

Based on social labor division and different features in the technological process to produce various products and services, economic activities are divided into three sectors: natural resources exploitation, manufacturing and processing, and service. Service sector includes trade, service, banking, post...

As a result, trade is regarded as one of services. Recently, the Resolution 12 by the Vietnamese Communist Party's Politburo has pointed out such targets as renovation of State commercial organization and operation; development of socialism-oriented market, well-organized market and goods circulation; enhancement of the trade role to speed up production with the aim to alter economic structure; labor redivision; price stabilization; inflation control; logical redistribution of incomes; increase in revenue of State budget, improvement of people's living standard.

To carry out this resolution, the trade sector has to take many steps to renew the mode of activities. In which the building of supermarkets will help reform the trade business and implement the Politburo's resolution.

Supermarket is a facility to make commercial activities civilized, modern and suitable for the country's development in the trend of integration into the world economy, especially for HCMC where the transaction between Southeast Asian countries are realized; tourists, foreigners and overseas Vietnamese represent a higher percentage than that of other cities and provinces in the country.

Today HCMC has 16 supermarkets and shops for self-service. A survey on 11 units revealed the scale of supermarkets and shops are different. One has capital of over VNĐ7 billion with an area of 2,000 sq.m. (Maximart in Dist. 10 affiliated to An Phong Company Limited), but another has capital of only tens of million đồngs and an area of 100 sq.m. (Vinamart), one employs a few workers whereas another hires 65 workers. The total turnover of 11 surveyed units reached VNĐ 43.6 billion up to February 1996. Some supermarkets

SUPERMARKET A MODERN MODE IN TRADE SERVICE AND RETAIL TASK OF STATE COMMERCIAL BUSINESSES

by PHAN HỒNG TÂM

earned over VNĐ100 million on the occasion of Tết festival. Normally, they sell goods worth 60-70 million đồngs per day (Saigon Coop and Maximart). The customers visiting and shopping at these places number over 1,000 per day on average. The total profits account for 15% of the turnover. Since these establishments have been recently put into operation, and due to high cost of equipment and machinery, their profits were not high (some even suffered losses). Product lines mainly comprise home appliances: saucepan, glassware, cooking pot, wash-basin, basket... (30%), processed food (30%-40%), cosmetic, chemical product, detergent (20%-25%).

This commercial mode on the whole has initial advantages, meeting growing demand of the city consumers. When entering supermarkets, buyers feel comfortable in an airy, civilized space, commodities are displayed tidily, prettily and attractively. They are wholly different from the hot air, overcrowded, noisy and complicated area in marketplaces with social evils such as robbing, stealing... Regarding commodity lines, the items displayed at these places are carefully selected from well-known companies home and abroad, therefore they are of high quality and customers feel assured because there are no bad and fraudulent goods. Prices are clearly fixed on each item. Customers have chances to approach goods easily in order to decide on purchase since goods are arranged neatly on shelves and the alleys are spacious. Buying here is more convenient than at stalls when

buyers ask to see the item. Buyers are not afraid of mistakes due to payment done via computers.

Besides above-mentioned advantages, there are still shortcomings because there are not many domestically-made products displayed here, they account for 20% of the total items on average (35% in Saigon Coop, 30% in the supermarket at 121-127 Nguyễn Tri Phương St.). Some 50% of total supermarkets and self-service shops sell 5%-10% home made products. This can-

not help domestic production develop yet. Prices at these places are commonly 7%-10% higher than those at marketplaces due to high costs.

The trade mode in supermarkets and self-service shops are favored by customers, but the number of State-run supermarkets is still small (Out of 9 supermarkets licensed by the HCMC Service of Trade, there are 3 affiliated to public sector, 5 to limited companies, 1 to the municipal trade cooperative). Today the ratio of public sector in the retail outlets accounts for 23.14%. As such, State commercial businesses pay little attention to retail outlets. They show perplexity in how to retail goods. They are not so sensitive as private businesses. Will the supermarket form help State commercial business expand their retail? Only by their supermarkets can they seize consumers' needs with a view to making orders to producers, implementing trade civilization, raising the level of trade service and retail percentage.

Resolution 12 by the Politburo when putting forward the task for the State commercial businesses stated: "To perfect organization and management of the State commercial businesses, forcing them to play leading role in the multi-sector trade... To mobilize capital potentialities, technical and material base to soon form supermarkets in major cities such as Hà Nội, HCMC,..."

It is expected the State commercial businesses in HCMC will possess outstanding supermarkets in proportion to a civilized and modern city in future ■