APPOTA
Entertainment Ecosystem



VIETNAM MOBILE MARKETING AND GAME 2019

Dear Friends and Partners,

Introducing the Vietnam Mobile Marketing and Game Report 2019 by Appota. This is the first edition of a series of reports to keep you updated about the current state of Vietnam's mobile marketing, mobile games, and consumer behaviors.

By leveraging 8 plus years of experience in the mobile app marketing business, and existing intelligence from renowned market research, we are delighted to bring you our insights and forethoughts moving forward in 2019 and beyond.

With a population of more than 97 million people and thanks to the rise of smartphones, highly accessible internet and cheap mobile data plans, people's lives are quickly becoming digitalized in Vietnam. Over 51 million Vietnamese are accessing the internet, social media and apps through their smartphone screens every single day. Thus, the mobile device is an important touchpoint for any brand looking to tap into the Vietnam market.

Furthermore, mobile games constitute a sizable amount of time that consumers spend on their smartphones. Nearly 33 million people, both male and female, from all age groups, from all occupations, and regardless of social status, all play mobile games. And this figure is expected to reach 40 million mobile game players by the end of 2020.

Through truly understanding the consumers and their usage of mobile devices, we believe brands can create extraordinary results with mobile marketing, reaching a highly responsive consumer base, and fostering stronger connections to the daily lives of the Vietnamese consumers.

Thank you for your interest in the Vietnam market and our report. We hope to continue bringing you the must-know foundation to contribute to your success.

Sincerely,
Appota Market Research Team

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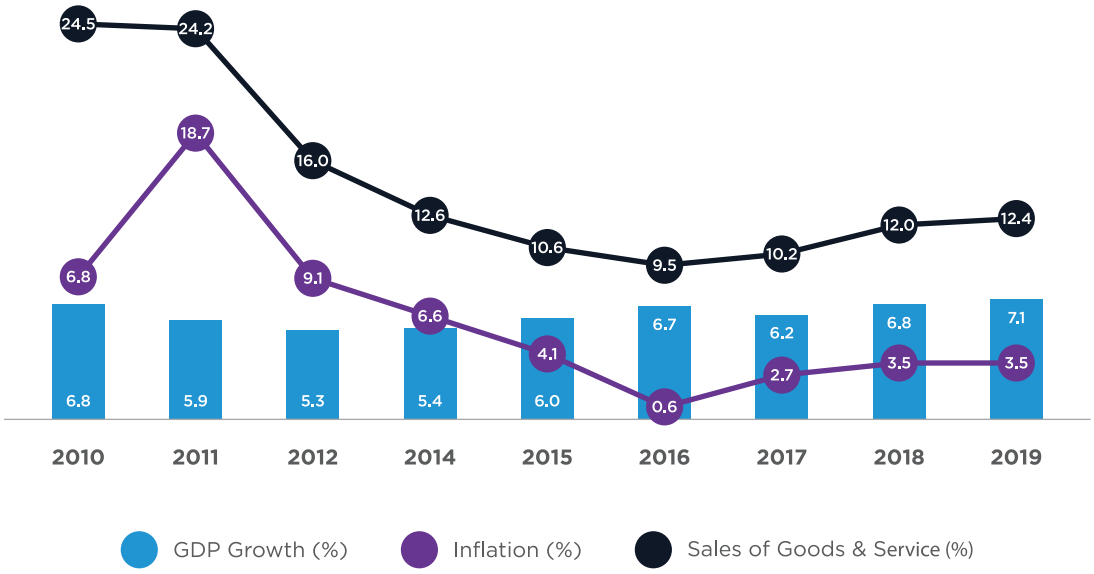


01

KEY MARKET FIGURE

THE MOBILE MARKETING MARKET

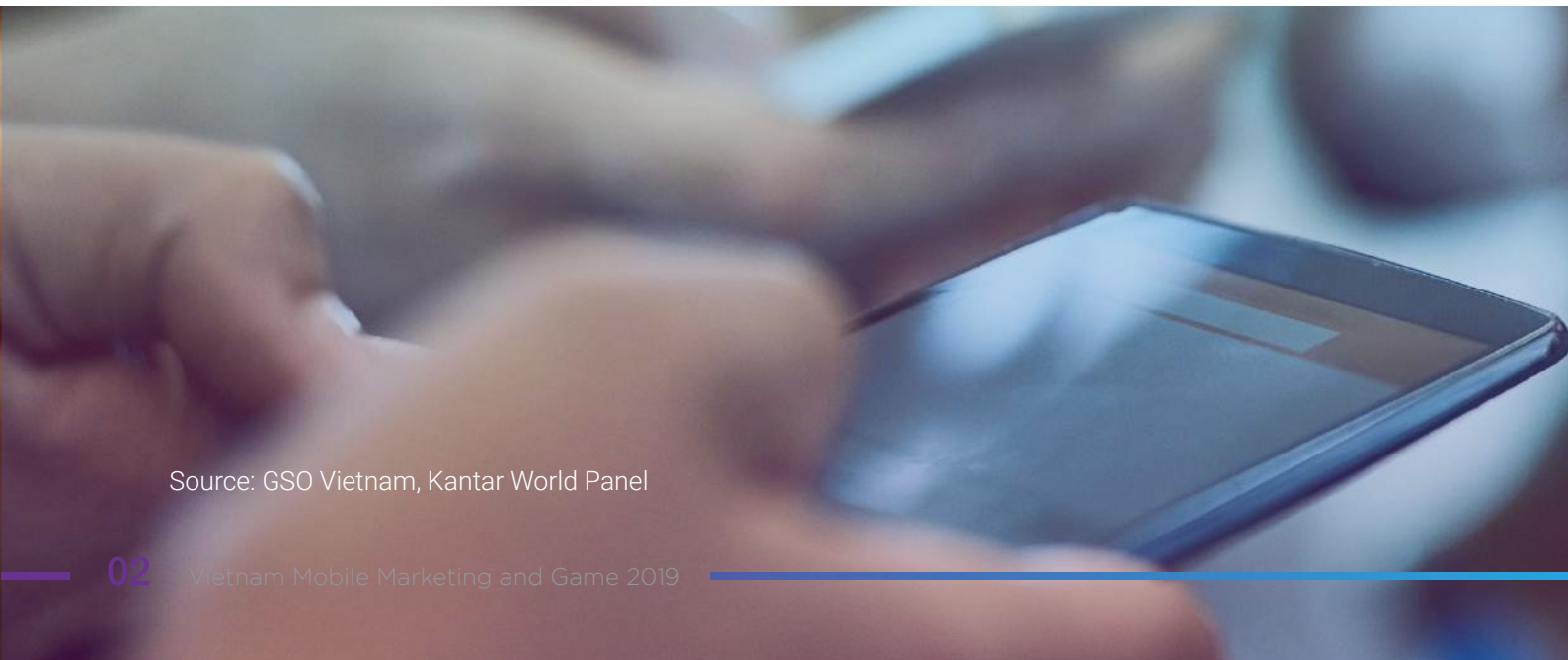
A positive macroeconomic trend



In 2018, Vietnam experienced the highest GDP growth rate in the last decade, healthy sales of goods & services growth and a single digit inflation rate. Stability in both economic and political sectors will continue to retain the confidence of brands in the market.

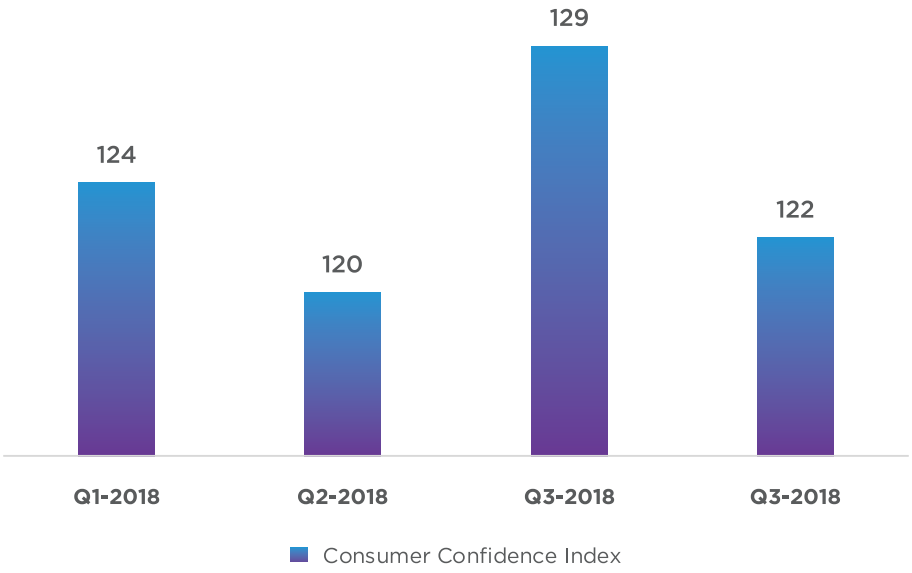
Expectation for 2019 - 2022

6-7%	3-4%
GDP	CPI



Source: GSO Vietnam, Kantar World Panel

The consumer is spending more and more



97M

Vietnam population as of June 2019 (estimated)

It is reported that the strong confidence index among the population of 97 million was due to higher job stability, personal finance, and strong willingness to spend. These positive signs of the economy help attract more foreign investment, and brands are willing to spend more to get a share of the increase in the consumer spending.



Internet connectivity continue to improve.



66%

... of the population has access to the Internet in 2018. That is an increase of 9% from 2017.



53%

... of the population has access to the Internet via mobile phone. The figure rose from 42 million in 2017 to 51 million by the end of 2018.



6H42M

... signifies the average time spent online per day by the Vietnamese across PC, phone and tablet.

Source: We Are Social, Appota

Enjoying low-cost & high-speed internet, connected consumers in Vietnam love spending time watching contents on the Internet.

27.2 Mbs

Average fixed-line internet speed

21.6 Mbs

Average mobile internet speed

2h31m

The average time spent watching stream and video on demand per day by the Vietnamese across all devices

1h11m

The average time spent listening to online music per day by the Vietnamese across all devices

Online contents have become a daily form of entertainment for the Vietnamese. Especially with the emergence of live stream technology, millions of Vietnamese have flocked to streaming platforms like Facebook, YouTube, NimoTV, etc., to watch and support their favorite content creators.

In addition to online videos and music, the Vietnamese also rely on fast internet connection to try out mobile apps & games, making Vietnam among the top 10 in the apps/games market on both iOS and Android devices.

Rank	Country	Rank Change vs. 2017
1	China	-
2	United States	-
3	Japan	-
4	United Kingdom	-
5	Russia	-
6	France	-
7	Germany	-
8	Brazil	▲ 1
9	Canada	▼ -1
10	Vietnam	▲ 1

Top 10 markets for iOS app/game downloads as of Feb 2019

Rank	Country	Rank Change vs. 2017
1	India	-
2	Brazil	-
3	United States	-
4	Indonesia	-
5	Russia	-
6	Mexico	-
7	Turkey	-
8	Vietnam	-
9	Thailand	▲ 1
10	South Korea	▼ -1

Top 10 markets for Android app/game downloads as of Feb 2019

Source: AppAnnie




MEDIONmobile
5:31 PM
61 %
Netflix
Einstellungen
Fotos
Wattpad
Facebook
Kamera
App Store
Twitter
Mail
Widgets
Instagram
Spotify
Nachrichten
YouTube
Sonntag
26
Kalender
Wetter
Unsplash
Spiele

Vietnam's top apps and games by monthly active users are mainly social networking apps, and online eSports games.

Rank	App
1	Facebook
2	Facebook Messenger
3	Zalo
4	Zing Mp3
5	Viber
6	Grab
7	Instagram
8	NhacCuaTui
9	abPhoto
10	Skype

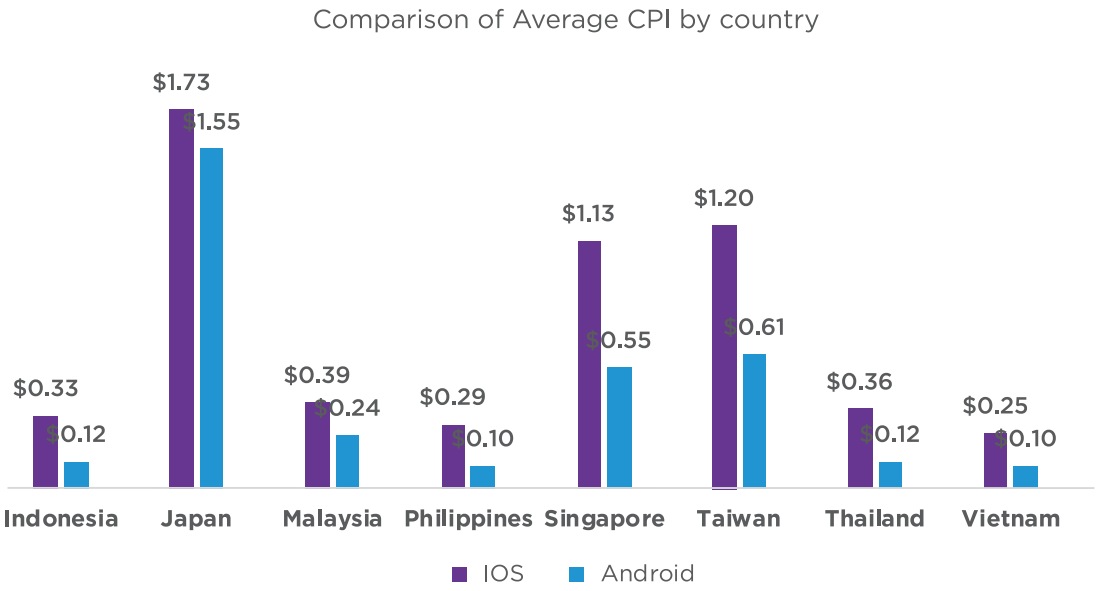
Top apps of 2018: Vietnam combined iOS and Android device by MAU

Rank	App
1	Arena of Valor
2	Freefire
3	Candy Crush Saga
4	My Talking Tom
5	Clash of Clans
6	Dream League Soccer 2016
7	PUBG MOBILE
8	Minecraft Pocket Edition
9	Zombie Tsunami
10	Tien Len - Tiến Lên - ZingPlay game bai online

Top games 2018: Vietnam combined iOS and Android device by MAU

Source: AppAnnie

Due to the strong willingness of Vietnamese people to try out new apps and games, Vietnam is a rapid growing app market, with exceptionally low Cost Per Installs* (CPI).



$0.25

Vietnam average CPI on iOS

$0.10

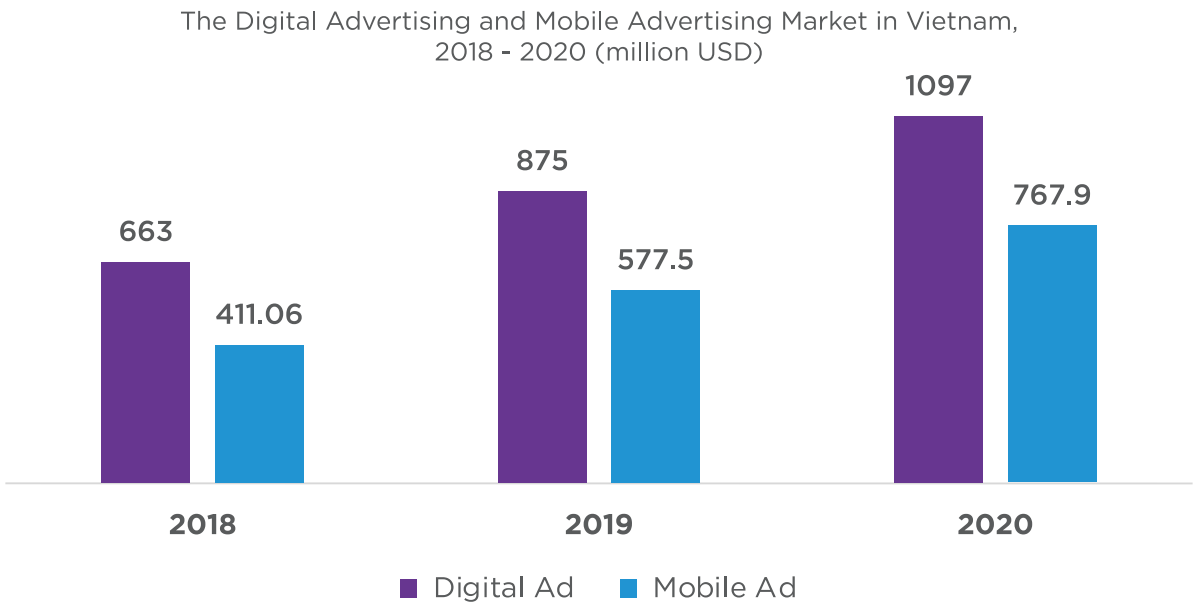
Vietnam average CPI on Android

The low CPI not only indicates low investment cost for apps advertisers, but also for others who may wish to advertise using mobile apps. It indicates a large area of exposure for potential advertisements, and a fast rotation of ads with low bid rates.

**In a Cost Per Install campaign, publishers place digital ads across a range of media in an effort to drive installation of the advertised application. The brand is charged a fixed or bid rate only when the application is installed.*

Source: Chartboost

The mobile ads market in Vietnam is increasing rapidly, and will soon cover up to 70% of the total digital ads market.



62%

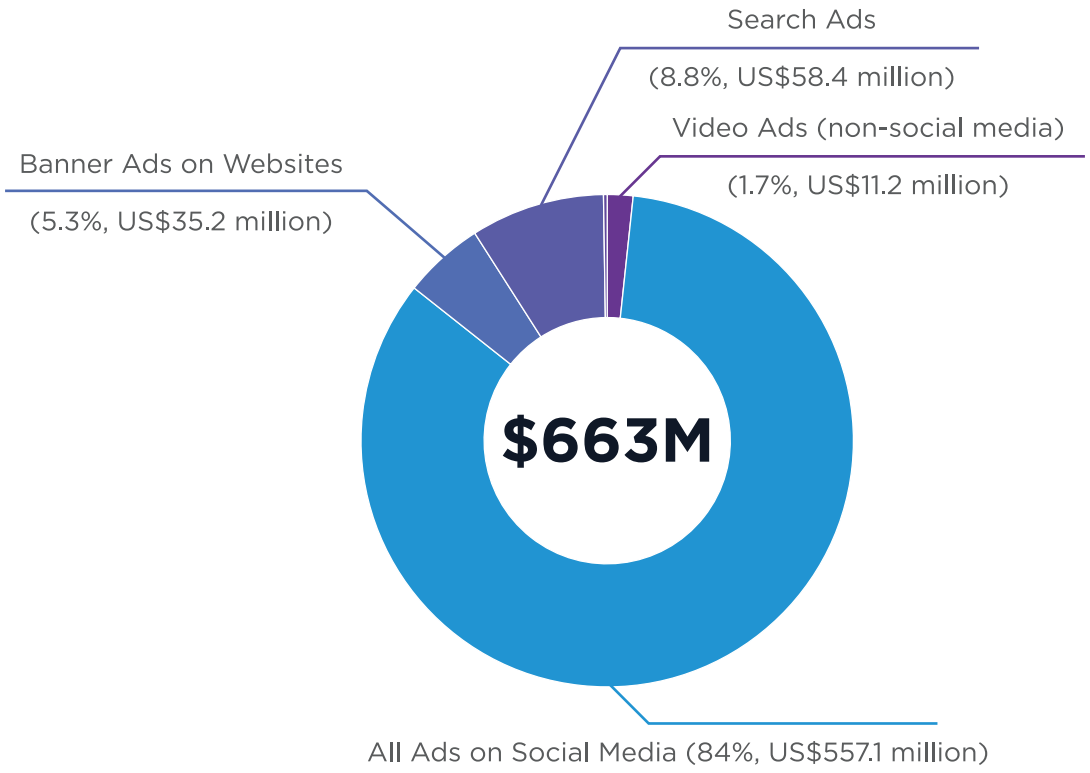
... of total digital ads spend was on mobile advertising in 2018

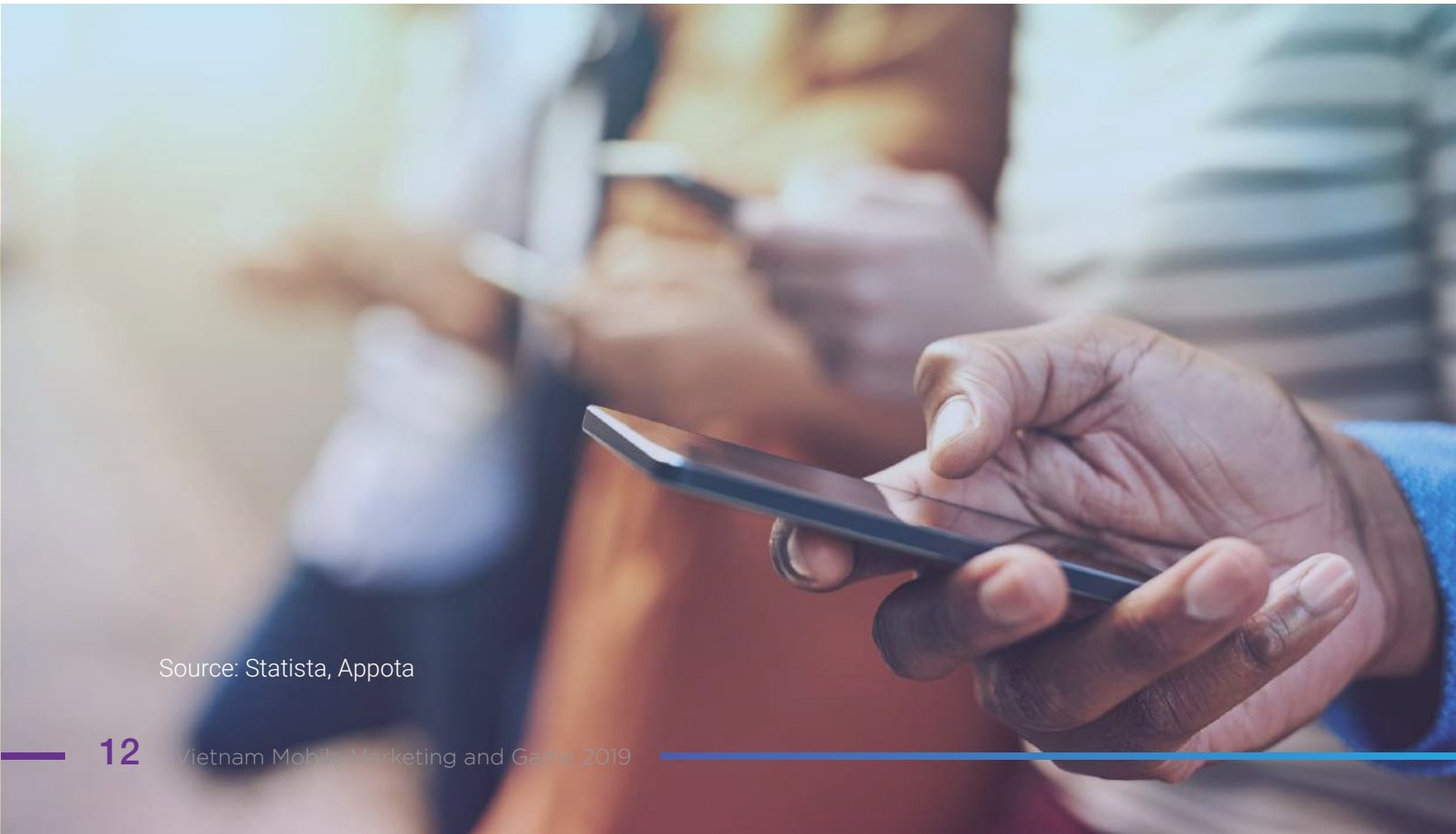
"... Vietnam is one of the strongest growth market for mobile ad spending in Asia-Pacific, contributing to the region's digital ad spend increase of a projected 45% in 2018..."

- Rohit Dadwal, APAC MD, Mobile Marketing Association -

Source: Statista, Exchange Wire

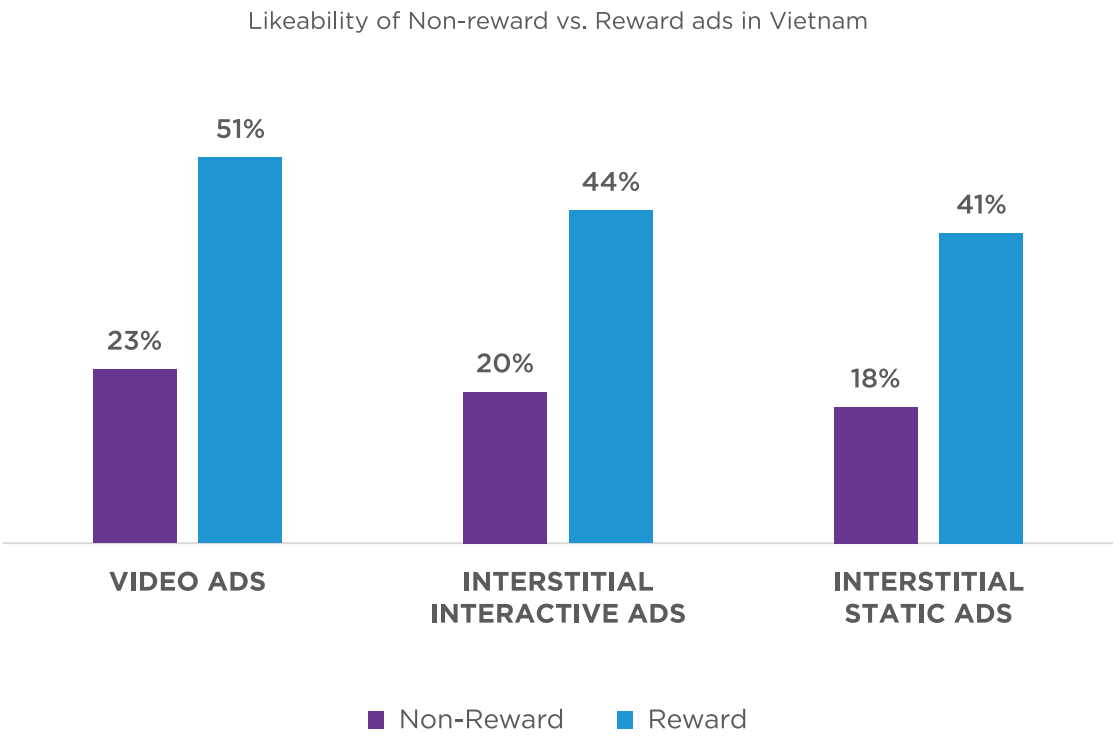
The share of digital advertising spend by media type in Vietnam by the end of 2018.





Source: Statista, Appota

Among mobile in-game ads, video ads with rewards are the most likeable forms of ads by the Vietnamese consumer.



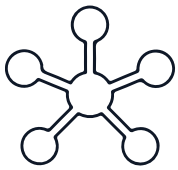
19s

...is the average video ads length that the Vietnamese feel is acceptable

Vietnamese game and app users are willing to watch short video ads in exchange for in-app/game rewards. This is a great opportunity for advertisers to take advantage by showing their names to targeted consumers. However, it is also important to keep in mind that the Vietnamese can be impatient, so long ads could evoke negative emotions toward the brands.

Source: POKKT, Decision lab

How will the mobile ads market continue to develop?



Social media rules the digital ads market

With around 45 million social media users on various platforms like Facebook, Instagram, Zalo, etc., there is no doubt that the spending on social media took the largest portion of digital ads market in 2018. This segment is expected to continuously grow by 33.6% in 2019, and hit US$744.3 million.



Banner advertising keeps growing steadily

The banner ad is the 2nd largest type of ad spend in Vietnam, as it appears mostly on websites, online newspapers, and mobile applications. For many marketers, this classic type of digital ad is still relevant in today's world, due to its relatively low cost. Thus, this type of ad will continue to grow at 10-12% per year.



Search advertising is slowing down

This is a highly competitive type of advertising, and yields average results for the advertiser. However, the Vietnamese often go for organic search results rather than paid ones, due to common belief that the paid results are not as trustworthy as the organic ones. Thus, in the future it is forecasted that the growth rate of this type of ad will start to decline and shrink in 2020.



Video advertising is the new star

Although the total spending on this type of ad is currently small, it also boasts the highest growth rate in 2018 at 84%. As the Vietnamese love watching online videos, advertisers will spend more and more creating advertising videos fit for both mobile and desktop. It is forecasted that video advertising spend will grow at 40-60% year-over-year for the next 5 years.

Source: Statista, Appota


14:21
neděle 28. dubna
Odemknête stisknutím tlačítka



02

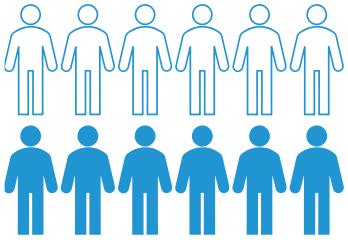
KEY MARKET FIGURE

THE MOBILE GAME MARKET

Mobile gaming is powerful in Vietnam, as it covers a whole range of people from 16 to over 54 years old.

33M

...mobile gamers as of 2018, and it is projected to hit 40 million by 2020



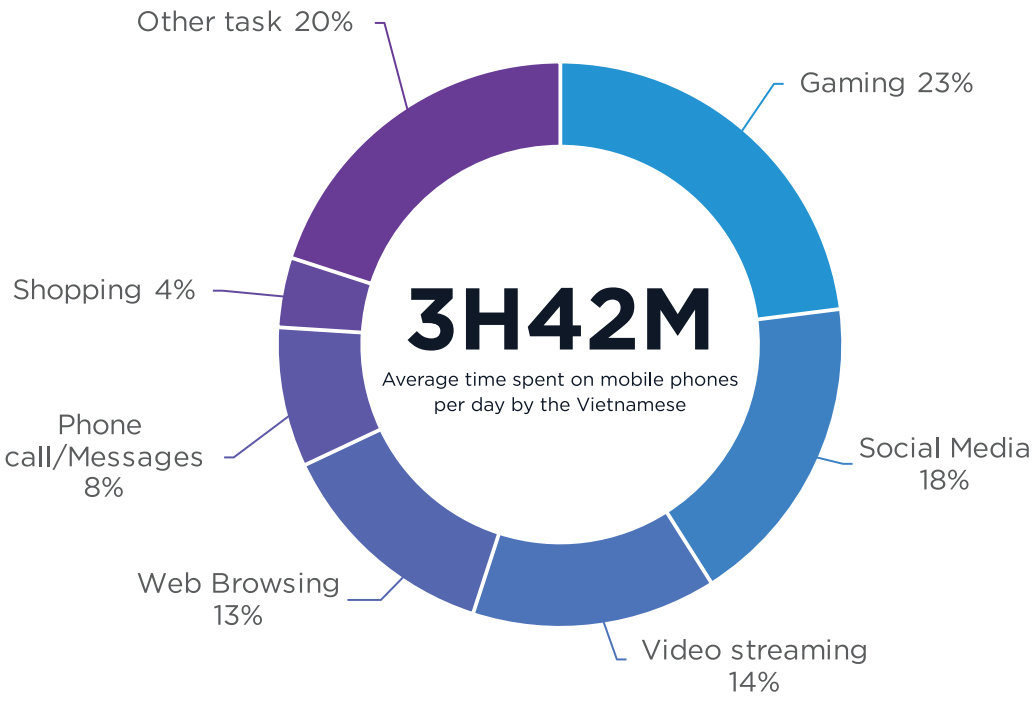
One in every two people using mobile internet plays games on their smartphones

45%

...of mobile gamers play eSports games

Source: Statista, Appota

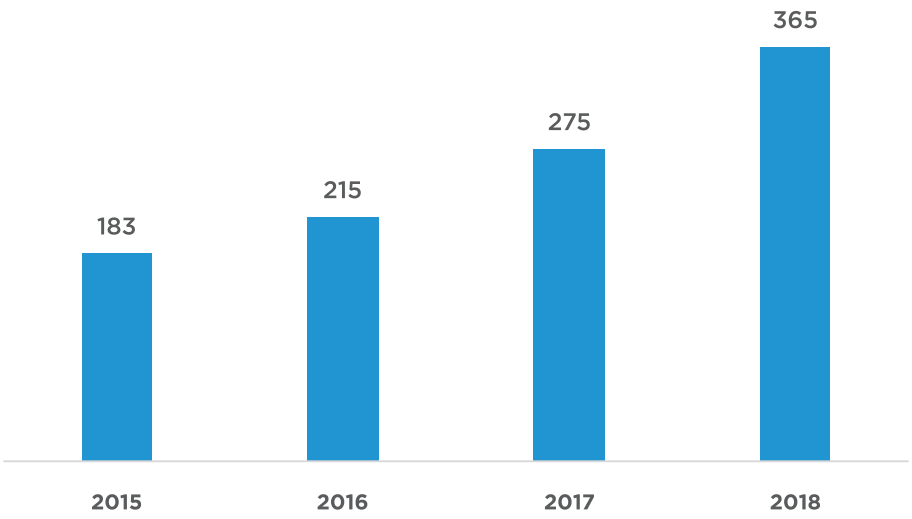
Mobile gaming made up the biggest chunk of average time spent on mobile phones.



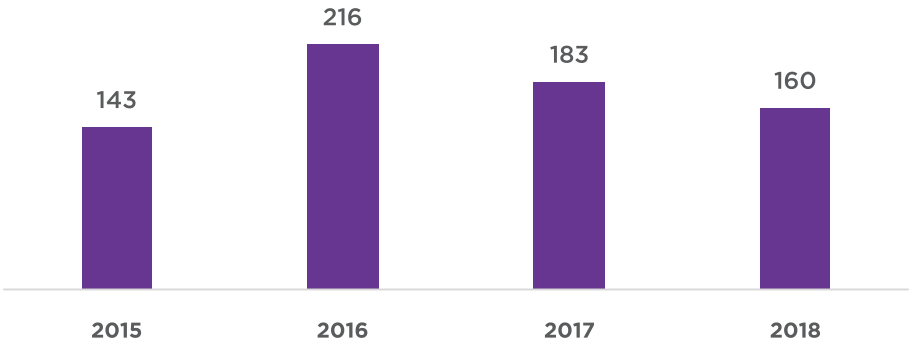
The Vietnamese spend more time on average playing games than social networking on mobile phones. This shows a tremendous opportunity for advertisers to grab the consumer attention.

Source: MMA, Pokkt, Appota

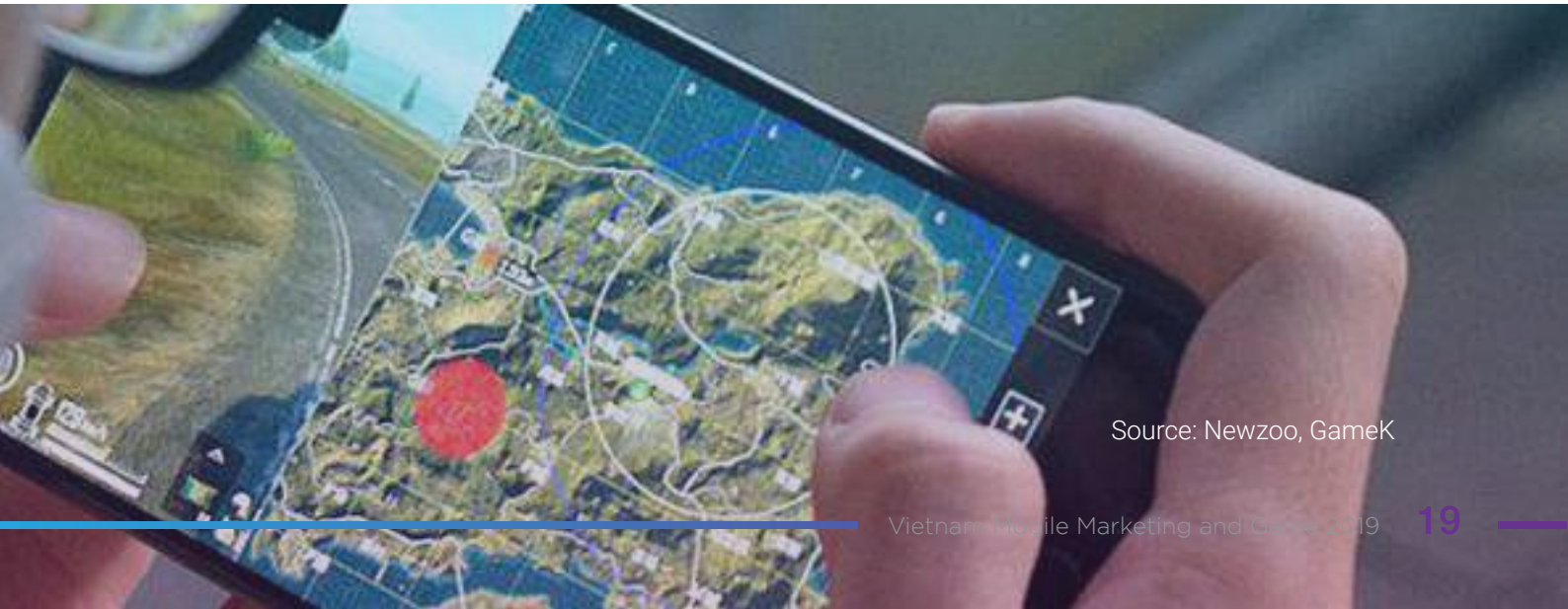
The market continues to grow despite far lower numbers of new game releases.



Estimated gaming revenue in millions USD (not including gambling games) from 2015 - 2018, in Vietnam



Number of new mobile games released from 2015 - 2018, in Vietnam



Source: Newzoo, GameK

Hyper- casual and mobile eSports games dominate the market in terms of number of players.

Rank	App
1	 Arena of Valor
2	 Freefire
3	 Candy Crush Saga
4	 My Talking Tom
5	 Clash of Clans
6	 Dream League Soccer 2016
7	 PUBG MOBILE
8	 Minecraft Pocket Edition
9	 Zombie Tsunami
10	 Tien Len - Tiến Lên - ZingPlay game bai online

Top games of 2018 in Vietnam by MAU: iOS and Android devices (combined)

12M

... number of Arena of Valor players in 2018

45%

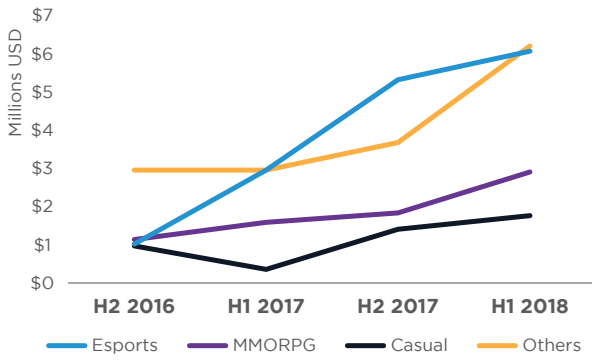
...of mobile gamers play eSports games

Source: AppAnnie, Garena

MMORPG and eSports games are cash cows, generating most of the revenues in the Vietnam game market.

Rank	App	Company	Rank	App	Company
1	Lords Mobile	IGG	6	My Country	Jedi Games
2	Arena of Valor	SEA	7	Idle Heroes	DH Games
3	The Epoch of Eternity	37games	8	Castle Clash	IGG
4	Rise of the Kings	Onemt	9	Onmyoji	NetEase
5	iCá - Ban Ca Online	VNG	10	Free Fire	SEA

Top grossing games in Vietnam as of the end of 2018:
iOS & Android devices (combined)



Top 50 grossing games: Total revenue by game genres
(revenue from Play Store and App Store only)

The revenue from eSports games is currently leading the market at more than 6 million USD (total payments through official stores) recorded among the top 50 grossing games. The figure for these games is even higher if combined with local payment data.

Source: AppAnnie, Appota

The rise of mobile eSports games matches expectations as the number of eSports players has rapidly risen in recent years.

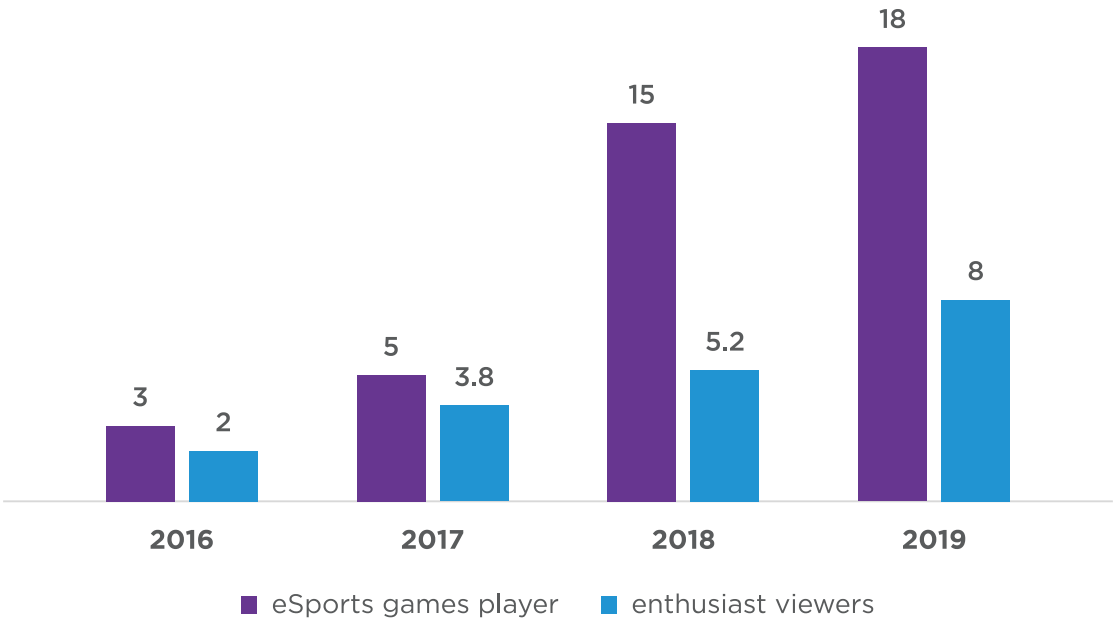
15M

Number of eSports game player as of 2018

5.2M

Number of eSports enthusiast viewers as of 2018

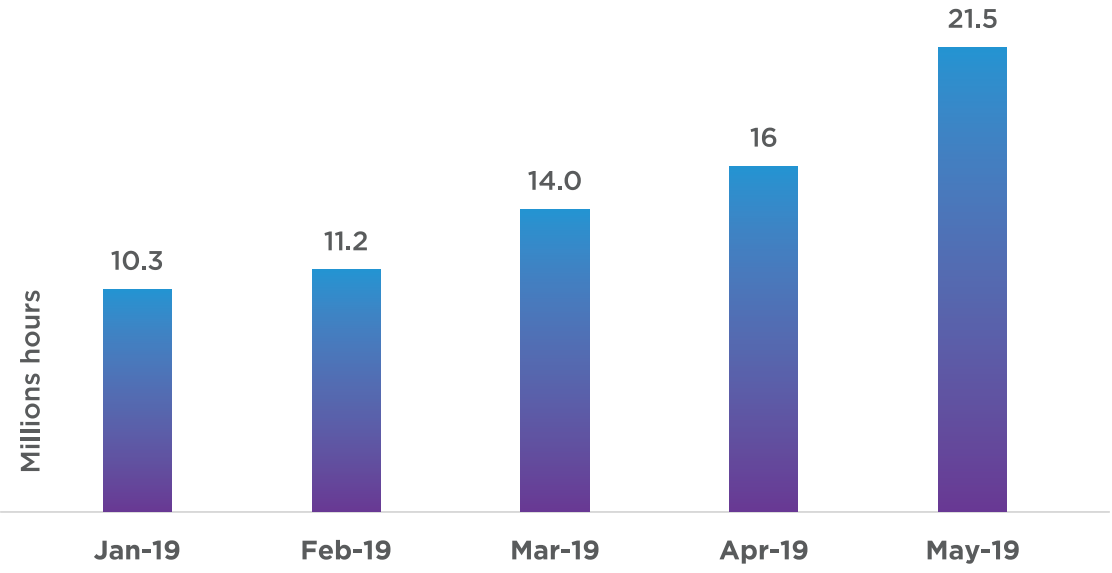
The Vietnamese eSports game players and enthusiast viewers from 2016 -2019 (in millions)



The sudden growth of eSports game players and viewers was due to the boom of the live streaming industry in Vietnam in early 2018. Live streamers of gaming then grew to become celebrities in the eyes of the Vietnamese youth, attracting millions of viewers and players.

Source: Appota

The number of gaming live stream watch hours in Vietnam is in the millions, and growing monthly. This figure showcases great opportunities for brands to get in the minds of young consumers.



Gaming live stream watch hours in Vietnam for the first half of 2019, in millions (not including eSports tournaments)

402,000

The average daily gaming live stream watch hours for the first half of 2019

61%

...of watch time was on mobile devices

Source: Appota Esports

03 CONSUMER INSIGHTS

To tackle the diverse market here in Vietnam, advertisers need to compose their messages based on consumer needs, desires and behaviors

Things to keep in mind.



Millennials still control the market

There are over 33 million millennials in Vietnam. They represent the growing middle-class consumer, and the core labor workforce of Vietnam for the next 5 years. Their spending power is getting increasingly stronger and faster. It will be a big mistake if brands and advertisers fail to attract the Vietnamese millennials.



GenZ is the future of the market

In the next 5 years, around 14 million of Gen Z will enter the working age, and soon will become the main consumers in Vietnam. They are also the most digitalized generation, growing up and living around smartphones and the Internet. By understanding Gen Z, brands should be ready for the long-term future in Vietnam.



Mobile eSports is the next big thing

Mobile eSports and gaming content will be an important entertainment form for the young generation with around 26 million people interested in eSports, and millions more spending hours watching gaming content on their smartphones. This will undoubtedly be a great advertising platform to reach millions of Vietnamese youths.



Mobile-friendly content is a must

In both urban and rural areas, smartphones have become an inseparable tool for information, communication and entertainment for the Vietnamese. Mobile-optimized content will guarantee a positive sentiment from the consumer.

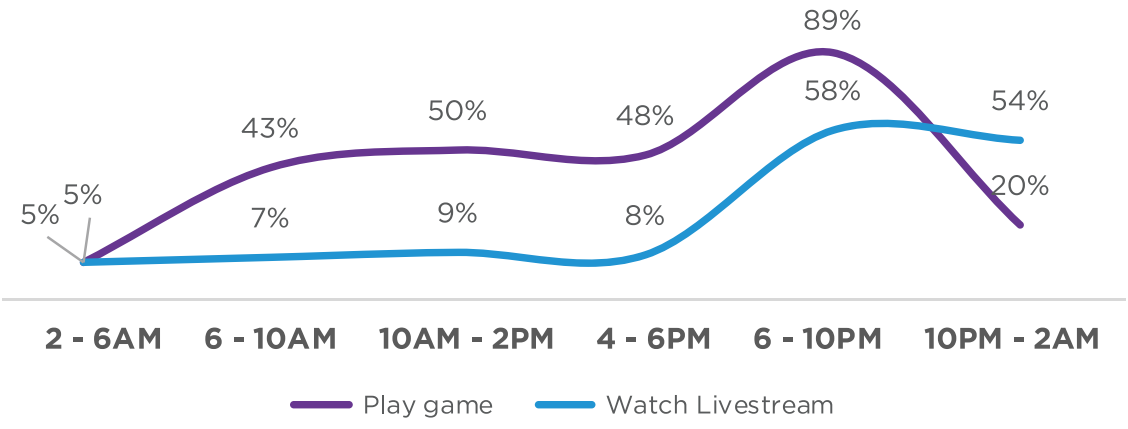
Source: Appota, Kantar, MMA

The Vietnamese Millennial gamer

Born between 1980 - 1995, Vietnamese millennial gamers are now at their prime ages, and their spending powers are stronger than ever. They are now the key decision makers for their families and are influencers among their colleagues.

Vietnamese millennials love to seek new innovations to better their lives, utilizing digital platforms in work and daily shopping. They are health conscious and desire healthier lifestyles. They are also more tolerant toward advertising and more likely to share personal information to brands than Gen Z.

Play mobile games at least 5 days per week	43%
Play mobile games at least 2 times per day	45%
Spend 60-90min every session playing games	66%
Watch game live streams at least 3 days per week	51%
Watch game live streams on mobile devices	55%
Will close ads as soon as they appear	48%



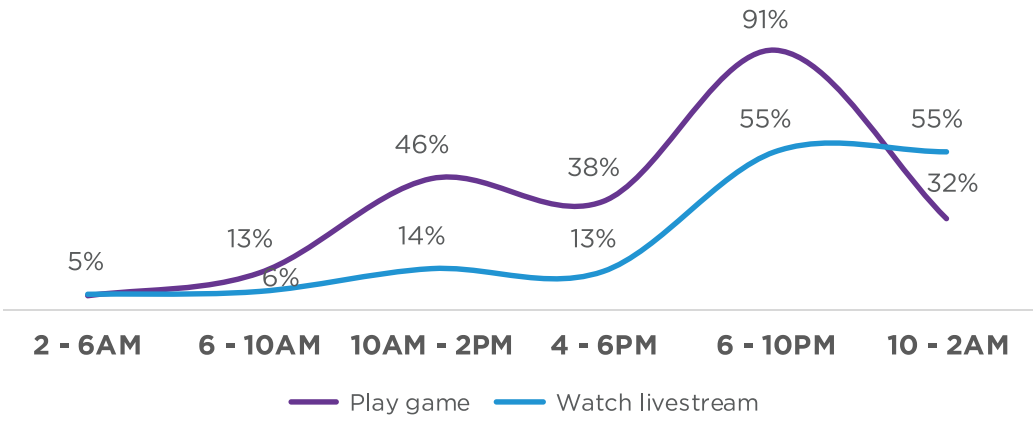
Time of playing games and watching live streams on mobile for Vietnamese millennials

Source: Appota

The Vietnamese Gen Z Gamers

57%	Play mobile games at least 5 days per week
74%	Play mobile games at least 2 times per day
57%	Spend 60-90min every session playing games
62%	Watch game live streams at least 3 days per week
64%	Watch game live streams on mobile devices
53%	Will close ads as soon as they appear

As the first generation to live entirely in the age of the Internet, the Vietnamese Gen Z Gamer are leading the online entertainment world. They actively seek and even produce new, creative contents. With the help of smartphones, they continue to enjoy and explore the endless world of online entertainment. Whether it is gaming, scrolling through seas of memes or watching online videos, they are hooked on creativity, fun, and challenges. And when the contents satisfy them, they willingly share their experiences to friends and family, especially through social media. But they are also harsher against advertising; they constantly use ad-blocking tools and skip video ads as soon as they can.



Vietnamese Gen Z time of playing game and watching livestream on mobile

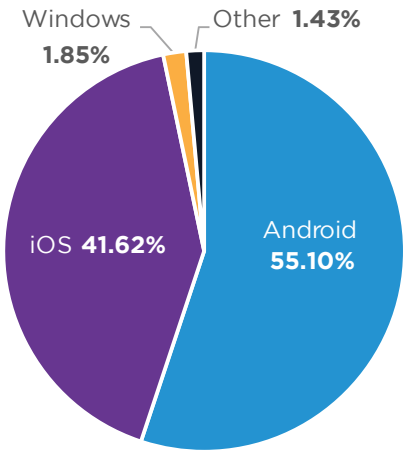



10:55 PM
Uber
YouTube
Maps
WA Business
Twitter
Instagram
Photos
Pinterest
Settings
Shortcuts

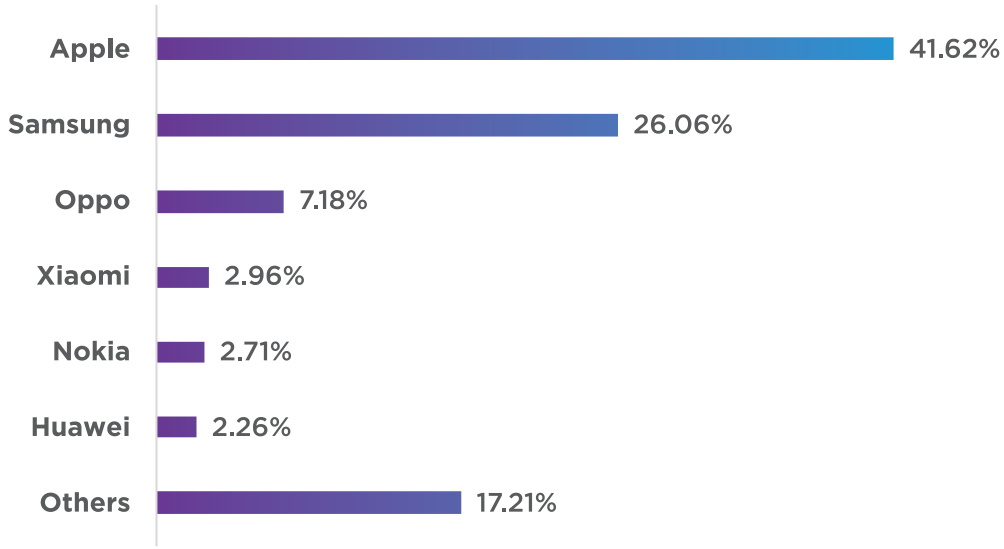

15:01
unsplash.com
Views
11,041,528
+3,147,891 since last month
Downloads
42,328
+12,265 since last month
Likes
1,767
+449 since last month

04 TECHNICAL FACTS

Mobile devices in Vietnam are a mix, dominated by iOS and Android devices.



Mobile & Tablet OS Market Share in Vietnam, Q1-2019



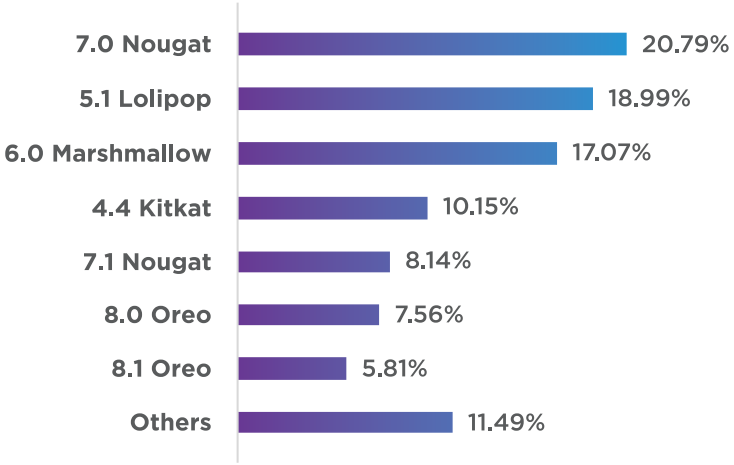
Mobile & Tablet Vendor Market Share in Vietnam, Q1-2019

However, developers should also note that Android is customized by the vendors for their phones, thus, there were many instances in which an app/game ran flawlessly on one Android device, but repeatedly crashed on others.

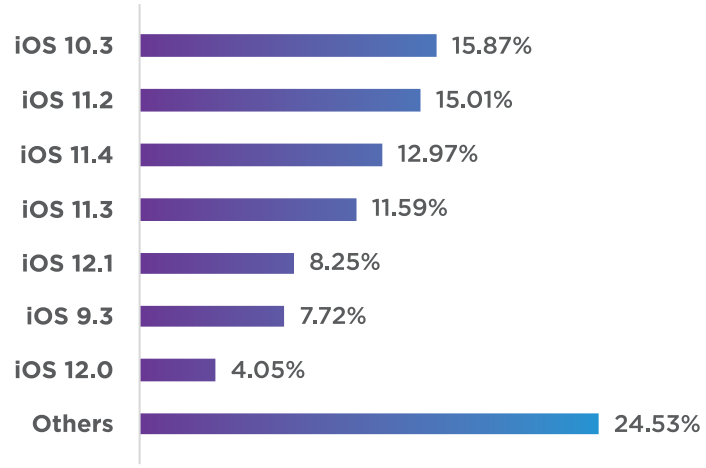
Source: StatCounter, Appota

It is also important to note that the majority of devices aren't up to date and are low-end to mid-range devices.



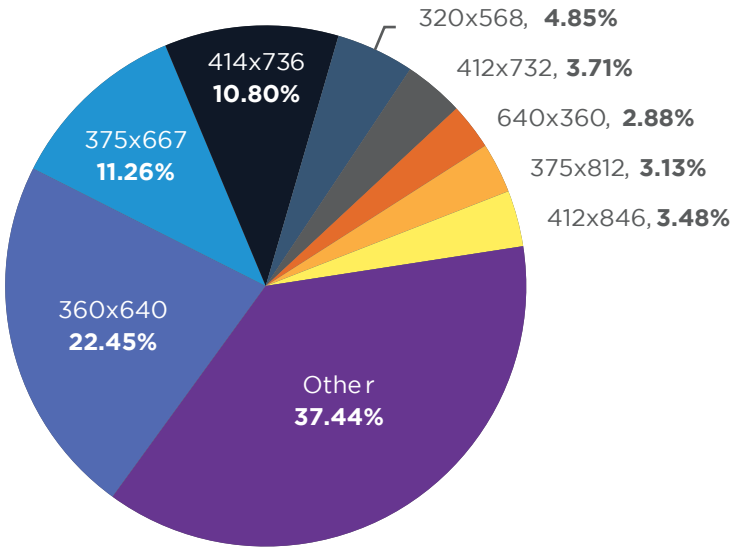




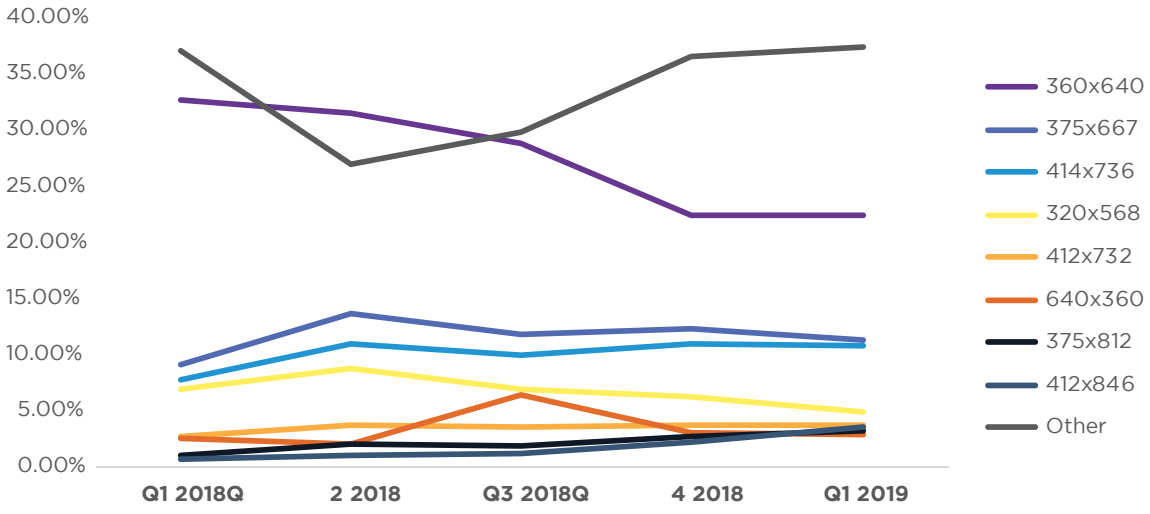


The majority of iOS devices in Vietnam have outdated hardwear like iPhones 5, 6, or 7. Thus, many refuse to upgrade to the new OS.

Screen size optimization is important for game and app developers.



Mobile screen resolution distribution in Vietnam, Q1-2019



Mobile screen resolution distribution in Vietnam, from Q1-2018 to Q1-2019

Source: StatCounter, Appota



05

COMING UP NEXT BY APPOTA

VIETNAM FINTECH 2019

Vietnam Fintech 2019 Statistics

800M

Number of items purchased via POS & ATMs in 2018

$90.6B

Total value of items purchased via POS & ATMs in 2018

10%

Percentage of cashless transactions in 2019

65M

Number of items purchased via POS & ATMs in Q1-2019

$7.3B

Total value of items purchased via POS & ATMs in Q1-2019

17.8%

Growth in transaction value in Q1-2019 compared to Q1-2018

261,705

POS machines at end of Q1-2019

158M

Issued bank cards

170%

Growth of e-wallet's payment value in 2018

What to watch for in the second half of 2019

1. Increased competition of large fintech firms in financing, and P2P lending sectors.
2. More digitalization of banking methods on mobile.
3. Business model shifts from banks to fit the new market.
4. Official launch of mobile money in Vietnam in late 2019.
5. Stronger co-operation between e-Wallets and P2P lending firms.

The full version of Vietnam Fintech by Appota will be published in last half of 2019

The Vietnam Fintech Landscape 2019

PAYMENT

Payment gateway & e-wallets (Has license)

napas · VNPAY · BANKPAY · WebMoney Vietnam · Payoo · AirPay · Zalo Pay · epay · mobivi · BAOKIM.VN · Viamo · VTCPay · GrabPay by moca · OnePAY · mPAY · truemoney · wepay · monpay · VINATTI · ViMASS · SMARTnet · VNPTPay · NgânLượng.vn · Edenred · PayTech Payment anywhere · bankplus · ECPay · momo · 123pay · SenPay

POS

ibox · HOTTAB · mPOS.vn · LOOP SMART POS

Telco (Mobile money)

vinaphone · mobifone · VIETTEL

FINANCING & LENDING

Lending (>40 companies)

Fiin · AVAY · Doctor Đồng · DIAMOND STAR · AEON · KIM AN GROUP · tima · F88 · ATM online · UC · cash wagon · VAY MUON · Olava · vaytien a-z · KIENBANK · credy · MONEY BANK · TrustCircle · INBOX VAY · KINGBANK.cc · ROBOCASH · DragonLend · LENDBIZ · Linkbank · 386 · EAGO · MEGALEND · LENDbox · eloan · Finizi · IDONG · EASYCredit · BAGANG · MONILY · V-dong · HuyDong.com · Voanvi · binixo · 247 · HANA · credit · VRED · MINI CASH · FASTDONG

Crowdfunding

comicola · FIRSTSTEP · fundme.vn · BETADO · kindmate · FUNDSTART

Financing

PTF FINANCE · FE CREDIT · HD SAISON · EVNFINANCE · HOME CREDIT · FCCOM · JACCS · PRUDENTIAL · MIRAE ASSET · TOYOTA FINANCIAL SERVICES · mcredit · SHBFinance · VietCredit

BLOCKCHAIN & CRYPTO

vbtc · copyrobo · BINANCE · Liquid · Bitcoin Vietnam · REMITANO · Huobi · kyber network · TOMOCHAIN · KAMBRIA · fiahub · trustpay

INSURTECH

iCare BENEFITS · Wicare · eros · Papaya · OPES · inso · CONTEMI

FINANCIAL INFORMATION

Comparision sites

SM · BankGO · comekun · ebaohiem · gobear · topbank.vn · SmartBuddy

Credit score & Database

trustingsocial · CredoLab · Kiu · FiinGroup · PCB · Lenddo · CICB Creditinfo

PERSONAL FINANCE

Financial tools

FIN$TREET

Investment

FINHAY · Stockbook

BANKING & REMITTANCE

Digital banks

WEEZI DIGITAL · Yolo · ViViet · meed · fino

Remittance

matchmove · cash2vn · VINATTI · PAYWAY · Nodestr · Gutina



Appota is the pioneering company in building digital entertainment ecosystems while providing platform solutions and contents for the digital entertainment industry in Vietnam.

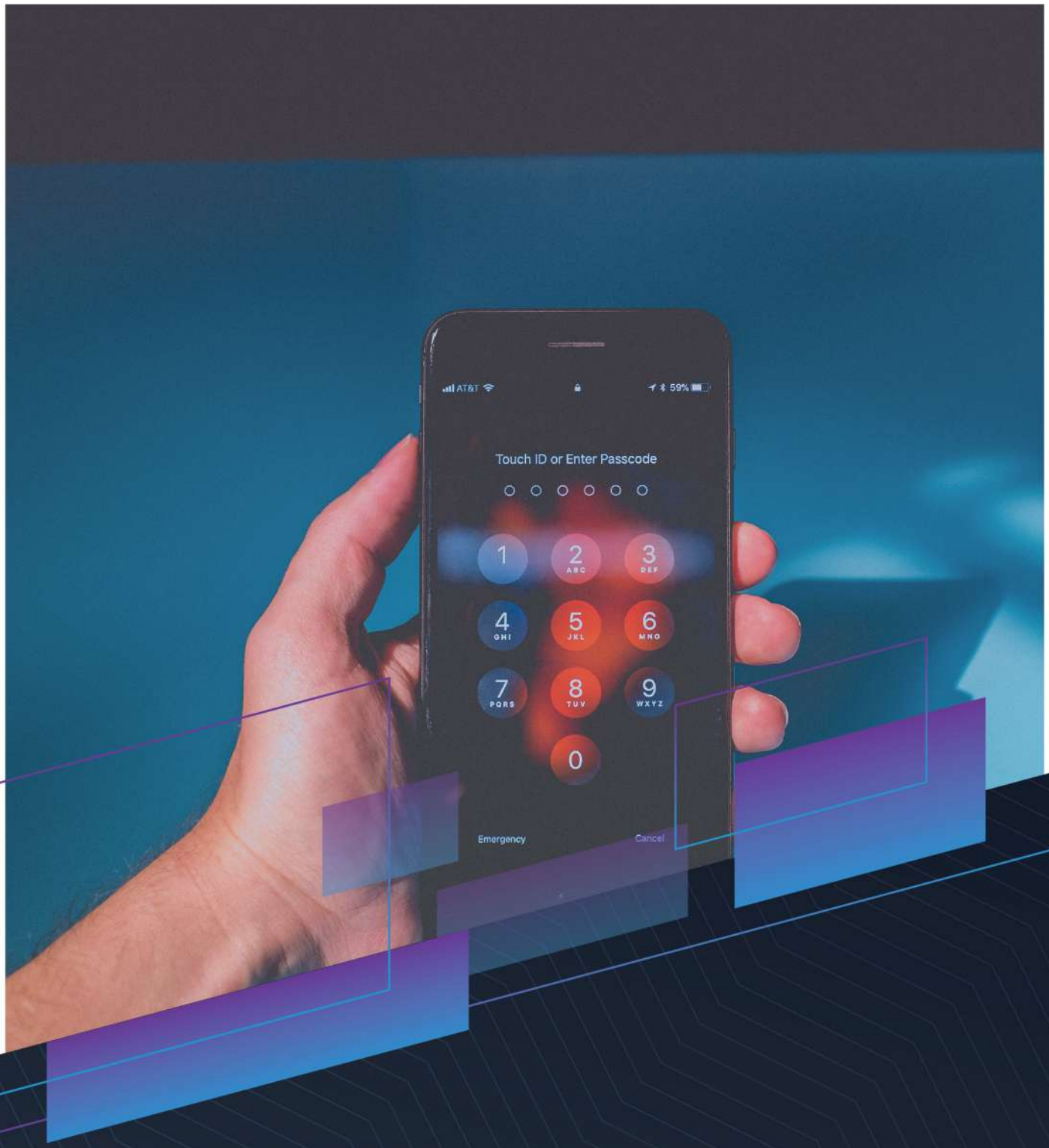
Vision

By 2025, become the largest digital entertainment ecosystem in Vietnam and South East Asia.

Mission

Bringing new entertainment experiences to the people in Vietnam, nurturing Vietnamese talent to reach international levels, and helping brands gain practical benefits in the digital entertainment industry.

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APPOTA
Entertainment Ecosystem

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