

# Vietbrands Going Global: VNG



Le Hong Minh  
(CEO VNG)



Vietnam's first tech unicorn with multiple diversified verticals: online games (Zing Play), social platforms (Zalo and ZingMP3), digital payments (Zalopay), and cloud services (VNG Cloud)



Key  
Statistics

Revenue (2023): 298.3 million USD  
International revenue (2023): 68.4 million USD (or 25% of total sales)  
Employees (2023): 4,000 people



Brand  
Breakout Speed

2004: founded  
2010: export of "Thuận" to Japan  
Speed: 6 years



Brand Breakout  
Routes

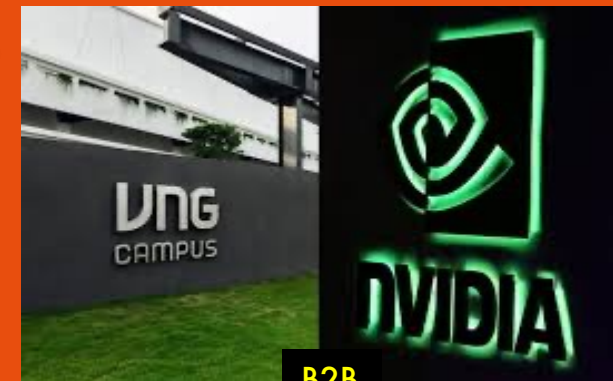
1. Asian Tortoise
2. Diaspora
3. B2B



Asian Tortoise



Diaspora



B2B

# Vietbrands Going Global: VNG (2)

## Introduction

VNG Corporation (formerly known as VinaGame) is our fourth #Vietbrand going Global. Calling itself “the Technology Champion from Vietnam to the World” is the nation’s first tech unicorn and has diversified across multiple verticals: online games, platforms (Zalo and ZingMP3), digital payments (Zalopay), and cloud services (VNG Cloud). For 2023, VNG had a net annual turnover of almost 300 million USD (7.6 billion VND). International revenues mainly from games is estimated at 26%.



Founded in 2004 by Vietnamese entrepreneurs Le Hong Minh and Vuong Quang Khai, the company started with looking for games from Korea and China to be licensed for sales in Vietnam.

It was KingSoft, a Chinese software company based in Beijing, who quickly reached an agreement with the young firm and offered technical support to launching the MMRPG game Swordman Online (“Võ Lâm Truyền Kỳ”).

NoW VNG has become the largest publisher of mobile games in Vietnam. VNG caters to game enthusiasts in 154 countries, serving 20 million monthly players. The company’s revenue in 2023 was 298.3 million USD, of which around 80% came from gaming activities, and almost ¼ of the total amount came from international markets (around 68.4 million USD).

VNG has successfully navigated international markets using the Asian Tortoise Route, the Diaspora Route, and B2B collaborations.





# Vietbrands Going Global: VNG (3)

## BREAKOUT ROUTE 1: ASIAN TORTOISE ROUTE

From 70-80% of its revenues still coming from the domestic market, VNG has been building a stable foundation in Vietnam. Meanwhile, the company is gradually boosting its presence in overseas markets, primarily in Southeast Asia by leveraging its strength in online game publishing. This is the Asian Tortoise Route. The firm is set on rapidly expanding its market share in emerging markets while optimising its operational costs. June 2005 was the first successful milestone for VinaGame when it signed a contract with Chinese tech giant Kingsoft to bring the game “Swordman Online” to Vietnam, paving the way for the era of massively multiplayer online role-playing game (MMORPG) in Vietnam.

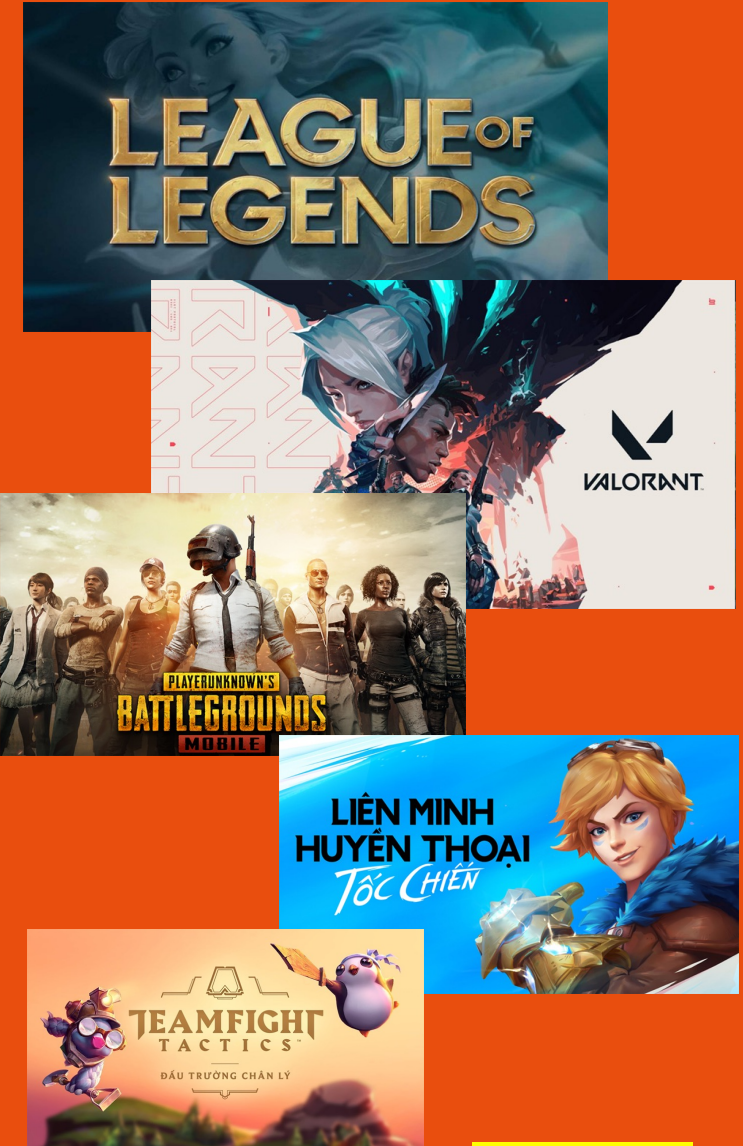


"Võ Lâm Truyền Kỳ 1 Mobile" is a hit game by Game Studio 1, owned by gaming startup-turned-tech-unicorn, VNG Corp.

With 300,000 simultaneous players within just one month from its launch, “Swordman Online” Vietnameseized to “Võ lâm truyền kỳ” put Vinagame among the major game developers in Vietnam.



From the success of this game, the company continued to release other games in Vietnam. In 2006, VinaGame's revenue reached \$17 million, six times higher than in 2005. Building on this domestic success, VNG expanded to neighboring Asian markets with 8 offices and 40 subsidiaries and associates in Vietnam, Hong Kong, Thailand, Singapore, the Philippines, Myanmar, Taiwan, and Indonesia. This regional expansion capitalizes on VNG's understanding of local cultures and consumer behaviors.





# Vietbrands Going Global: VNG (4)

## BREAKOUT ROUTE 2: DIASPORA ROUTE

VNG has been operating on 3 major pillars - online games (ZingPlay for desktop and android devices, and MPT for iOS distribution), social platforms and networking (Zing MP3 for music streaming - launched in 2007; ZingMe for blogging, gaming and photo sharing, etc. - launched in 2009; and Zalo for messaging, calls, and status updates launched in 2012), and finance and e-commerce (123Pay used for VNG's online games, and Zalopay - a digital and personal payment platform).



2012 - 2019



2019 - now

These services cater majorly to the Vietnamese domestic market, with 75 million monthly active Zalo users (MAUs), and 28 million MAUs for the music streaming Zing MP3 in 2023. VNG's Zalo successfully defended its domestic market, counting the largest number of users in its homebase, ahead of social media giants like Facebook or Tiktok.



Zalo is also used by overseas Vietnamese to keep in touch with their friends and families in Vietnam. Zing MP3 and ZingPlay, similarly, are used by the Vietnamese diasporic communities to keep up with Vietnam's latest music and newly released games, along with staying connected to friends and families back at home. The Diaspora Route also concerns the introduction of these services to new users worldwide from their Vietnamese friends and families. And the international communities who had lived and worked in Vietnam tend to adopt Zalo and keep the app when abroad to stay connected with their Vietnamese business partners and acquaintances.

# Vietbrands Going Global: VNG (5)

## BREAKOUT ROUTE 3: B2B COLLABORATION

From 2023, besides the 3 pillars previously mentioned, digital transformation (VNG Digital Business) and AI will become VNG's core businesses. Currently, VNG Digital Business is providing high-tech products and services for corporate customers, including VNG Cloud (Cloud Computing), VNG Data Center (Data Center), vCloudcam (Smart Camera), PRISM (Smart Infrastructure Management Solution), TrueID (eKYC Electronic User Identity Application Development Unit), Digital Business Security Solution Specialist (Security Unit).



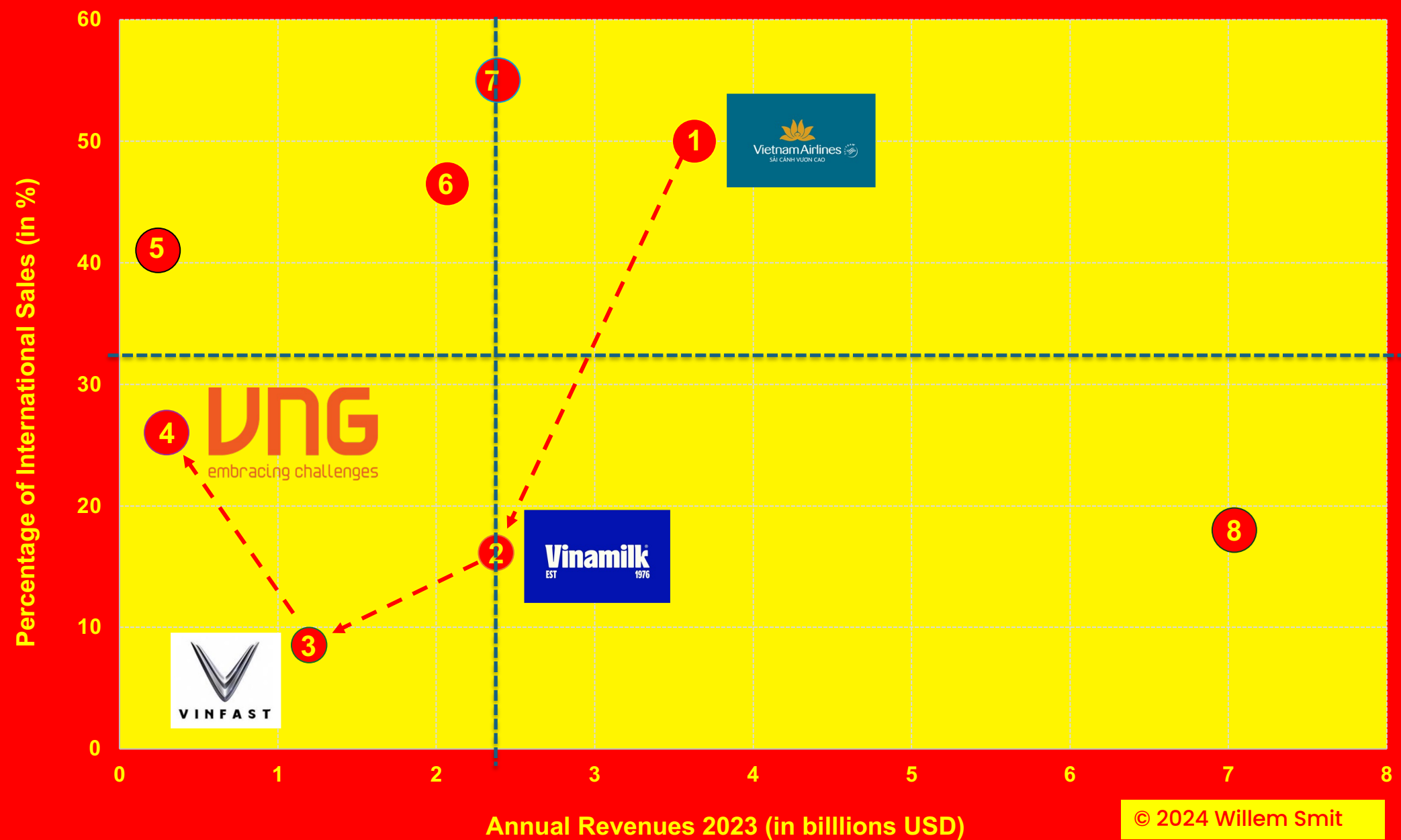
*In September 2019 Vina Data Has Officially Changed The Brand Name To VNG Cloud*

In May 2024, VNG's GreenNode, a pioneer in providing the AI Cloud platform and developing Generative Artificial Intelligence (GenAI) applications, just announced a strategic partnership with Nvidia and international partners, helping global customers continue to Access and exploit the powerful AI Cloud platform. This is the latest example of VNG's B2B Collaboration Route. Moreover, different from the previous VietBrands we have covered in this series which are national champions, VNG has been internationalized early on, with 49% of the company owned by foreign institutions. Tencent is holding more than 65 million Class A shares, equivalent to 23% voting rights. Its ownership includes more than 43 million shares of Tenacious Bulldog Holdings Limited, 14.5 million shares of Prosperous Prince Enterprises Limited. Besides Tencent, VNG has attracted investment from Singapore's GIC (11.1% ownership) and Ant Group (5.7%). These partnerships bring additional expertise and resources, aiding VNG's global ambitions. These foreign investors (including the original foreign investors) own 49% of voting rights but 84.2% of economic rights in VNG Limited. The financial and strategic support from these investors enhances VNG's capability to compete internationally.







*Strategic shareholders, especially Tencent, play an important role in VNG's business operations. Photo: Ha My/Markettimes.*

# VietBrands Going Global: a series of 8 examples



# Vietbrands Going Global: Routes & Speed

Brand	Breakout Speed	Asian Tortoise	Business to Consumer	Diaspora	Brand Acquisition	Positive Campaign	Cultural Resources	Natural Resources	National Champion
	0 years			★ ★ ★			★ ★		★ ★ ★ ★ ★
	21 years	★ ★ ★	★ ★ ★		★ ★ ★				★
	5 years		★ ★ ★		★ ★ ★				★ ★ ★ ★ ★
	6 years	★ ★		★ ★ ★ ★	★ ★ ★ ★				
5									
6									
7									
8									