**ABOUT US**

AseanEcom is a project with a goal of building up the e-commerce infrastructure in southeast asia. LucLoi.vn is one of the subprojects under AseanEcom. LucLui.vn provides the need in Vietnam for a C2C social media based online marketplace for anyone to easily sell, buy and rent items online wherever and whenever they desire.

**CURRENT MARKET OVERVIEW**

The southeast asian (SEA) e-commerce market is estimated to be more than 7 billion dollars in value, greater than North America combined. In that respect, 42% of internet users are from the region and has a purchasing power via mobile devices higher than the 26% global average. Social media usage is a growing trend in SEA, there is approximately 157 million active user, this is seen as a great untapped market potential.

Specifically in Vietnam, it is estimated that the average person would spend about 145USD a year on online purchasing. This accounts for an approximated 500 million over dollars e-commerce worth in 2014. The Vietnamese internet population makes up to about 31 million, where the majority are between the ages of 15 -35. A survey conducted by the Vietnam E-commerce and Information Technology Agency (VECITA) showed that 58% of Internet users in that same year made purchases online. Multiple sources confirm that about 10% of the online population are usually the potential buyers, that’s a sum of 3 million people.

According to a Google study, 21% of of the population only access the Internet via smartphone. This fact isn’t surprising since Vietnam is among the SEA countries that is considered a truly mobile-first market, where smartphone penetration outranks PC penetration. While most social media platforms like Facebook, Instagram, and Line are the banned in China, they are the most popular in SEA. Combined with local entrepreneurship and ingenuity, these platforms are being used for e-commerce informally as a result. As such, people in SEA are said to be more comfortable and willing to do payment made via mobile devices e.g. mobile carrier billing.

**PROJECTIONS**

Comparing to China in 2008, SEA’s e-commerce market is still fragmented and has a lot of room for growth. Although there may be big players like Rocket Internet’s Lazada having 20% of the market share, there is still opportunity for game changers who learn to localize fast and understand the culture well. There are significant evidences to indicate the latter could happen. For example, Amazon used to have 15% in the Chinese market but in 2014 only owned 2.1% as the e-commerce market in China is now currently dominated by Tmall and JD.com.

As for in Vietnam, government agencies forecast the market for e-commerce to generate a revenue of $4 billion dollars this year as compared to $200 million in 2012. Based on the survey made by the VECITA report, among 97% of 900 participants would continue to purchase items online in the future. Since Vietnamese users already spend ⅓ of their time online using mobile devices. Traffic from this source is anticipated to outrun all other devices and current trends show growth.

Risk-averse behavior while shopping online will show a decline among consumers in SEA. The reasoning behind this is that users over time will get more comfortable with use and that, social media provides interactions i.e. asking questions and recommendations before committing to purchases as stated by McKinsey and Co. Furthermore, rising income in SEA will lift consumption rates and many will turn to e-commerce for their newfound shopping needs. Overall, e-commerce exhibits a steady growth and analyses indicate that it is expected to grow further. Vertical e-commerce is also becoming a growing trend in Vietnam and SEA regionally.

**FEEDBACK**

Your suggestions and opinions are greatly appreciated. We look forward to your response and we welcome your questions. Send us an email at anytime or call us to get an immediate reply.

Thank you.