

Developing The Market For Products Bearing The Certification Trademark “Thach Den Thach An – Cao Bang”

¹Bui Nhu Hien, ²Nguyen Thu Thuy

¹University of Economics and Business Administration VIETNAM

²University of Economics and Business Administration VIETNAM

ABSTRACT:- After being registered with the certification trademark “Thach den Thach An – Cao Bang” (Grass Jelly of Thach An District, Cao Bang Province) in 2020, the grass jelly product from Thach An district, Cao Bang province, has gained wider market access and earned the trust of many consumers. However, the product still lacks diversity in its product range and faces strong competition from Trảng Định grass jelly in Lạng Sơn.

A study of 112 relevant stakeholders revealed several key factors affecting the consumption of Thach An grass jelly, including limited linkages among actors in the supply chain, inconsistent management in the production process, and the absence of a national brand. Therefore, it is essential to strengthen the production chain linkages, enhance trade promotion activities, and diversify the product range in the near future. These efforts will help the certified trademark “Thach den Thach An – Cao Bang” reach international markets.

Key words:- Certification Trademark, Grass Jelly, Thach An District, Cao Bang Province

I. INTRODUCTION

Thach An District, Cao Bang Province, has a climate and soil conditions highly suitable for growing grass jelly. Thanks to grass jelly cultivation, many households have escaped poverty and secured stable incomes. Once considered a “poverty alleviation” crop, grass jelly has now become a means of wealth generation for many local families.

In 2020, the Intellectual Property Office granted the certification trademark registration for “Thach Den - Thach An,” allowing producers and processors in the district to use labeled packaging with clear traceability. This has strengthened consumer trust and confidence in Thach An grass jelly products. As a result, the product’s price has remained stable, the market has expanded, and producers have been motivated to upgrade production lines, expand facilities, and strengthen distribution networks.

However, the consumption of products bearing the certification trademark “Thach Den Thach An – Cao Bang” has not been highly effective. Limitations in business management, marketing, and advertising skills, along with an unstable market, have negatively impacted grass jelly cultivation and production. Therefore, an in-depth study on the current market consumption of certified “Thach Den Thach An – Cao Bang” products is necessary to identify existing challenges and develop solutions for expanding the market for this local specialty.

II. RESEARCH METHODOLOGY

To carry out this study, the author collected information from three target groups through a survey of 62 respondents in three communes with the largest grass jelly cultivation and production in Thach An District, Cao Bang Province: Trong Con Commune, Duc Thong Commune, and Thai Cuong Commune. The specific survey distribution was as follows:

- **Management officials:** 16 questionnaires
- **Grass jelly producers and traders:** 46 questionnaires
- **Consumers:** 50 questionnaires

The survey was conducted through direct interviews from July 2024. The collected data was then compiled and analyzed using statistical classification and descriptive statistical methods to assess and evaluate the consumption trends of Thach An grass jelly in recent times.

III. RESULTS

3.1. Current Situation of the Consumption of Products Bearing the Certification Trademark “Thach Den Thach An – Cao Bang”

Due to its high quality and the long-standing reputation of “Thach Den Thach An Cao Bang”, the product is well-favored by consumers, making it easy to sell at a good price. According to the survey, 70% of respondents stated that grass jelly is easy to sell, 20% reported average sales, while only 10% indicated difficulties in consumption (mainly due to challenges in preservation, making long-distance transportation difficult). This assessment aligns with the evaluations of local management officials.

Currently, in Thach An District, the majority of product consumption relies on traders and local producers, with a small portion being purchased by cooperatives and enterprises, though not in significant quantities. Since grass jelly has limited processed product varieties and a short shelf life, its market expansion to southern provinces or large-scale purchases remains restricted.

Based on the survey results, the author has compiled information to outline the grass jelly distribution channels in Thach An, presented in Diagram 1. Accordingly, the Thach Den product is mainly distributed through three primary channels:

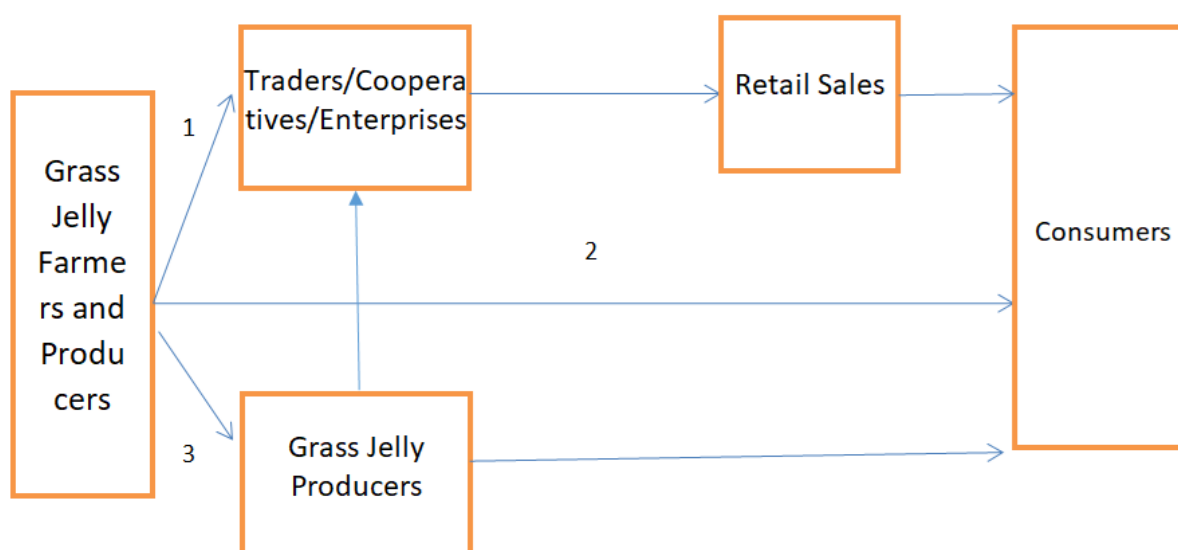


Diagram 1. Distribution Channels of Thach Den Thach An – Cao Bang
(Source: Compiled from the 2024 survey data)

- **Distribution Channel 1:** Grass jelly farmers and producers sell their products to traders, cooperatives, or enterprises, who then distribute them to retail channels for sale to consumers. The advantage of this distribution channel is that a large quantity of products is purchased, ensuring stable consumption and enabling distribution to markets outside the province. However, consumers must pay a higher price, approximately 10,000–15,000 VND more per box. Moreover, not all households have the necessary skills to produce grass jelly, and the strict requirements for packaging and quality from cooperatives and enterprises further limit participation. As a result, the number of households selling through this first channel accounts for only about 23,46% of the surveyed households.

- **Distribution Channel 2:** Grass jelly farmers and producers sell directly to consumers through on-site sales at home, market sales, or online platforms such as Zalo and Facebook. This distribution channel benefits both producers and consumers, as producers can sell at a higher price compared to the first channel, while consumers can purchase at a lower price. However, only 5,12% of surveyed producers sell through this channel.

- **Distribution Channel 3:** This is currently the primary distribution channel for “Thach Den Thach An – Cao Bang”, with 71,42% of surveyed respondents choosing this method of consumption. In practice, households in towns and nearby communes primarily purchase dried grass jelly leaves from farming households and process them into finished grass jelly. These households do not grow grass jelly themselves due to unsuitable soil conditions, so they rely on purchasing raw materials for processing.

This distribution channel is quite sustainable as there is already a specialization in cultivation and production. As a result, producers invest in better processing equipment such as electric stirrers, residue filters, and leaf grinders, improving product quality. Currently, all 11 households registered under the certification trademark mainly operate within this distribution model.

When asked about consumer awareness and usage of grass jelly, the research team obtained the following results: Consumers have multiple sources of information about the product, with 64% learning about it through recommendations from friends and family, 30% discovering it via social media, fan pages, and hotlines, and others encountering it through trade fairs, market visits, or impulse purchases to try the product. All surveyed consumers were already familiar with and had used grass jelly of Thach An – Cao Bang, with 46% having purchased it more than three times, indicating a strong potential for market expansion. Consumers mainly buy directly from grass jelly producers or through online platforms such as Zalo, Facebook, markets, and supermarkets. However, the price of grass jelly in supermarkets is typically higher than in markets due to stricter food safety and packaging standards, which not all producers can meet.

Through interviews with local management officials and consumers, the research team identified several key reasons why grass jelly of Thach An – Cao Bang is widely favored and sells well. The product is known for its high quality, delicious flavor, and established brand reputation. Additionally, local authorities and producers actively promote the product through trade fairs both within and outside the province, as well as through social media platforms such as Zalo and Facebook. The product also gains visibility through trusted partnerships and word-of-mouth marketing. As a result, grass jelly of Thach An – Cao Bang has become well-recognized and trusted by consumers.

However, product diversification remains limited. Most producers only manufacture 1kg and 0.5kg jelly boxes, with a few producing grass jelly cakes, though in small quantities. Unlike Trang Dinh District, Lang Son Province, producers in Thach An have not yet developed grass jelly extract or exported dried grass jelly leaves, restricting wider market expansion. This is an issue that Thach An District and cooperatives/enterprises need to focus on in the near future, especially now that the product has been granted a certification trademark.

3.2. Current Situation of Linkages in the Consumption of Products Bearing the Certification Trademark “Thach Den Thach An – Cao Bang”

Currently, grass jelly cultivation in Thach An remains fragmented and small-scale, primarily dependent on each household’s available land and seasonal availability between rice crops. As a result, large-scale raw material zones have not been established, reducing overall production efficiency. Farmers still rely on traditional cultivation methods and lack adequate technical support for planting, care, and harvesting, which limits their participation in linkages within the value chain.

Some households have established contractual agreements with enterprises for product off-take, but these arrangements remain limited in scale. Additionally, there is often a lack of contractual binding, leading to breaches of agreements when market prices fluctuate.

Table 1. Key Information on Linkages in the Consumption of Products Bearing the Certification Trademark “Thach Den Thach An – Cao Bang” Based on Survey Data

Unit: Responses

Content	Selected Option	Management Officials	Households
1. Has the local/your household's Thach Den product participated in value chain production linkages?	Participated	16/16	20/46
	Not participated	0/16	26/46
2. Selection of partners for value chain production linkages in grass jelly production by households	Cooperatives/Enterprise	16/16	20/20
	Cooperative groups	0/16	0/20
	Traders	0/16	0/20
3. Reasons why households have not participated in value chain production linkages	Self-production and sales are still effective		20/26
	Small-scale production		09/26
	Lack of labor		10/26
	Lack of technical knowledge		13/26

Content	Selected Option	Management Officials	Households
1. Has the local/your household's Thach Den product participated in value chain production linkages?	Participated	16/16	20/46
	Not participated	0/16	26/46
	Product quality does not meet linkage requirements		08/26
	Inconsistent linkage policies		13/26
	Lack of capital		14/26

Through interviews with 12 local management officials and 46 households engaged in grass jelly cultivation and production in Thach An District, the research team found that officials highly appreciate the participation in value chain linkages for the production and consumption of products bearing the certification trademark “Thach Den Thach An – Cao Bang”. They recognize its numerous benefits, such as enhancing product value, developing the “Thach Den Thach An – Cao Bang” brand, improving management efficiency, ensuring better quality, diversifying products, and expanding both domestic and international markets.

As a result, local authorities have encouraged farmers to collaborate with cooperatives and enterprises within and outside the district. Among the surveyed households, 20 out of 46 have established some level of linkage, mainly focusing on the production stage. Notably, all 11 households registered under the certification trademark have already partnered with cooperatives and enterprises.

However, 26 out of 46 households (nearly 57%) have not yet participated in value chain linkages with any organization. The primary reasons include: Self-production and direct sales remain effective; Lack of capital to invest in machinery and technical improvements, making it difficult to meet the requirements of enterprises and cooperatives.

Despite this, 100% of respondents stated that if demand for grass jelly continues to rise and higher quality standards are required, they would consider joining production and consumption linkages under the certification trademark “Thach Den Thach An – Cao Bang” in the future.

IV. CONCLUSION

Based on the above analysis, it is evident that the market for products bearing the certification trademark “Thach Den Thach An – Cao Bang” has expanded, reaching international markets such as China and several Asian countries. Some production facilities have successfully built their brands and introduced their products on e-commerce platforms like Shopee, Lazada, and Tiki, contributing to market expansion. Additionally, some enterprises and cooperatives have begun signing direct purchase contracts with farmers, ensuring a more stable output.

However, several challenges persist. The linkages among farmers, processors, and distributors remain largely unstructured and lack long-term planning, leading to instability. There is a lack of intermediary organizations, such as cooperatives or producer alliances, to coordinate production and distribution effectively. The management of the entire supply chain—from raw material production (grass jelly cultivation) to processing and distribution—remains inconsistent, resulting in price fluctuations and quality inconsistencies. Furthermore, collaborations with supermarket chains and e-commerce platforms are still underdeveloped, limiting the product’s market reach.

To ensure the stable and sustainable growth of the grass jelly of Thach An – Cao Bang market in the future, the research team proposes several solutions.

4.1. Enhancing the Value Chain of “Thach Den Thach An – Cao Bang”

A strong focus should be placed on improving product quality and investing in brand development, including geographical indications, packaging, labeling, and extensive market promotion to elevate the brand’s position both within the province and nationwide. Ensuring food safety and environmental protection in production and consumption is crucial in building trust among consumers and potential stakeholders in forming value chain linkages.

Policies should be developed to support farmers in expanding production scale and provide financial assistance to cooperatives and enterprises for upgrading technology and modern equipment. This investment will enhance processing capacity and improve the overall quality of “Thach Den Thach An – Cao Bang”. Producers should be encouraged to scale up production, mechanize farming processes, and adopt advanced scientific and technological applications in the production and commercialization of “Thach Den Thach An – Cao Bang”.

Local authorities should strengthen management, inspection, and supervision of production and business facilities to regulate pricing, ensure product quality, and manage input supplies for agricultural production.

4.2. Supporting the Development of the Certification Trademark “Thach Den Thach An – Cao Bang”

The Thach An District People's Committee can assist cooperatives and enterprises in developing a traceability system, professionally designed product labels, and compliance with regulatory standards. Ensuring that products undergo quality analysis, testing, and certification will boost consumer confidence in product safety and hygiene, increase income for those directly involved in the value chain, and enhance brand image, competitiveness, and market expansion for Thach An's specialty products.

Efforts should be made to develop and utilize the certification trademark and collective trademark, integrating them into the OCOP (One Commune One Product) program to strengthen cooperation and linkage between production and market-oriented consumption under a protected value chain.

The Department of Science and Technology of Cao Bang Province should continue providing technical guidance and support to the Thach An District People's Committee, businesses, production facilities, and individual households in managing and using the certification trademark “Thach Den Thach An – Cao Bang”. It should also work to protect the legal rights of certified trademark users and prevent intellectual property infringements, ensuring the brand's strong positioning in the market.

Trade promotion activities should be intensified to expand the market for “Thach Den Thach An – Cao Bang”. Advertising and marketing efforts should be increased through mass media, particularly online platforms. The development of distribution networks, including wholesale and retail agents, product introduction stores, and trade fair exhibitions, should be prioritized.

Local businesses, communes, and villages should be encouraged to create individual e-commerce websites and integrate into national agricultural e-commerce platforms. Participation in these platforms and related events will help promote, introduce, and sell products to a wider audience.

Additionally, regional and inter-provincial agricultural fairs, trade connection conferences, and promotional campaigns for local agricultural products, including “Thach Den Thach An – Cao Bang”, should be organized and featured in major media outlets to enhance brand visibility and market reach.

REFERENCES

- [1]. Võ Thị Thanh Lộc và Nguyễn Phú Sơn (2013), Textbook on Value Chain Analysis of Products (Applied in Agriculture), Can Tho University Publishing House.
- [2]. Chu Tiến Quang (2008), "Some Issues on Global Agricultural Value Chains", Trade Journal, Issue 16.
- [3]. Van Bodegom, A., van Middelaar, J., Metz N. (2019). Circular Agriculture in Low and Middle Income Countries. Discussion paper, Food & Knowledge Platform.
- [4]. Đặng Đình Đào (2015), Textbook on Economics of Trade and Service Sectors, ISBN: 978-604-65-2236-2, Labor and Social Publishing House, Hanoi.
- [5]. Thach An District Department of Agriculture and Rural Development (2021-2023), Report on Agricultural and Rural Development Activities and Directions for 2021, 2022, and 2023.

¹Bui Nhu Hien, ²Nguyen Thu Thuy

¹University of Economics and Business Administration VIETNAM