

VIETNAM

HUGE POTENTIAL IN ONE OF SOUTHEAST ASIA'S SLEEPING GIANTS

Vietnam's low internet penetration means that it lags behind many of its neighbors on the Digital Consumer Index, scoring 17.7 below the regional average. However, the potential for improvement is considerable. 92 percent of current internet users are digital buyers and with the number of internet users set to rise from 50.5 percent of the population to 65.1 percent in 2022, Vietnam's digital commerce market will expand considerably in the coming years.

30% of Vietnamese consumers are expected to shop online by 2020⁴⁷

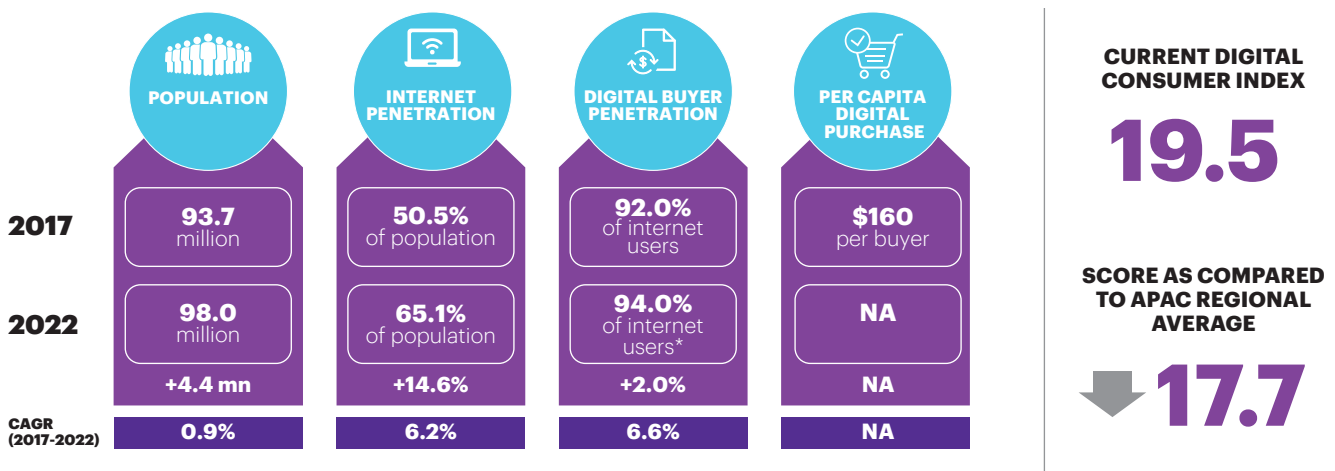
Economic growth and greater digital penetration promise to drive the Vietnamese digital commerce boom. GDP grew by 6 percent in 2016 and corresponds to a rapid rise in median disposable income, which should reach USD 5,348 by 2022. With more money to spend and with more readily available digital services, Vietnamese consumers look set to take to the internet in far greater numbers. By 2022, 63.8 million users will be on the internet, with more than half of the population using smartphones.

Much like the Filipino counterparts, Vietnamese digital consumers are drawn to the internet by its promise of reduced costs and greater convenience. Just under half of digital buyers in Vietnam buy online because it offers value for money, while 42 percent consider free home delivery a factor in making a purchase online. Aside from price and convenience incentives, half of Vietnamese consumers find digital commerce attractive because of the availability of items not readily accessible in local and high street shops.

95% consult their phones on purchases they're about to make while in a store⁴⁸

VIETNAM IS A DIGITAL LAGGARD AS IT SCORE 19.5 ON DIGITAL INDEX, UNDERPERFORMING THE REGIONAL AVERAGE BY 17.7

Vietnamese consumers are value seekers, and prefer to shop online for exclusive products and deals



* based on Accenture Research estimates



TRENDS

Consumers moving towards convenience, value for money & product exclusivity

VALUE FOR MONEY

49%

of Vietnamese digital buyers are allured to make a digital purchases, owing to good value for money

PRODUCT EXCLUSIVITY

50%

of Vietnamese consumers are allured to make online impulse purchase owing to unique availability on that channel

CONVENIENCE

42%

of Vietnamese consumers consider free home delivery charges as a factor for making digital purchase



DRIVERS

of digital commerce in VIETNAM

63.8 mn
INTERNET USERS
2022

\$5.3K
RISING MEDIAN
DISPOSABLE INCOME
2022

>52%
SMARTPHONE
PENETRATION
2022

6%
GDP GROWTH
2016



VIETNAMESE CONSUMERS ARE SLOWLY GAINING TRACTION IN DIGITAL SHOPPING

Vietnamese consumers are now leveraging digital media for shopping, however, prefer to stick to traditional payment methods

30%

Vietnamese consumers are expected to shop online by 2020

53%

Vietnamese enrol for loyalty programs with an intention to get discounts

57%

Vietnamese Internet users enrol for 2-5 loyalty programs

85%

Vietnamese consumers who make digital purchases prefer COD, due to fraudulent activities

44.3%

of Vietnamese consumers primarily conduct research online followed by making an online purchase

27.8%

of Vietnamese are influenced to shop online on a new eCommerce site, driven by social media activities

31%

of Vietnamese smartphone users conduct digital shopping through smartphone apps

16%

of Vietnamese consumers make digital purchases from cross-border eCommerce sites