoi are also crucial since they are the location of most modern shopping centres and receive millions of fashion consumers annually.

Technology factors that influence the success of Zara in Vietnam.

Digital Infrastructure and Technology Adoption:

Vietnam has been experiencing a lot of growth in technology, which has helped in the growth of international fashion retailers like Zara. The Vietnamese government has over the last ten years invested in digital infrastructure and internet connectivity (Hasin, 2020). Vietnam had a penetration of over 77 per cent by 2023, which includes over 77 million internet users in the country. Moreover, penetration of smartphones has gone past 70 per cent, so that consumers can easily access online shopping and fashion content.

Growth of Digital Retail and Data-Driven Supply Chains:

Digital retailing and the supply chain management are other ways technology improves the efficiency of the operations of Zara (Liu and Zhou, 2024). The e-commerce market in Vietnam has grown at a strong rate and the overall online retail turnover is projected to reach over US\$23 billion by 2023. Online fashion sales in this market amounted to about US\$2 billion which indicates that there is a lot of consumer demand of digital fashion retail. The high-technology supply chain of Zara enables the company to gather real-time consumer information and fine-tune production.

Innovation in Logistical and Payments Technology:

Another factor that fosters the development of foreign retailers like Zara in Vietnam is technological advancement in logistical systems and online payment systems. There has been rapid infrastructure growth of digital payment in the country, and more than three out of four online transactions in major urban areas are carried out using mobile wallets, online banking, and QR-code payment systems (Hong Lan and Watkins, 2022). Application sites like MoMo and ZaloPay have captured millions of users and enable them to quickly and securely buy products online. Besides, the logistics industry has grown tremendously in Vietnam, which has been made easier by better transportation and warehouses.

Legal Factors Affecting Zara's Operations

Foreign Investment Regulations:

Vietnam has been slow to open up its foreign investment policies to entice multinational companies in the retail sector. The existing rules permit foreign firms to form 100 per cent foreign-owned retail firms, which has seen firms like Zara run directly in the Vietnamese market without having to form ownership alliances (Linh and Nguyen, 2021). Nevertheless, the multinational retailers are also obligated to observe various requirements of the regulatory authorities such as licencing and authorisation of new retail stores. Such processes may at times impede growth strategies and mostly in cases where firms want to establish outlets in more than one city.

Labour Laws and Employment Regulations:

The working environment also affects the multinational companies working in Vietnam due to labour laws. The Vietnamese labour code binds the companies to adhere to minimum wage rates, working hour laws and policies of employee welfare. By 2024, Vietnam has an average minimum wage of between US140-US200/month, depending on the area, which is quite low by developed market standards. Low labour costs are an advantage to the manufacturing business but multinational retailers are forced to spend in employee training and quality services to meet global brand standards (Brown, Deardorff and Stern, 2022).

Environmental Factors Affecting Zara's Success in Vietnam

Sustainability Concerns in the Fashion Industry:

Environmental sustainability has emerged as a major problem of the global fashion industry and that of Vietnam. The textile and garment industry is believed to be one of the biggest causes of environmental pollution because of excessive use of water, chemicals, and carbon dioxide (Kant, 2025). The fashion industry in the world generates about 10 per cent of the world's carbon emissions each year, according to industry estimates. With the increasing environmental awareness, Vietnamese consumers and state government are increasingly focusing on sustainable production and environmentally friendly brands.

Government Environmental Policies and Sustainable Fashion Trends:

The Vietnamese government has put up environmental policies to ensure sustainable practises in industries. Textile and garment manufacturers are more restrictive in the policies connected to waste management, water treatment, and energy efficiency (Hasanbeigi and Price, 2024). Moreover, Vietnam has made a commitment to reach the net-zero carbon emissions by 2050 by making international commitments to the climate agreement. These are the environmental policies

that are allowing fashion retailers like Zara to embrace sustainable practices that include recycling programmes, eco-friendly materials, and energy-intensive retailing.

Climate Conditions and Sustainable Production:

The seasonal weather conditions and climate of Vietnam also affect the business of the fashion retailer like Zara. High temperatures, humidity, and seasonal monsoons are present in the country and may impact the production of textiles, logistics and fashion tastes of consumers. Transportation networks and supply chains are sometimes disrupted due to extreme weather phenomena like floods and typhoons, especially along coastal regions and in low-lying places (CAHOON, 2024). Over the past few years, climate change has heightened the environmental risks of manufacturing industries such as the textile and garment sector which is the main source of support to the fast fashion supply chain.

5. Conclusion

In conclusion, fast fashion business in Vietnam has expanded at a high rate because of its booming economy coupled with high population, rising urbanisation and the escalating consumer buying power. The industry has significant impacts on the national economy as it contributes towards developing retail, generating employment, and export revenue in the textile and garment industry. Using the Porters Diamond Model, it can be argued that Vietnam has got good competitive advantages such as a large population of labour, a growing domestic market, and an established manufacturing environment which links with the global supply chain networks. Nevertheless, some structural shortcomings of the industry are that the industry relies on imported raw materials and that there is stiff competition among other key garment-producing nations.

The performance of multinationals like Zara proves that the Vietnamese market is enticing to international fast fashion brands. The business environment in foreign investment is favourable due to political stability, favourable government policies, favourable trade agreements and increasing retail infrastructure. Demand of trendy and affordable clothes is also boosted by economic growth and the rising middle classes. Meanwhile, Zara has to follow the cultural trends, climate, and the growing competition with international brands as well as the domestic fashion producers.

Section 2: Reflective Account Using Gibbs Reflective Cycle

The Gibbs Reflective Cycle is a systematic model applied in the analysis of learning experiences in six steps, including description, feelings, evaluation, analysis, conclusion, and action plan (Cottel, 2024). This section is a reflection of the process I was undertaking during the research, analysis and preparation of Section 1 of the report on the fast fashion industry in Vietnam and Zara's international business environment.

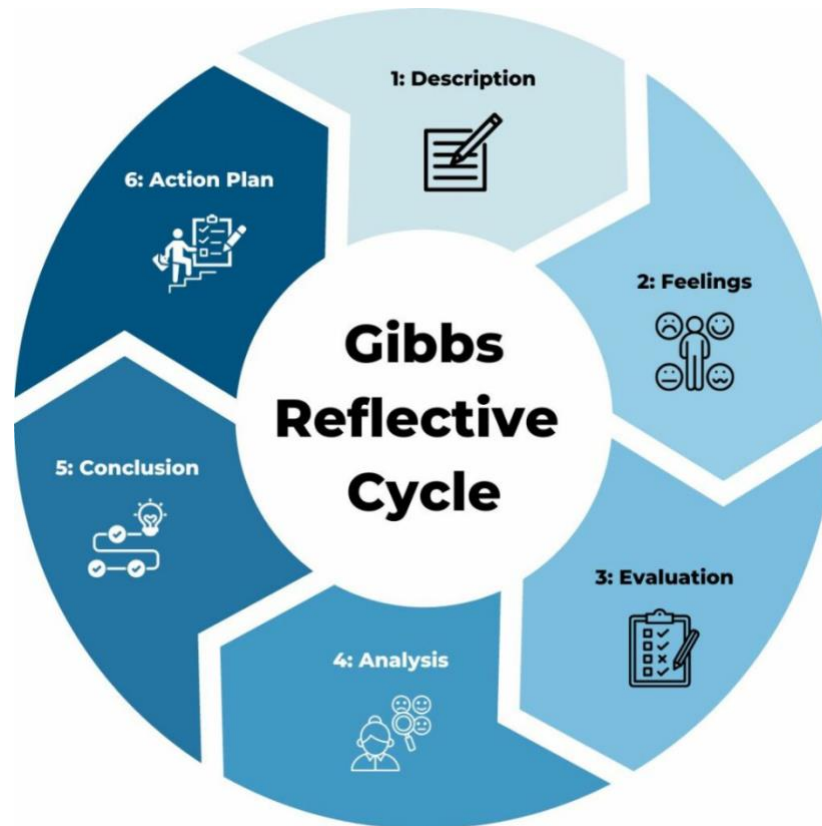


Figure 7: Gibbs Reflective Cycle

Source: (Channell, 2023)

1. Description

When doing Section 1 of this assessment, I have done a lot of research to examine the fast fashion industry in Vietnam and to analyse the competitive environment that Zara has to deal with. The first step involved comprehending the assignment requirements, namely reviewing the industry overview, utilising the Porters Diamond Model, and assessing macro-environmental aspects of PESTLE Analysis.

First, I gathered data regarding global and Vietnamese fast fashion market, size, consumer patterns, and economic significance. I have used scholarly articles, trade publications and reputable business materials to compile statistics pertaining to the Vietnam apparel market including GDP growth, consumer profile, and growth of retail market.

I used the Diamond Model to analyse the competitive advantage of Vietnam in the fashion industry after collecting information about the industry. This entailed an assessment of factor conditions, demand conditions, related and supporting industries, and firm strategy and rivalry. Then I concentrated on Zara as a multinational company and I evaluated the external environment that influenced its operation in Vietnam using political, economic, legal, and socio-cultural factors.

2. Feelings

My initial reaction to the assignment was a bit intimidated by the fact that I had to analyse an industry as well as a particular multinational company in the international business environment. Structures to be used were numerous, and such frameworks as Porter's Diamond Model and analysis of PESTLE's factors needed to be properly understood in theory.

But as I continued doing my research my confidence grew slowly by slowly. It was interesting to learn more about the fast-developing fashion market in Vietnam and how multinational brands enter emerging markets. I was also motivated when I learned the existence of pertinent statistics and industry insights that worked to my benefit.

At the writing phase, it was easier to structure my thoughts as the frameworks offered a systematic method to the study of the information. However, there were moments when I encountered difficulty connecting theory to real-life data about the industry, and I had to interpret and think critically.

3. Evaluation

In retrospect, there had been a number of good points in the research and writing process. The use of recognised analytical frameworks was one of the positive aspects. The use of Porter's Diamond Model allowed me to critically analyse the national competitive advantages in Vietnam, including the large labour force and the strength of its export-oriented textile industry. Likewise, PESTLE analysis enabled me to scrutinise the external business environment that has contributed to the success of Zara in Vietnam.

The other good thing was the utilisation of quantitative data in order to argue. The inclusion of statistics related to GDP growth, market size, and population demographics enhanced the validity of the report and showed the economic appeal of the fashion market in Vietnam.

Nonetheless, certain challenges were also encountered in the process. A challenge was to find trustworthy and current information on the Vietnamese fashion retail market. Other sources were giving other market estimates and it was necessary to compare various reports to get the correct market. Secondly, it was also difficult to process a great deal of information since I had to identify the most important points to present a clear and coherent structure.

4. Analysis

This experience made me realise that theoretical business models are applicable to the real-world international markets. As an illustration, in the Diamond Model, Porter emphasises the national conditions as crucial in determining the competitiveness of an industry. My research allowed me to realise that the fast fashion industry is favourable in Vietnam due to its large workforce, increasing domestic demand, and strong export-oriented textile industry.

Moreover, the political and economic analysis proved the role of macroeconomic stability in the choice of multinational investments. The political stability, good trade agreements, and open foreign investment policies in Vietnam make foreign brands like Zara welcome.

The other notable learning during the research process was the contribution of demographic and cultural aspects in influencing consumer behaviour. The growing social media penetration and youthful demographics make the demand for international fashion brands high in Vietnam. This demonstrates that in the process of entering the market, it is important to take into consideration not only economic indicators but also lifestyles and cultural trends of the consumers.

Personally, in terms of learning, the process helped me to improve my critical thinking skills. I did not just read about industry information but learnt to interpret the data and relate it to the strategic implications of multinational companies. It also enhanced my academic writing skills, especially on how to organise a report with clear headings, logical reasoning and evidence-based analysis.

5. Conclusion

Overall, this experience of writing Section 1 of this assignment was a great learning experience. It enhanced my knowledge of international business strategy, industry analysis, and the difficulties of multinational companies venturing into emerging markets. The process also taught me how to use theoretical models like the Diamond Model and PESTLE analysis to assess the

competitiveness in an industry and the external environmental forces. My research skills also improved since I learnt to analyse data in the industry and academic materials to make my arguments. Nonetheless, I also understood that I should practise better locating trustworthy sources and processing large amounts of information effectively. Enhancement of such skills will assist me in analysing and generate more succinct academic work in future tasks.

6. Action Plan

As a way of enhancing my future studies and analytical abilities, I will take the following actions:

Area for Improvement	Action Steps	Expected Outcome	Timeframe
Academic research skills	Use academic databases such as Google Scholar and university library resources to locate peer-reviewed journal articles and industry reports.	More credible and high-quality sources in assignments.	Next assignments
Critical analysis	Practice applying business frameworks such as Porter's Diamond Model and PESTLE to different industries.	Stronger ability to connect theory with real-world examples.	Within the next semester
Time management	Create a research and writing schedule before starting assignments to allocate time for research, analysis, and editing.	Reduced stress and a more organised writing process.	Immediate implementation
Data interpretation	Improve ability to compare and interpret statistics from multiple sources.	More accurate and persuasive academic arguments.	Next 3–6 months
Academic writing structure	Review examples of high-quality reports and follow clear headings and logical argument flow.	Improved clarity and professionalism in written work.	Continuous improvement

Table 1: Action Plan for my Future Development

Source: (Self-Made)

References

- B&Company (2024). *Vietnam is an ideal hub in the global textile industry - B-Company*. [online] B-Company. Available at: <https://b-company.jp/vietnam-is-an-ideal-hub-in-the-global-textile-industry/> [Accessed 6 Mar. 2026].
- Brown, D., Deardorff, A. and Stern, R. (2022). Title: *The Effects of Multinational Production on Wages and Working Conditions in Developing Countries*. [online] Available at: <https://www.nber.org/system/files/chapters/c9541/c9541.pdf>.
- CAHOON, S. (2024). The impact of climate change on Australian ports and supply chains: The emergence of adaptation strategies. *Routledge eBooks*, 4(3), pp.226–246. doi:<https://doi.org/10.4324/9781315756813-22>.
- Cardona, N. (2025). *Environmental Impact of Fast Fashion Statistics*. [online] UniformMarket. Available at: <https://www.uniformmarket.com/statistics/fast-fashion-statistics> [Accessed 8 Mar. 2026].
- Channell, M. (2023). *Gibbs Reflective Cycle – How to Learn from Experience and Become a Better Leader*. [online] TSW Training. Available at: <https://www.tsw.co.uk/blog/leadership-and-management/gibbs-reflective-cycle/> [Accessed 9 Mar. 2026].
- Cheng, X. (2024a). Fast Fashion Clothing Brand Marketing Strategy: Take a Fast Fashion Clothing Brand Called Uniqlo as an Example. *Finance & Economics*, [online] 1(6). doi:<https://doi.org/10.61173/jfdzj678>.
- Cheng, X. (2024b). Fast Fashion Clothing Brand Marketing Strategy: Take a Fast Fashion Clothing Brand Called Uniqlo as an Example. *Finance & Economics*, [online] 1(6). doi:<https://doi.org/10.61173/jfdzj678>.
- Cottel, M. (2024). *What Is Gibbs' Reflective Cycle? - Mindtools*. [online] Mindtools. Available at: <https://www.mindtools.com/a4edmqj/what-is-gibbs-reflective-cycle/> [Accessed 9 Mar. 2026].
- Duong Quang Hao (2024). New product development in the fast fashion industry: a case study in Vietnam. *International journal of services and operations management*, 48(1), pp.136–154. doi:<https://doi.org/10.1504/ijssom.2024.138601>.
- Gangnes, B. and Noy, I. (2024). Is foreign direct investment good for growth? Evidence from sectoral analysis of China and Vietnam. *Journal of the Asia Pacific Economy*, 13(4), pp.542–562. doi:<https://doi.org/10.1080/13547860802364976>.

- Garbarino, E. and Lerman, D. (2022). How cultural differences in uncertainty avoidance affect product perceptions. *International Marketing Review*, 24(3), pp.330–349. doi:<https://doi.org/10.1108/02651330710755320>.
- Ha, V.H. and Parsons, C.R. (2023). Vietnam’s Ascendancy in the Electronics Trade and the Role of Inward Foreign Direct Investment. *Journal of Asia-Pacific Business*, 24(3), pp.181–203. doi:<https://doi.org/10.1080/10599231.2023.2212341>.
- Hasanbeigi, A. and Price, L. (2024). A Technical Review of Emerging Technologies for Energy and Water Efficiency and Pollution Reduction in the Textile Industry. *Journal of Cleaner Production*, 95(3), pp.30–44. doi:<https://doi.org/10.1016/j.jclepro.2015.02.079>.
- Hasin, N.T.V. (2020). The Development of the Digital Economy in Vietnam. *VNU Journal of Science: Economics and Business*, [online] 36(5E). doi:<https://doi.org/10.25073/2588-1108/vnueab.4462>.
- Hong Lan, L. and Watkins, J. (2022). Pre-owned fashion as sustainable consumerism? Opportunities and challenges in the Vietnam market. *Journal of Fashion Marketing and Management: An International Journal*, 27(4), pp.1–18. doi:<https://doi.org/10.1108/jfmm-03-2022-0067>.
- Jhon, K. (2025). *Vietnam Apparel Market Surpasses USD 6.68 Billion Milestone - Latest Insights by Ken Research*. [online] openPR.com. Available at: <https://www.openpr.com/news/4268725/vietnam-apparel-market-surpasses-usd-6-68-billion-milestone> [Accessed 9 Mar. 2026].
- Jin, B. and Moon, H. (2023). The diamond approach to the competitiveness of Korea’s apparel industry. *Journal of Fashion Marketing and Management: An International Journal*, 10(2), pp.195–208. doi:<https://doi.org/10.1108/13612020610667504>.
- Kant, R. (2025). Textile dyeing industry an environmental hazard. *Natural Science*, [online] 04(01), pp.22–26. doi:<https://doi.org/10.4236/ns.2012.41004>.
- Linh, A. and Nguyen, T. (2021). *Foreign direct investment, trade and intellectual property rights for multinational enterprises in emerging markets: an alternative approach through the lens of trademarks in Vietnam*. [online] Available at: https://etheses.whiterose.ac.uk/id/eprint/30205/1/AmyLinhThuyNguyen_PhDThesis.pdf [Accessed 4 Mar. 2026].

- Liu, W. and Zhou, S. (2024). Digital Transformation of Supply Chain Management in the Fast Fashion industry: a Case Study of Zara. *SHS Web of Conferences*, [online] 181(04019), p.04019. doi:<https://doi.org/10.1051/shsconf/202418104019>.
- Makos, J. (2024). *PESTLE Analysis of Zara*. [online] PESTLE Analysis. Available at: <https://pestleanalysis.com/pestle-analysis-of-zara/> [Accessed 8 Mar. 2026].
- Markusen, J.R. (2023). The Boundaries of Multinational Enterprises and the Theory of International Trade. *Journal of Economic Perspectives*, 9(2), pp.169–189. doi:<https://doi.org/10.1257/jep.9.2.169>.
- Matus, G. (2024). *Vietnam Economic Update Report, Q1 2024 - ARC Group*. [online] ARC Group - Global financial services with deep roots in Asia. Available at: <https://arc-group.com/report/vietnam-economic-update-report-q1-2024/> [Accessed 8 Mar. 2026].
- Model, S. (2024). *Porter's Diamond Model Diagram Template - SlideModel*. [online] SlideModel. Available at: <https://slidemodel.com/templates/industry-analysis-powerpoint-template/porters-diamond-model-diagram-template/> [Accessed 5 Mar. 2026].
- Nadvi, K., Thoburn, J. and Thang, B.T. (2026). Challenges to Vietnamese firms in the world garment and textile value chain, and the implications for alleviating poverty. *Journal of the Asia Pacific Economy*, 9(2), pp.249–267. doi:<https://doi.org/10.1080/1354786042000207362>.
- Nayak, R. and Akbari, M. (2023). Recent sustainable trends in Vietnam's fashion supply chain. *Journal of Cleaner Production*, [online] 225(1), pp.291–303. doi:<https://doi.org/10.1016/j.jclepro.2019.03.239>.
- Nguyen, T.D., Nguyen, T.T.M. and Barrett, N.J. (2025). Consumer ethnocentrism, cultural sensitivity, and intention to purchase local products—evidence from Vietnam. *Journal of Consumer Behaviour*, 7(1), pp.88–100. doi:<https://doi.org/10.1002/cb.238>.
- Statista (2024). *Inditex: net sales worldwide by brand 2024* | Statista. [online] Statista. Available at: <https://www.statista.com/statistics/456505/sales-inditex-group-worldwide-by-format/?srsltid=AfmBOooOGZZafc3r4OkvAL1qeM4bkitcqAR1W5qm5hGc9v1stb3banVh> [Accessed 8 Mar. 2026].
- TextileToday (2024). *Vietnam's textile exports reach \$44bn in 2024*. [online] Textile News, Apparel News, RMG News, Fashion Trends. Available at: <https://www.textiletoday.com.bd/vietnams-textile-exports-reach-44bn-in-2024> [Accessed 8 Mar. 2026].

Thơ, T.T.A. (2022). Assessing customer satisfaction with the retail service quality of Zara Vietnam stores. *Tạp chí Nghiên cứu Tài chính - Marketing*, [online] 4(2), pp.13–23. doi:<https://doi.org/10.52932/jfm.vi72.351>.

Zara (2024). *ZARA International | Overview*. [online] www.zara.com. Available at: <https://www.zara.com/ww/> [Accessed 8 Mar. 2026].