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BUSINESS MODEL INNOVATIONS OF SMES IN VIETNAM TOWARD INDUSTRY 4.0

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ABSTRACT

Many researchers paid attentions on innovating business model in the context of Industrie 4.0, but this issue in SMEs in developing countries has been neglected. This article investigates how the business model of manufacturing SMEs changes in the context of Industry 4.0 through a quantitative research with a sample of 150 Vietnamese SMEs. As SMEs takes the biggest segment in economy of developing countries, their business model innovations raise many concerns of not only their corporate managers but also government authorities. This paper seeks to find the road which manufacturing SMEs in Vietnam can innovate their business model to adapt to the challenges of Industry 4.0 as well as gain opportunities from it. First, the results delineate the current knowledge of Vietnamese manufacturing SMEs about Industry 4.0. Second, this paper shows how business model elements of manufacturing SMEs in Vietnam are affected by Industry 4.0 on three aspects: value creation, value capture and value offer. Third, it also indicates four SMEs types that help the managers in positioning their own company regard with Industry 4.0. Fourth, the implications for both the Vietnamese Government and SMEs are discussed based on these findings.

Key words : Business Model, Industry 4.0; Value chain, SMEs.

