

Assistance from the government and various industry-related development organizations is facilitating the growth of the gifts and packaging sector in Vietnam.

State agencies and private stakeholders are working with suppliers to employ a variety of programs aimed at improving competitiveness. These initiatives range from promoting the sustainability of raw material sources to enhancing business practices of domestic manufacturers and design capability of artisans.

The industry has benefited from these efforts as overseas revenue in recent years has steadily increased. Demand from traditional markets, especially the US, has surged over the past 12 months. In addition, shipments to alternative destinations are seen to climb, partly because of the implementation of trade agreements between Vietnam and these countries.

Key findings

1. Prices of gifts and packaging are generally expected to rise over the next six months because of increasing expenditure for imported unprocessed components. A significant number of enterprises, however, will keep quotes unchanged to ensure competitiveness.
2. The majority of suppliers are optimistic of registering higher export revenue this year as key foreign markets continue their recovery from the global economic crisis. A growing number of companies are also broadening their reach in alternative markets such as the Middle East and Southeast Asia.
3. The surging cost of raw materials is the most critical challenge confronting the industry. Because of deforestation, enterprises are facing limited availability of plant-based inputs.
4. Product designs emphasize the use of repurposed components. These include metal from tin cans and paper from newsprint and magazines. Plant-based inputs such as bamboo and rattan are also widely adopted to highlight style diversity among different models. Colorful releases are expected this year, with floral and animal patterns being the most common motifs.
5. Small makers represent nearly 90 percent of the supplier base. Sourcing centers in Vietnam are generally concentrated in the northern provinces surrounding Hanoi. The Mekong River Delta in the south is also an important hub.

Objective, methodology & scope

This Vietnam Sourcing Report is part of a series designed to provide buyers with information on new products from export manufacturers in supply markets that specialize in handmade merchandise.

The Developing Country Sourcing Report series is part of Global Sources' corporate social responsibility initiatives. It is offered in conjunction with the Hinrich Foundation, whose mission is promoting sustainable global trade. One of its objectives is to help create jobs in developing Asia through export promotion.

To produce this report, large, midsize and emerging manufacturers, all with substantial export experience, were surveyed. The selection of suppliers is designed to reflect the composition of the industry in Vietnam in terms of geographic location, materials used and range of products offered.

For in-depth profiles, our researchers visited the facilities of each company and interviewed senior executives who discussed their recent performance and provided forecasts for the next 12 months. All other makers in this report were either visited or contacted by phone.

In each case, companies were required to answer specific questions designed to verify their manufacturing and export credentials, including a breakdown of exports by product type and market. Suppliers also participated in a survey designed to provide insight into the industry.

This report covers different classifications of gifts and packaging available in Vietnam, including decorative and holiday crafts, and gift bags and boxes. Each product category has its own price guide that describes features of low-end, midrange and high-end models.

In this report

- 20 in-depth company profiles
- 19 short company profiles
- 228 top-selling export products
- Supplier demographics
- Supplier survey
- Industry statistics and charts

The Industry Overview section discusses key issues affecting export manufacturers. It provides insight on the composition of the industry and elaborates on the important supply centers within Vietnam.

The Products & Prices section details the features and price ranges of gifts and packaging. It also examines the design and manufacturing processes, main materials used, and sourcing centers where components are procured.