

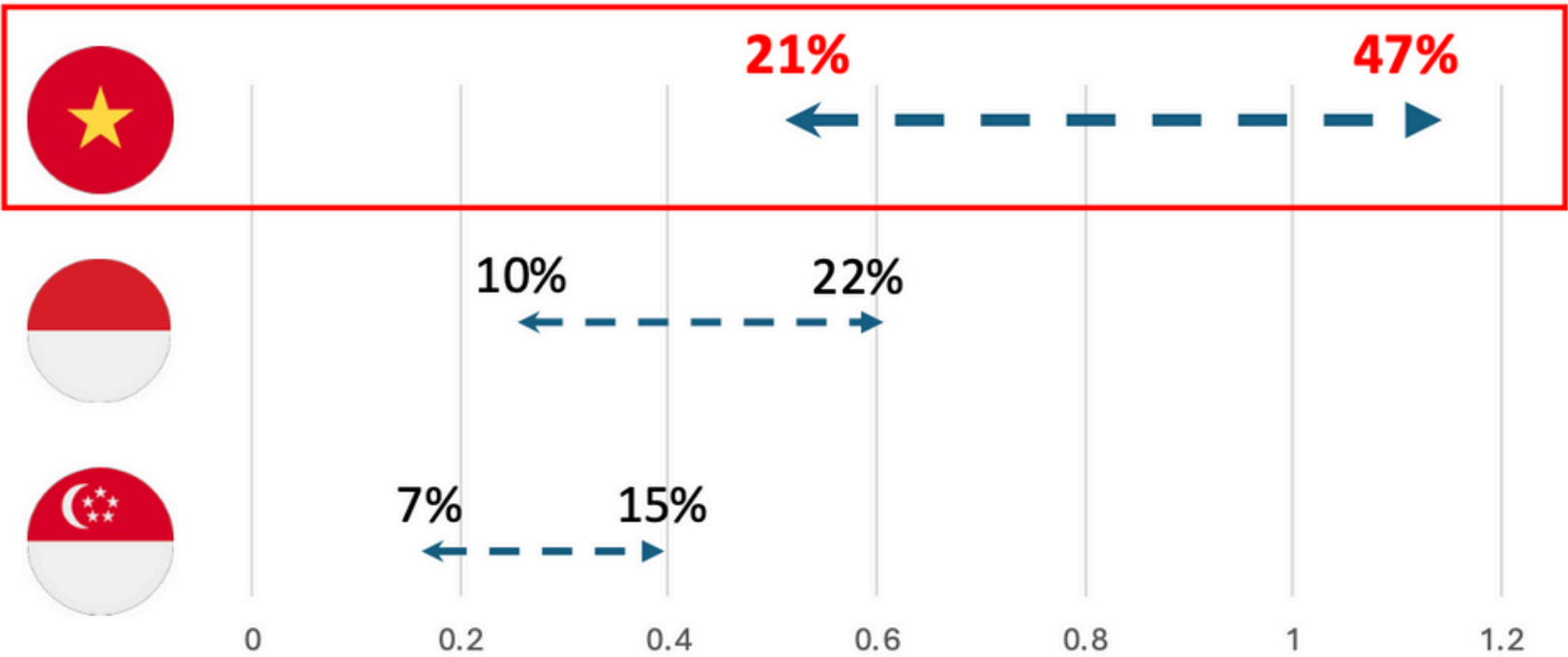
VIETNAM EDUCATION TECHNOLOGY MARKET: AN INVESTMENT BRIEFING

Case Study – Nguyen Phan Hong Ngoc

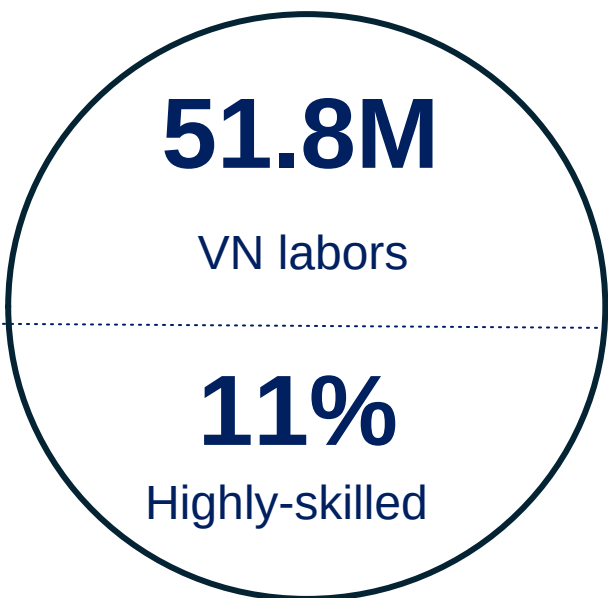
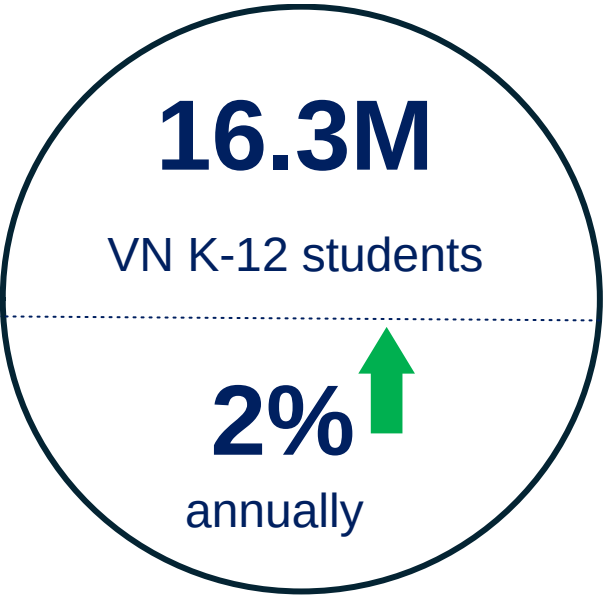
MARKET LANDSCAPE

Vietnam’s EdTech market is evolving, driven by rising demand for quality education and upskilling programs, indicating a high-potential market opportunity. Strong digital penetration and supportive government policies further bolster this momentum.

Enormous demand from both households and labor force...



Household expenditure distribution to education (unit: percent)



...could be leveraged by technology adoption readiness



78,8%

VN population has digital access (i.e., smartphone)



89%

VN labor force will be encouraged by gov subsidize to upskill and adapt with highly-skilled qualifications



























20%

Government budget allocation for Education, integrating digital transformation (est. 2025 onwards)

Education and development programs remain key pillars for driving future economic growth. Together with technology adoption and supportive policy tailwinds, Vietnam’s EdTech market is expected to grow at a **12% CAGR** during the 2025–2030 period.

EDTECH SEGMENTS

Targeting K-12 students, higher education and post-grads, Vietnam Edtech market is divided into 4 key segments: (i) K-12 learning, (ii) Foreign language & STEAM learning, (iii) Professional Training & (iv) Learning management system

	Global TAM	Vietnam TAM	Rank	Country Players
K-12 Learning	US\$180bn	US\$986mn	2	    
Foreign language & STEAM learning	US\$111.72bn	US\$516mn	3	      
Professional Training	US\$31.1bn	US\$3.9bn	1	      
Learning management system/Platform	US\$13.38bn	US\$578mn	4* (different methodology to measure country TAM)	    

Challenges arise and Professional training might surpass K-12 Learning in Vietnam context

Despite promising opportunities and positive signals from the demand side, the total addressable market (TAM) of Vietnam’s EdTech sub-sectors may differ from global trends. After the short-lived surge in post-COVID demand, many EdTech startups are expected to face bottlenecks in achieving profitability and positive unit economics.

Meanwhile, TAM for professional training is highly promising. This space includes corporate training platforms, upskilling e-learning marketplaces, and vocational programs. The key success factor lies in value creation, which can trigger a flywheel effect among real paying students and employees.

INVESTMENT OPPORTUNITY

REACH Academy is an end-to-end educational institutions that provide vocational practice to underseved youth with online platform for job-matching and online classes. REACH has 3 entities, 1 of which serves as an NPO while 2 remaining focus on operate for fee-paying students

Company Name:	<ul style="list-style-type: none">• REACH Academy (website: https://www.reach-vietnam.org/vi)
Business model:	<ul style="list-style-type: none">• An end-to-end educational institutions that provide vocational practice to underseved youth with online platform for job-matching and online classes. REACH has 3 entities, 1 of which serves as an NPO while 2 remaining focus on operate for fee-paying students.
Revenue model:	<ul style="list-style-type: none">• Tuition fee
Investment rationale:	
For:	<ul style="list-style-type: none">• Market sentiment: market pain points in unskilled employees. Expect to earn 100K graduates over 5 years.• Downside risk control: as Reach Academy has commercial entities to back their costs and also be able to utilize current resources to minimize burn (high CAC)• Strong network effects: Reach Academy graduates could be directly work at Reach Holdings businesses together with online job-matching platform built based on their partnerships -> High value creation/chain.• Strong fund thesis synergy: as REACH targets the underserved youth, employability metrics would take off the flywheel effect & satisfy the impact return alongside with financial return (good reputation -> referral -> private/government partnership -> rising # students -> graduate -> earn jobs -> good reputation)
Against:	<ul style="list-style-type: none">• Relatively asset-heavy model: this requires major upfront investment but relatively slower ROI (like traditional education/schooling).• USP in technology development/utilization: tech layer within the academy together with vocational students require longer time span to really contribute to flywheel effects.
Company deck	<ul style="list-style-type: none">• https://global-inst.com/projects/2019_VietnamGLP_Upskilling_to_Transform_the_Vietnamese_Economy.pdf

DUE DILIGENCE CHECKLIST

Immature monetization behavior from freemium model of K-12 learning and mobile-based app along with lessons from failed EdTech unicorns in India, UE and GTM would be major pillars for DD, followed by the technological capability

Due Diligence	Angles	Questions
Commercial DD	Unit Economics & Retention Rate	What are the CAC channels? Provide 3-year cohort data showing: 1) The LTV to CAC ratio (LTV/CAC) and 2) quarterly retention rate for underserved students/youth
Commercial DD	GTM Approach & Conversion Rate	How REACH would be able to avoid the CAC trap and freemium model? What is the expected conversion rate for Year 1 and breakdown plan? Any sales team need to be developed? Any other upfront loaded investment needed?
Technology DD	Product Roadmap	Who owned the IMPACT Platform (online job-matching platform for REACH Academy students)? How inclusive is the technology for underserved youth? 5Y roadmap on how the tech within Academy could help improve the operational efficiency without heavy reliance on cashflow from another commercial entities (REACH Holdings)

REFERENCE LIST:

No. Link

- 1 <https://tradingeconomics.com/vietnam/primary-education-pupils-wb-data.html>
- 2 <https://datareportal.com/reports/digital-2025-vietnam>
- 3 <https://www.vietnam.vn/en/phu-huynh-chi-bao-nhieu-tien-cho-con-di-hoc-them>
- 4 [https://tiesea.org/vietnam/#:~:text=STATISTICS,East%20Asia%20region%20\(2021\).](https://tiesea.org/vietnam/#:~:text=STATISTICS,East%20Asia%20region%20(2021).)
- 5 <https://www.slideshare.net/slideshow/vietnam-language-learning-behaviors/249514419>
- 6 <https://www.educationfair.net/market-reports/asia/vietnam/>
- 7 <https://www.nso.gov.vn/en/px-web/?pxid=E0241&theme=Population%20and%20Employment>
- 8 <https://datareportal.com/reports/digital-2025-vietnam>
- 9 <https://impact.economist.com/new-globalisation/bridging-skills-gap-fuelling-careers-and-economy-vietnam>
- 10 <https://documents1.worldbank.org/curated/en/261401596433155112/pdf/Vietnam-s-Human-Capital-Education-Success-and-Future-Challenges.pdf>
- 11 <https://en.baochinhphu.vn/viet-nam-to-increase-states-expenditure-on-education-to-at-least-20-111250827221440821.htm>
- 12 <https://documents1.worldbank.org/curated/en/451671502358655427/pdf/112484-JRN-PUBLIC-WBER-2016-30-1-The-decision-to-invest-in-child-quality-over-quantity-household-size-and-household-investment-in-education-in-vietnam.pdf>