

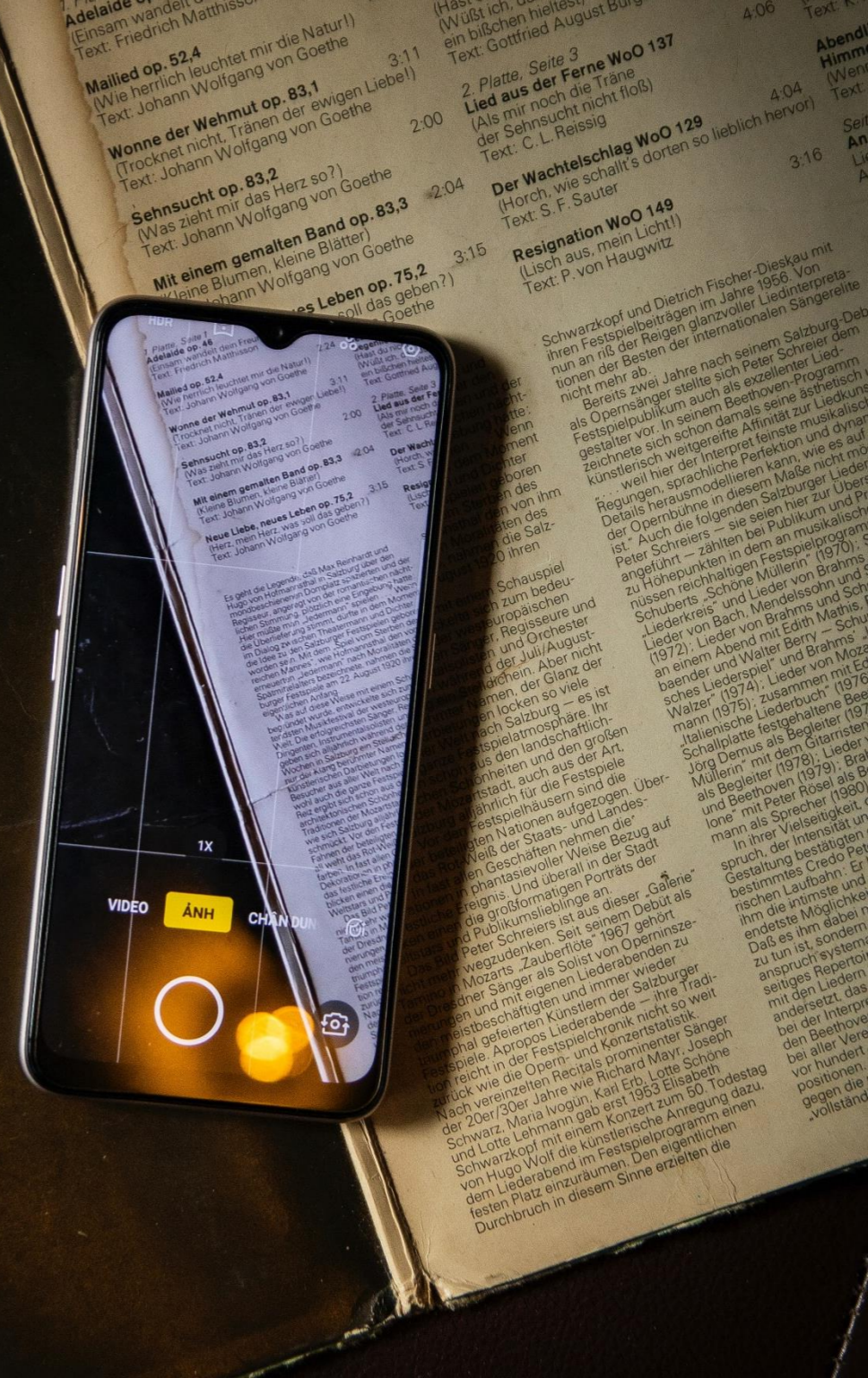
Modern marketing in Vietnam

The use of mobile in the digital marketing mix

in association with the MMA



WARC



In this report...

<u>Takeaways</u>	<u>3</u>
<u>What this means for...</u>	<u>4</u>
<u>Chapter one: Mobile marketing objectives and capabilities</u>	<u>5</u>
<u>Chapter two: Mobile budgets</u>	<u>11</u>
<u>Chapter three: Mobile is social</u>	<u>14</u>
<u>Chapter four: COVID-19 drives m-commerce transformation</u>	<u>20</u>
<u>Chapter five: Targeting in a cookie-free era</u>	<u>25</u>
<u>Chapter six: The future of mobile technology</u>	<u>29</u>
<u>Contact us</u>	<u>33</u>
<u>Appendix</u>	<u>34</u>

Takeaways

1. Brand awareness is the most common key objective when running mobile marketing campaigns in Vietnam. As for marketing channels, display and in-store are considered the most effective channels when run alongside mobile.

2. Social is the most used and most prioritised channel for mobile marketing. Over four-fifths (90%) of respondents are using social in their mobile marketing strategy. YouTube, Facebook and Instagram are the biggest platforms for display marketing, while TikTok is dominating partnership and influencer marketing.

3. Marketing professionals in Vietnam are expecting mobile budget growth this year. Nearly four in five (78%) are expecting their mobile budget to increase this year. Last year only one-third said the same (34%).

4. Mobile commerce has been accelerated due to the pandemic. Nine in ten (91%) marketers have experienced improved m-commerce capabilities and over two in three (70%) of Vietnamese marketers have named commerce via mobile devices as the most significant consumer behaviour in 2021.

5. The cookie-death will have a significant effect on the marketing industry. Even though the end of the third-party cookie has been delayed, two in three marketers are predicting an impact to their business from the 'death' of the cookie.

6. The future of mobile technology seeks to connect the online and offline, particularly through mobile wallets and AI and machine learning. Respondents are investing significant budget into mobile martech to ensure they keep up with the latest innovations in the industry, especially as interest in AI grows.

What this means for...

Advertisers

- COVID-19 has led to further improvements in digital and mobile marketing capabilities for advertisers.
- Growth in m-commerce and shoppable media over the last few years is providing brands with new opportunities to both reach consumers and monetise mobile audiences.
- Brands need to work hard to ensure they are respecting their consumers' need for privacy, upholding the relevant privacy laws and still finding innovative ways to reach audiences to keep growing.

Agencies

- As digital and mobile budgets are growing, it is important that agencies support their clients by helping them adapt to developing consumer behaviours, such as the rise of m-commerce, and advancing technologies, such as AI.
- Agencies can also play a key role in helping brands to develop the data expertise required for post-cookie success, especially as first-party data becomes more important.

Media owners

- Media owners that have invested in capturing and analysing rich audience data will be in a better position to capitalise on the eventual demise of the cookie.
- As the online landscape changes, media owners are finding new ways to monetise audiences, whether through m-commerce, sponsored content or more traditional display and video advertising.

Mobile marketing objectives and capabilities

Over the time that WARC has carried out this survey with the MMA, the role of mobile in the arsenal of marketers has grown significantly. Today, four in five Vietnamese marketers are incorporating a mobile-first approach in their marketing. As smartphone technology becomes more and more sophisticated, marketing professionals have needed to increase both investment and focus on improving digital and mobile capabilities.

This chapter looks at the mobile capabilities of Vietnamese marketers, and how it is being used in the media mix.

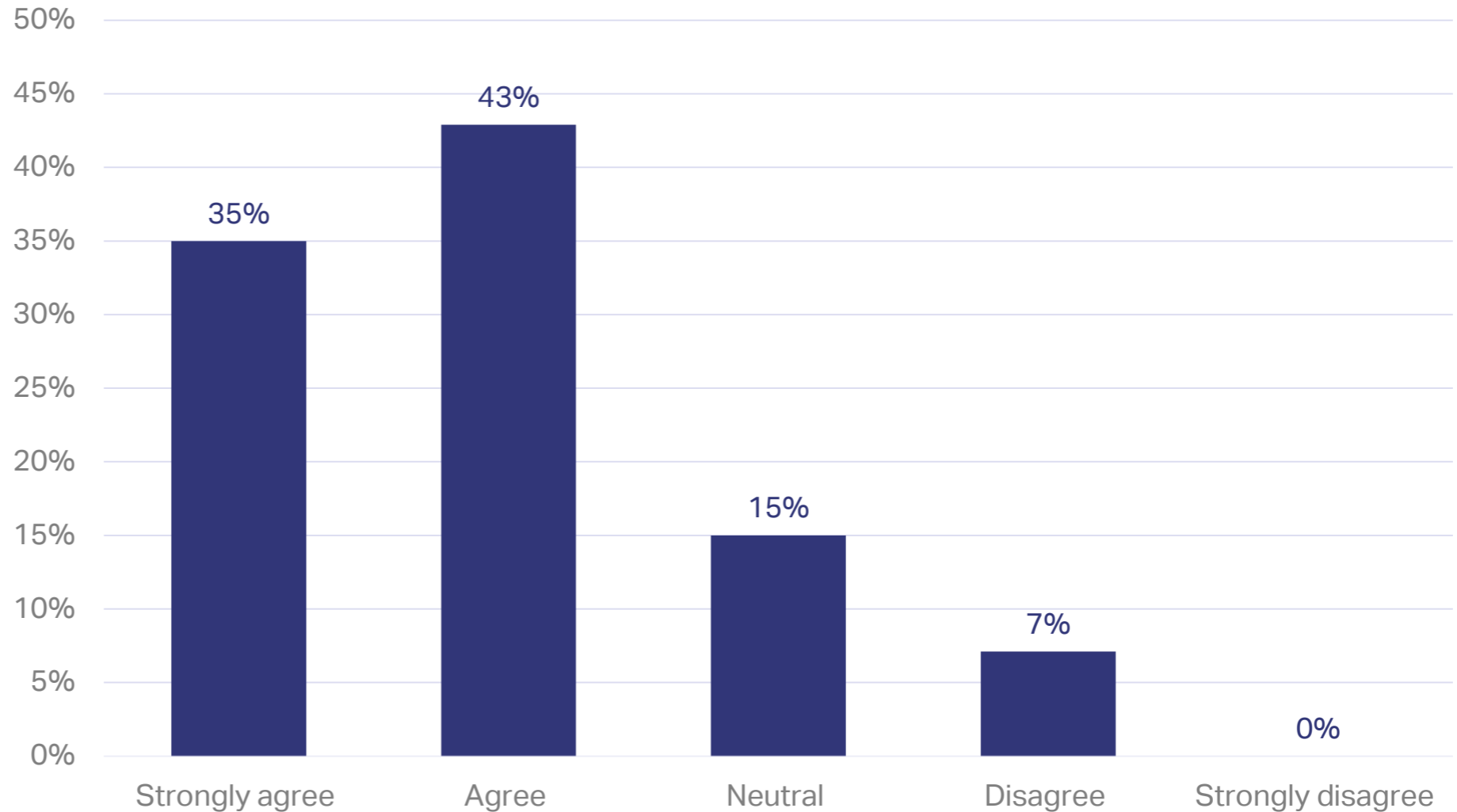
Four in five (78%) marketers in Vietnam have adopted a mobile-first approach

Mobile has become even more prominent as a result of COVID-19 and, as a result, more marketers are adopting a mobile-first approach.

One-third (35%) strongly agree and two in five (43%) agree, while only 7% disagree.

Vietnam has a youthful population with a median age of 33 and 97% of internet users aged 16-64 have a smart phone, according to [Hootsuite / We Are Social](#). As the third most populous country in Southeast Asia, there is a massive market to be reached through mobile.

“We have adopted a mobile-first approach with our marketing strategy”

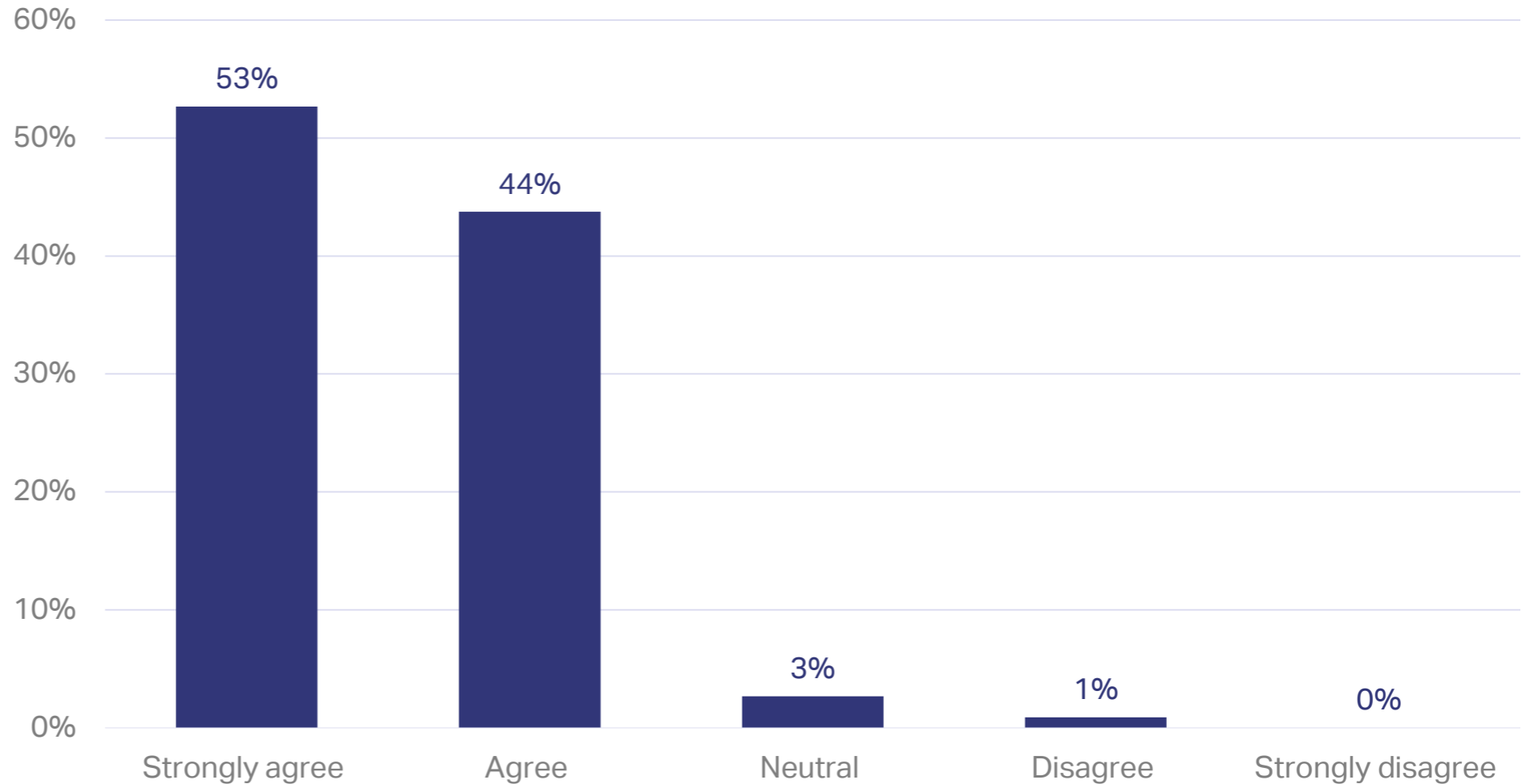


Marketers have increased their focus on digital and mobile capabilities

When COVID-19 struck, consumers were unable to go to physical stores and encouraged to stay home. As a result, businesses had to adapt. To many, this meant accelerating digital transformation and building a greater digital / mobile presence.

Over half of respondents strongly agree (53%) and over two-fifths agree (44%) that the pandemic has led to increased focus and investment in their digital and mobile capabilities. Overall, 97% of respondents have made steps to improve their digital and mobile marketing capabilities.

“The pandemic has resulted in an increased focus and investment in our digital / mobile marketing capabilities”



Brand awareness is the key objective when marketing via mobile

Nearly two in three marketing professionals (64%) say brand awareness is a key objective.

Another two in five (39%) say increasing online sales is a key objective. This is closely followed by promoting specific products or services (38%), lead generation (36%) and lead conversion (25%).

This year, marketers need to reconsider both long-term and short-term objectives as they bake uncertainty into their planning. Putting marketing plans on ice in 2021 may no longer fit the moment, even though COVID-19 is still prevalent.

Which of the following are your / your typical client's key objectives when marketing via mobile?



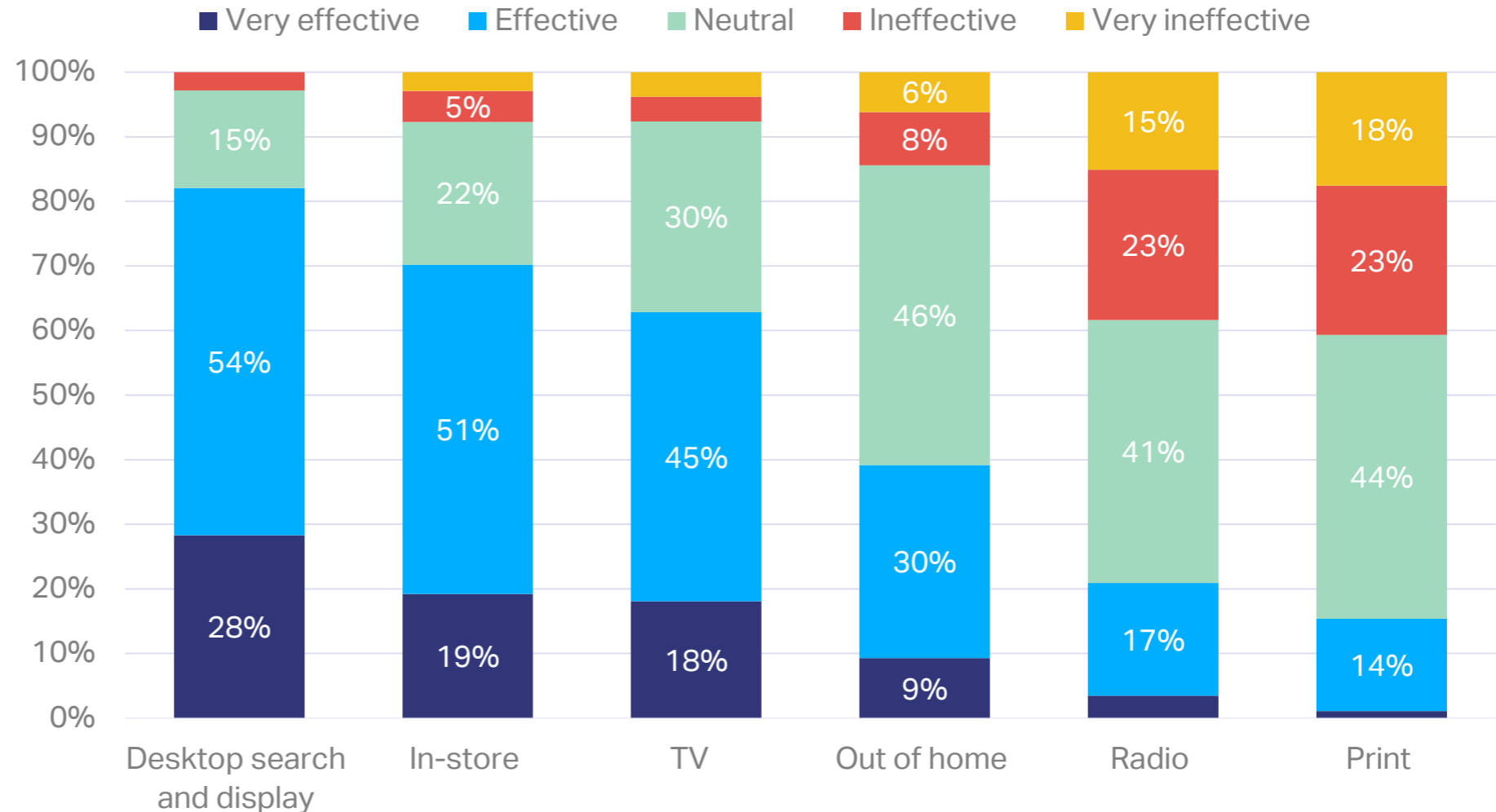
Desktop search and display is the most effective channel alongside mobile

Four in five (82%) marketers say desktop is effective or very effective when used with mobile. In-store is the second most effective channel (70%).

According to Mintel, more than half (56%) of Vietnamese consumers say discovery is easier in-store than online and nearly three in four find it difficult to tell product quality online.

Despite the boom of e-commerce, it is clear that the value of going into stores has not been lost, and marketers should continue joining together the online and offline in omnichannel strategies.

In your experience with media plans, please rate the effectiveness of the following media channels when used alongside mobile:

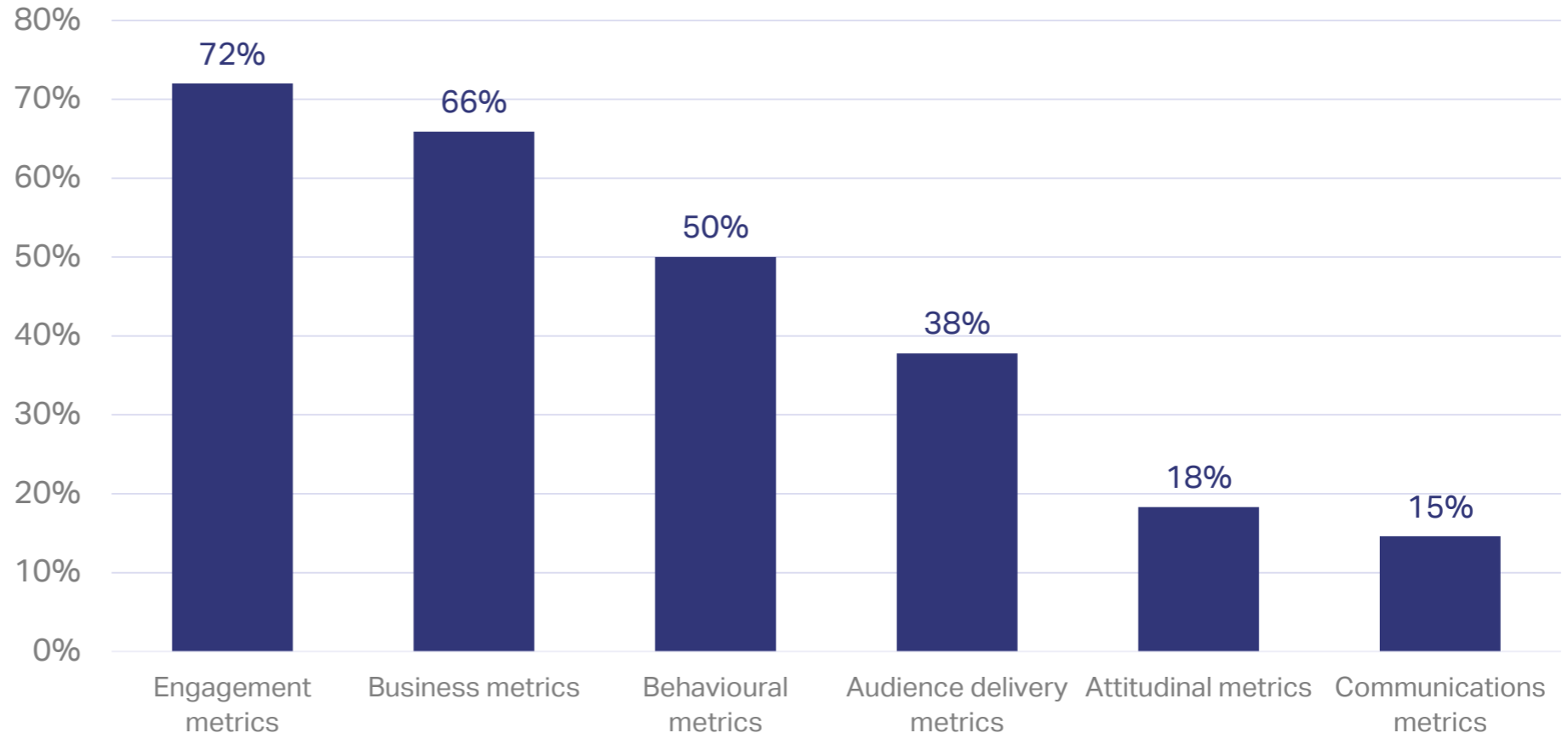


Engagement metrics are the most used metrics for mobile effectiveness

Nearly three-fourths (72%) of Vietnamese marketers use engagement metrics when measuring effectiveness on mobile, followed by business metrics (66%) and behavioural metrics (50%).

Business metrics, such as ROI, have increased in importance in the last year across APAC. Recent research by Nielsen and Facebook indicates that if APAC-based brands adopt ROI-based principles in their media plans, they can recover sales volumes with 4% less spend than a year ago.

Which of the metrics below do you or your clients most use to measure mobile marketing effectiveness?



Engagement metrics: Video completion rates, social sharing, CTR etc.

Behavioural metrics: Post-click engagement, traffic to sites etc.

Business metrics: ROI, incremental sales, profit, LTV

Audience delivery metrics: Impressions delivered by target groups, or viewable impressions

Attitudinal metrics: Awareness, image and other brand KPIs based on surveys

Communications metrics: PR value

Mobile budgets

After a year when marketing budgets have been significantly impacted by the global COVID-19 pandemic, mobile, as a medium, was one of the most resilient. In last year's survey, the proportion of Vietnamese marketers expecting to increase their budgets in light of the pandemic was 34%.

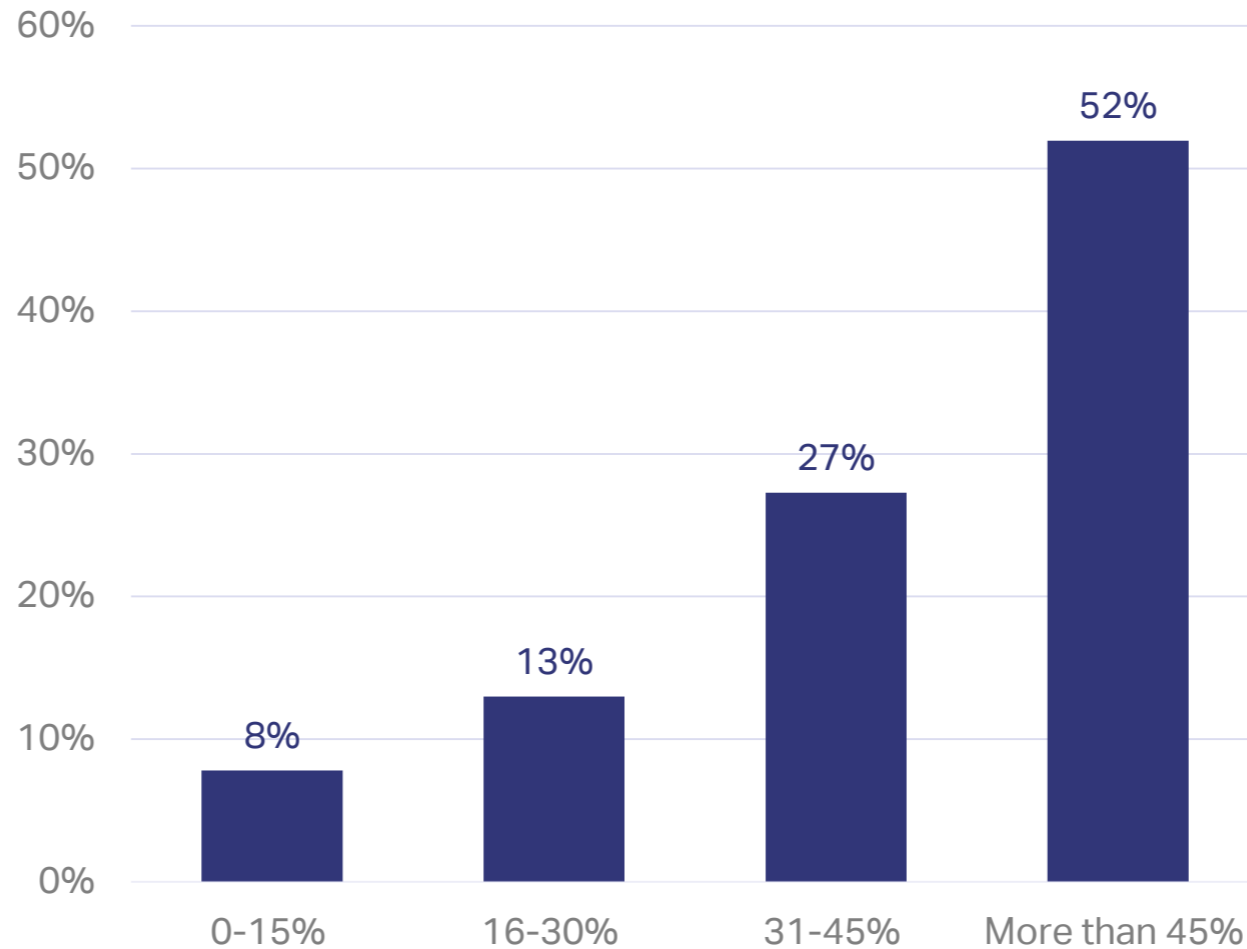
This year, as we emerge from the pandemic, the figure has jumped to 78%. With social media and m-commerce technologies rapidly developing, mobile budgets look set to head in only one direction.

More than half (52%) of marketers are allocating more than 45% of their budget to digital / mobile

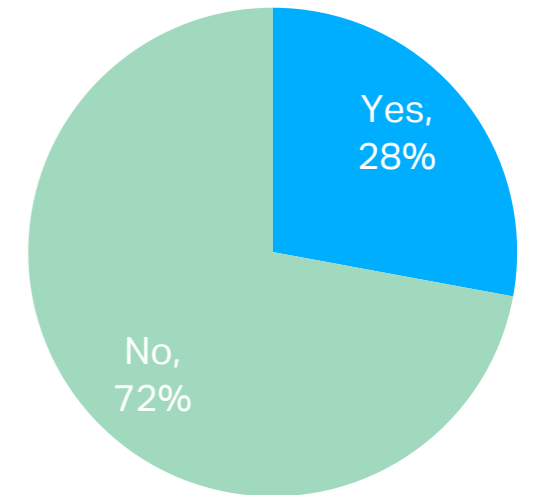
Just over one-quarter (27%) of the survey respondents are allocating 31-45% of their budget to digital and mobile marketing.

For nearly three out of four marketers (72%), mobile is not treated as a separate entity within the digital budget, reflecting the integration of mobile into marketing plans across digital platforms. The remaining 28% view the mobile marketing budget as separate to the digital marketing budget.

What percentage of your or your clients' typical marketing and advertising budgets are being allocated to digital / mobile marketing and advertising?



Is mobile marketing a separate item within your digital marketing budget?



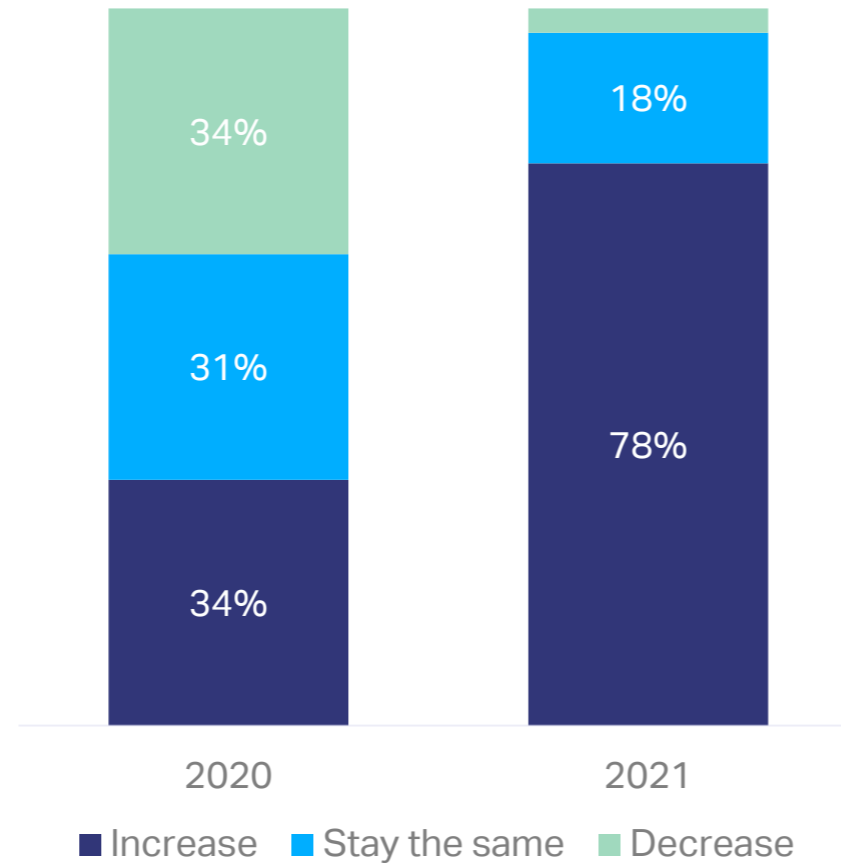
Nearly four-fifths (78%) are expecting increasing budgets

In 2020, one-third (34%) of respondents were expecting a budget increase. In one year, this number has increased by a whopping 44pp, to 78%.

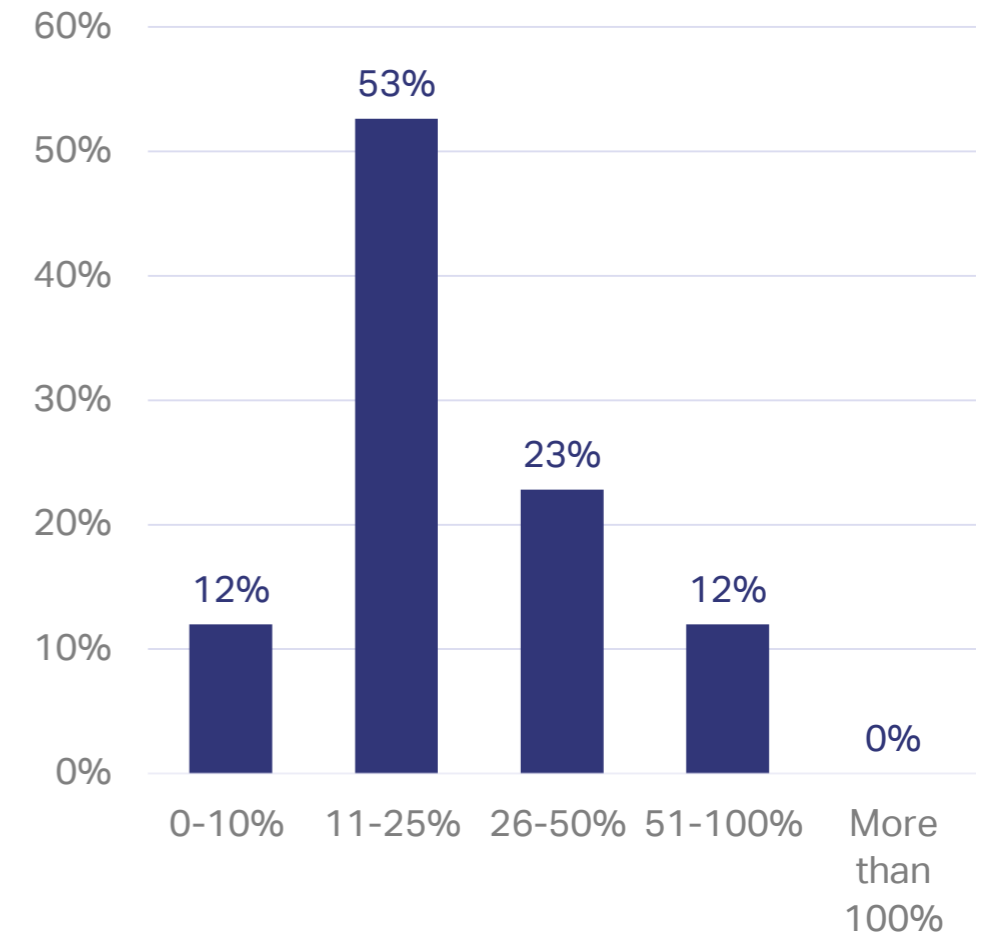
Furthermore, one-third (34%) of marketers in Vietnam were expecting a mobile budget decrease in 2020. This year, only 3% are expecting the same. This clearly illustrates the strong recovery mobile has had following the initial uncertainty of COVID-19.

Of those that are expecting an increase, over half (53%) say it will increase by 11-25%. One-third (35%) say their budget will increase by more than a quarter.

How do you expect your / your client's mobile marketing and advertising budgets to change over the next twelve months?



By how much do you expect your / your typical client's mobile advertising budgets to grow over the next twelve months?



Note: Left chart: Question was worded slightly differently in 2020: "Now, given the Coronavirus outbreak, how do you expect your/your clients' mobile marketing and advertising budgets to change over the next twelve months?"

Mobile is social

In Vietnam, 90% of marketers use social media as part of their mobile marketing strategies. With its ability to drive brand awareness, participation and user-generated content, social media is a key link between offline and online marketing strategies, and the flexibility and accessibility of mobile make the two effective partners.

Social platforms are increasingly providing brands with ways to monetise their mobile audiences, and the growth of in-platform display advertising, influencer partnerships, and, more recently, shoppable media has been significant.

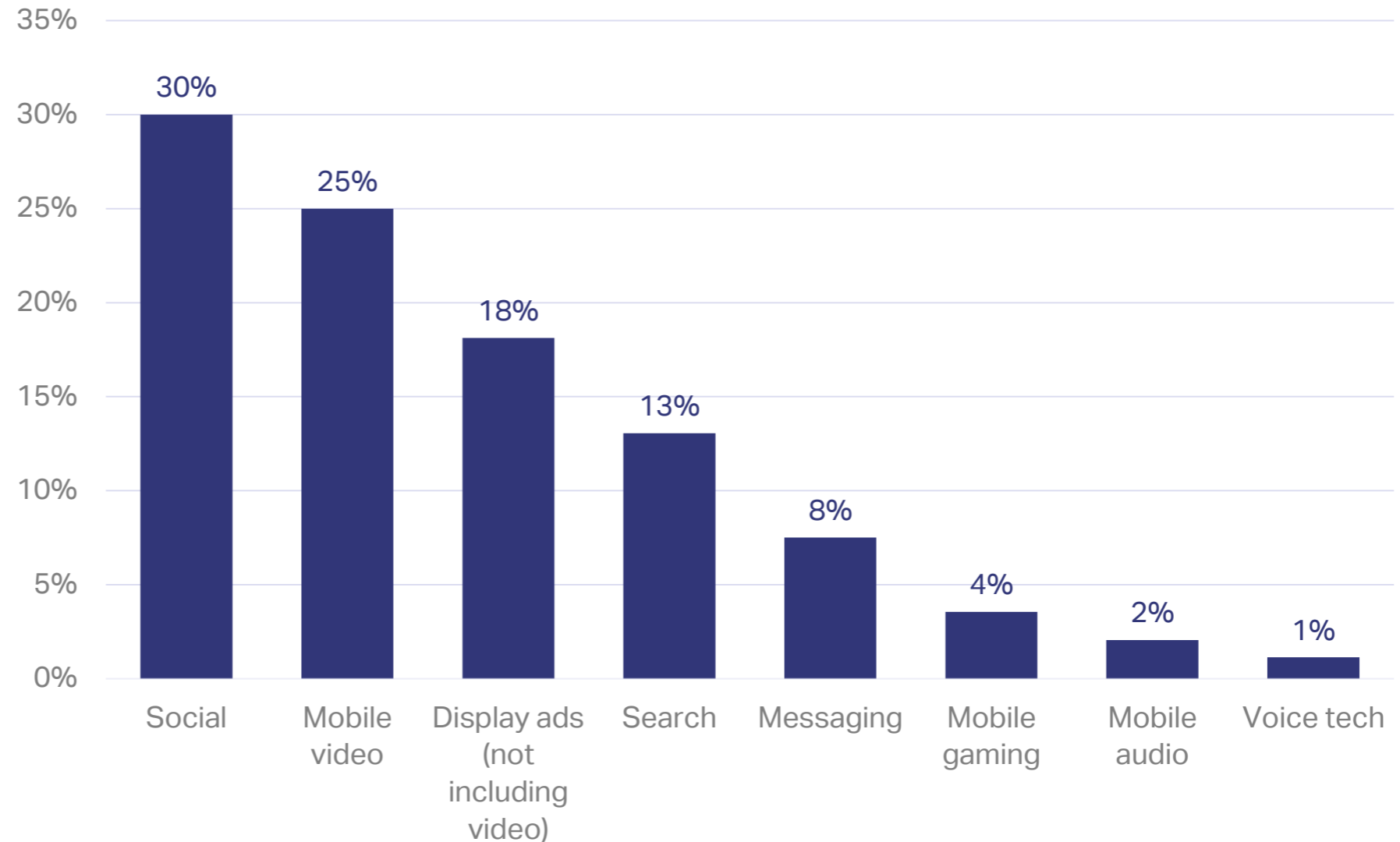
One-third (30%) of the average mobile budget is spent on social

Social takes the largest slice of the pie when it comes to mobile budgets. Marketers also spend, on average, one-quarter (25%) of their mobile budget on mobile video.

Two-fifths (18%) of the budget is spent on display ads, excluding video.

Just over one-tenth (13%) of the budget is spent on search. Many purchase journeys will start with a search through platforms such as Google or Amazon and, while search is fairly established at this point, it is important that search is constantly optimised for discovery, conversion and re-purchase.

How are your mobile budgets allocated between the following channels? (Average allocation shown)



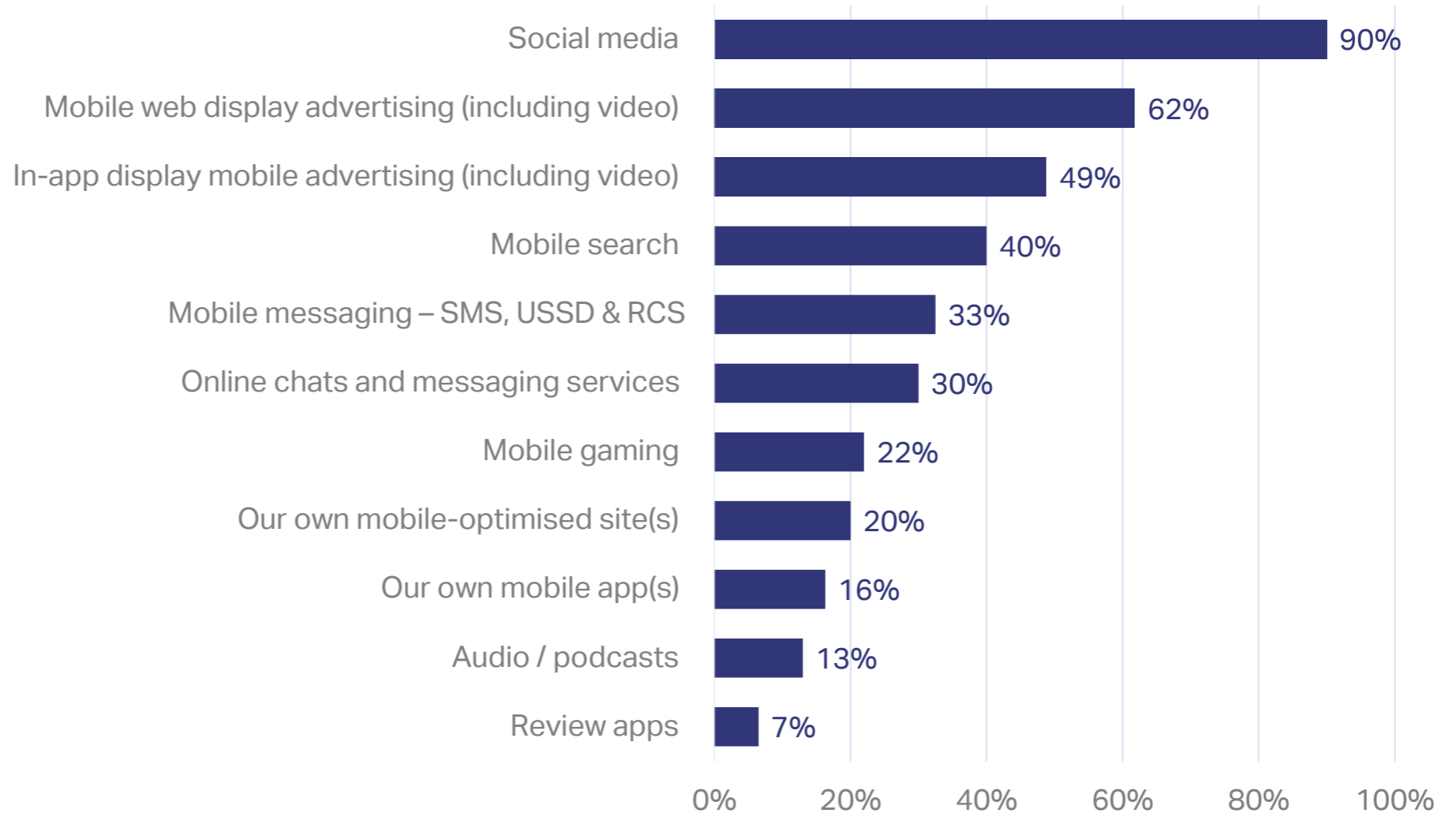
Social media is the most used marketing and advertising type

Nine in ten (90%) respondents are currently using social media within their strategy.

Mobile web display (62%) and in-app display (49%) are second and third most used in 2021 and play a significant role in mobile marketing. On average, 43% of mobile budgets are spent on display or mobile video, thereby overtaking social when combined.

74% of the population are social media users and 99% of those access social media through their mobile. Consumers also spend on average 2 hours and 21 minutes on social media each day.

Which of the following mobile marketing and advertising types are currently part of your / your typical client's marketing strategy?

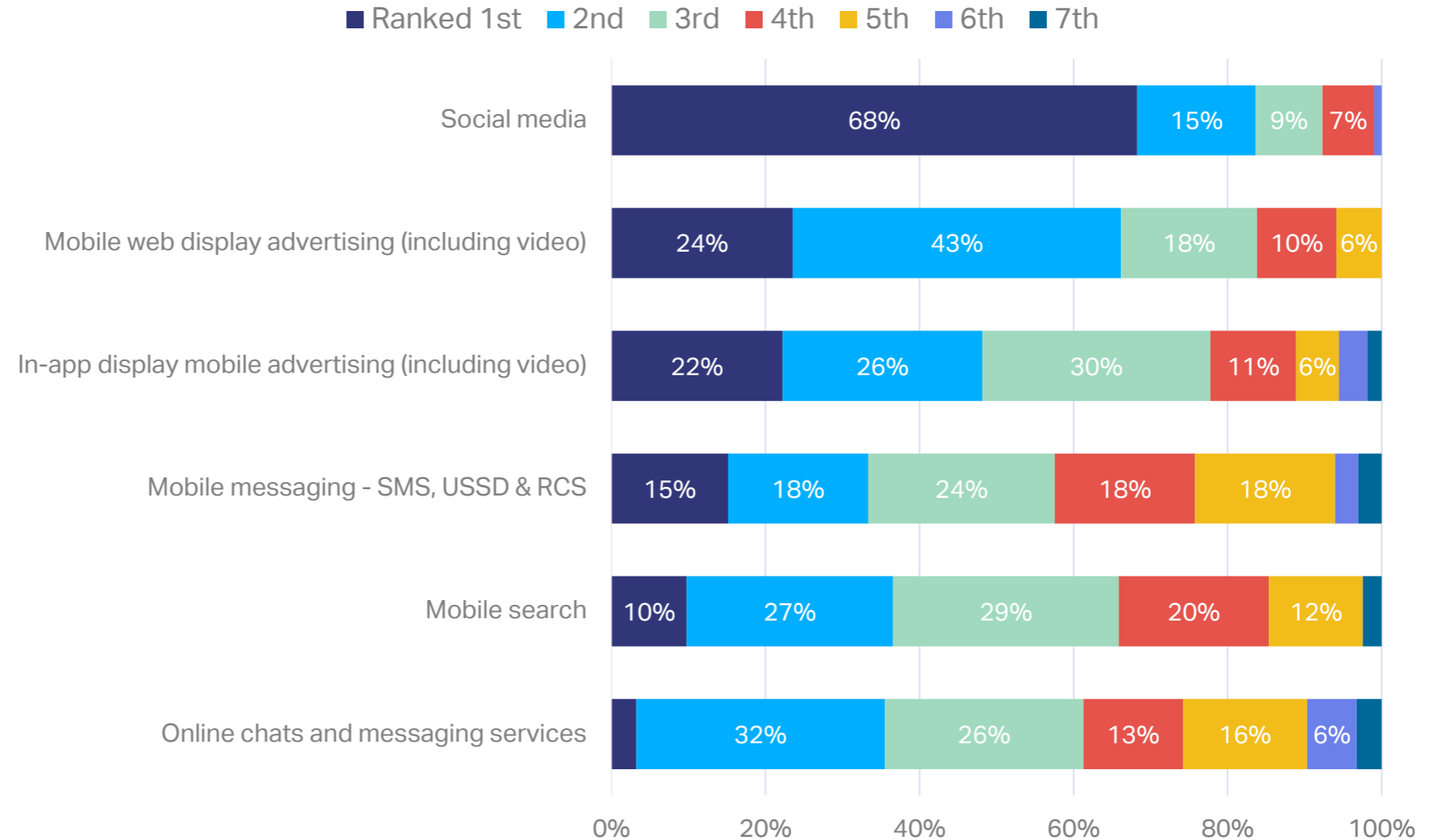


Social media is the highest priority among marketers

Both budget and strategy-wise, social is the most important marketing activity for mobile. Of the respondents who said they use social in their marketing, 68% said it was their biggest priority.

Web display (ranked 1st or 2nd by 67%) is considered significantly more important than in-app display (ranked 1st or 2nd by 48%), despite being second and third most used, respectively.

Rank the following mobile marketing and advertising types in order of priority for your / your typical client's marketing activities in 2021?



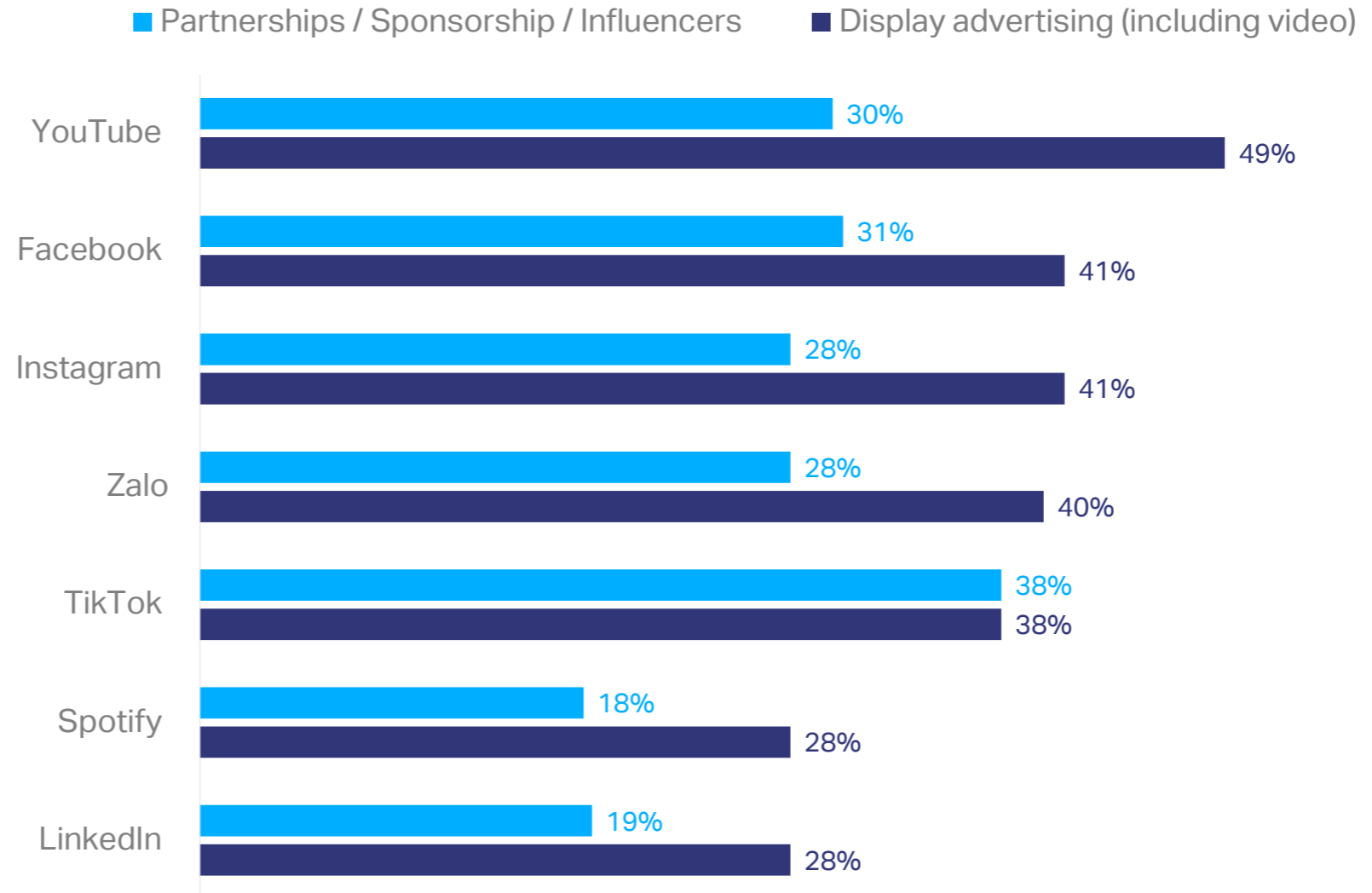
Half of respondents have run display advertising on YouTube (49%)

YouTube is the most used platform for display advertising, followed by Facebook and Instagram (41%).

TikTok is the most used platform for partnerships, sponsorships and influencers (38%).

Vietnam's homegrown messaging app Zalo has outpaced Facebook Messenger in monthly active users. Marketers are yet to have used it more than Facebook for display and partnerships purposes, but it is likely that Zalo will only grow in importance in the Vietnamese market.

For each of the social media platforms listed, select if you have used it for each of the content types: display, partnerships.

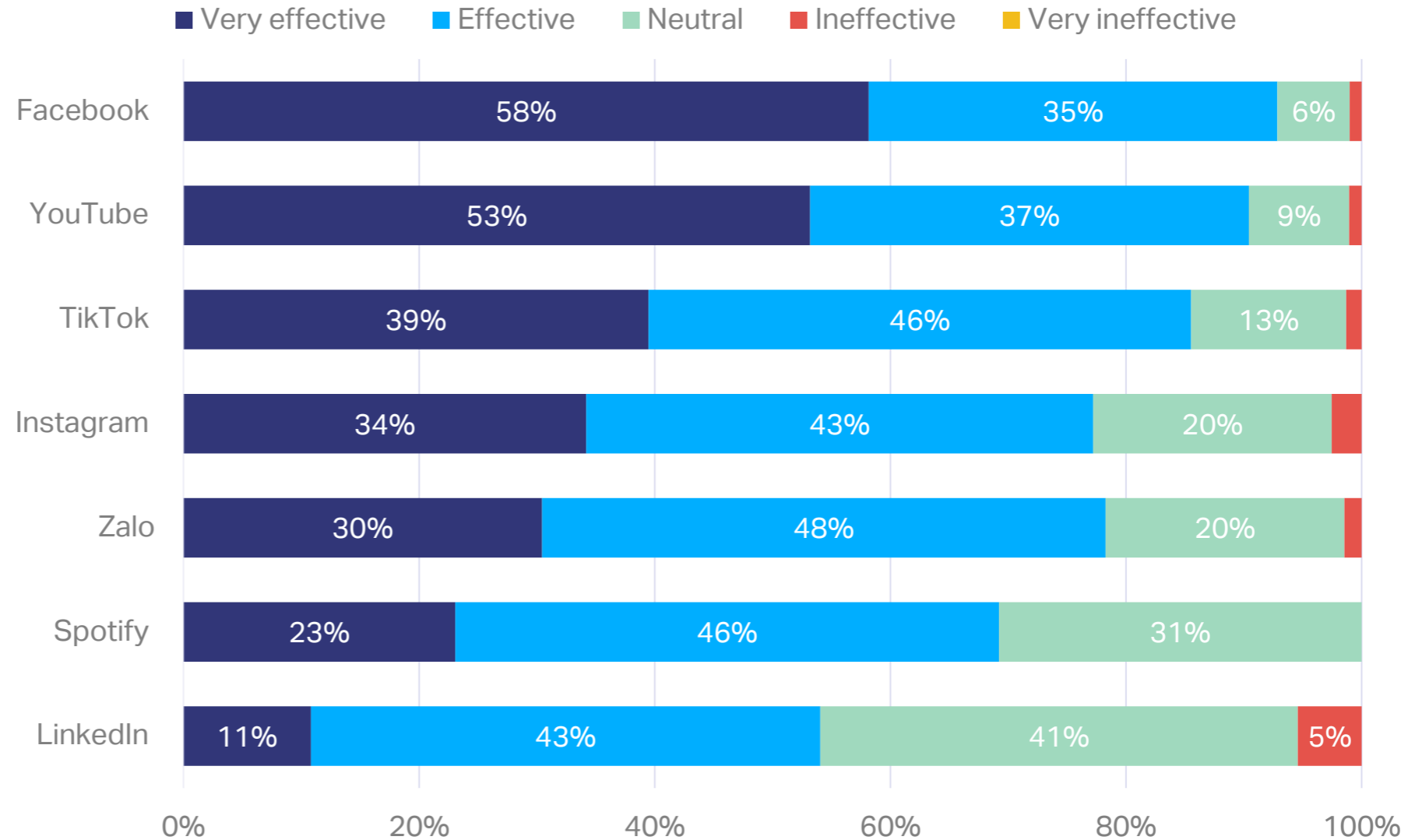


Facebook is the most effective platform on mobile

This chapter has shown how interlinked mobile is with social. This also extends to the individual social media platforms. All the platforms listed are considered either effective or very effective when used with mobile.

Nearly three in five (58%) say Facebook is very effective. It is worth noting that TikTok (39%) has already overtaken Instagram (34%) as more effective on mobile. Recent research has shown that 34% of Southeast Asian users have clicked on a link after seeing a brand's ad on Facebook. Only 14% have done the same on TikTok. A potential reason being that TikTok users are more averse to disrupting content browsing while on the app.

Rate the social media platforms below in terms of their effectiveness when used with mobile:



COVID-19 drives m-commerce transformation

The accelerative impact of COVID-19 on digital transformation has been well-documented. This impact has been seen most significantly in e-commerce, when lockdown restrictions meant shopping online had to fill the offline gap and 91% of respondents have seen improved m-commerce capabilities as a result.

The combination of this increased e-commerce demand with increased use of social media has led to more purchase journeys being completed on mobile and innovations in shoppable media – a significant opportunity for marketers to monetise their mobile audiences.

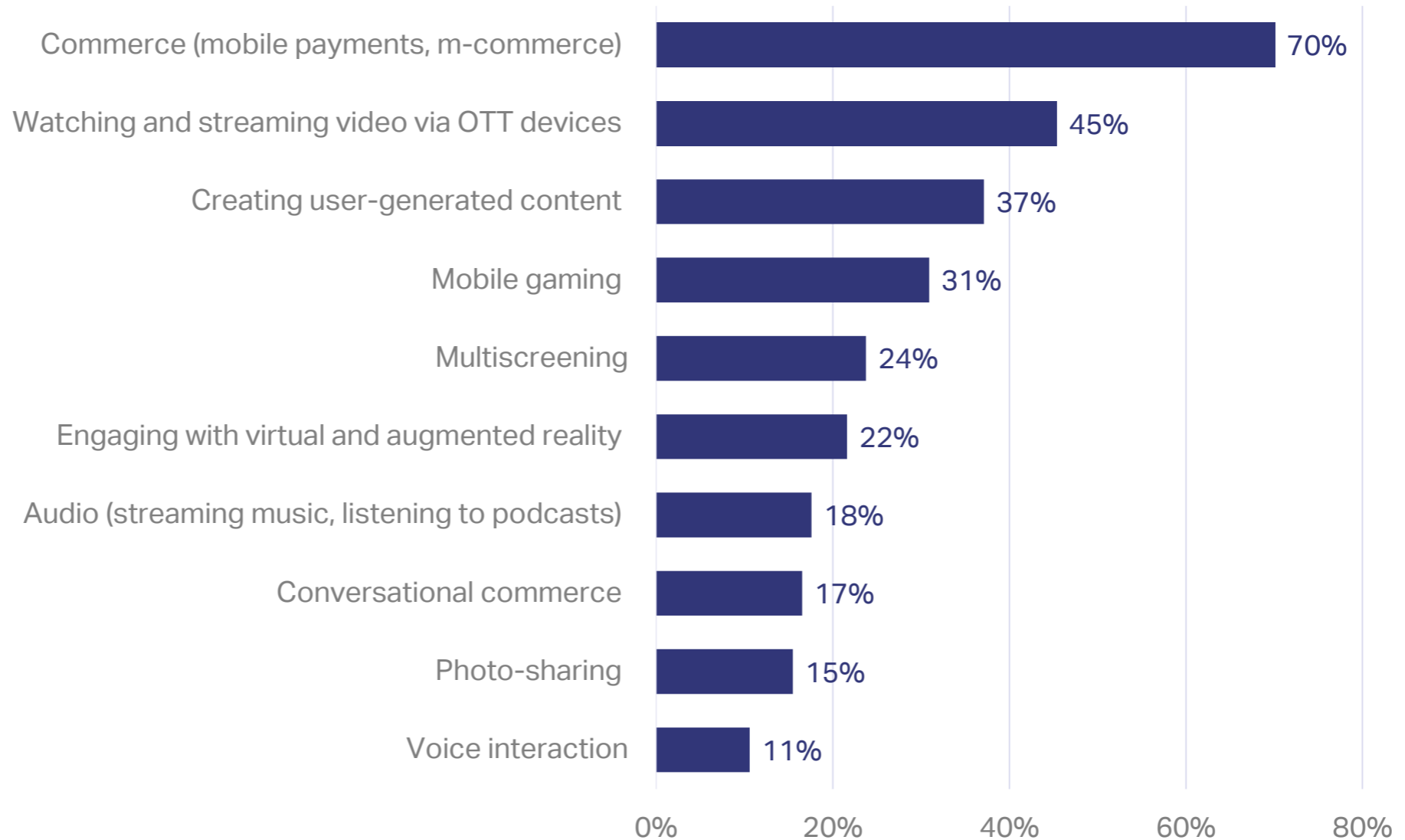
Commerce is having the biggest impact on the marketing industry in Vietnam

In the last year, Vietnamese consumers have become used to shopping online and commerce is now the most important consumer behaviour in the country.

Consumers are also watching or streaming video content (45%) and creating UGC (37%) which is potentially linked to the popularity of apps such as TikTok.

Only 4% of the average budget is spent on mobile gaming, but 31% of respondents think mobile gaming is a significant consumer behaviour, indicating it will become a bigger channel going forward.

Of the following consumer behaviours that are increasingly involving mobile devices, which do you think have the most significance for the marketing industry?

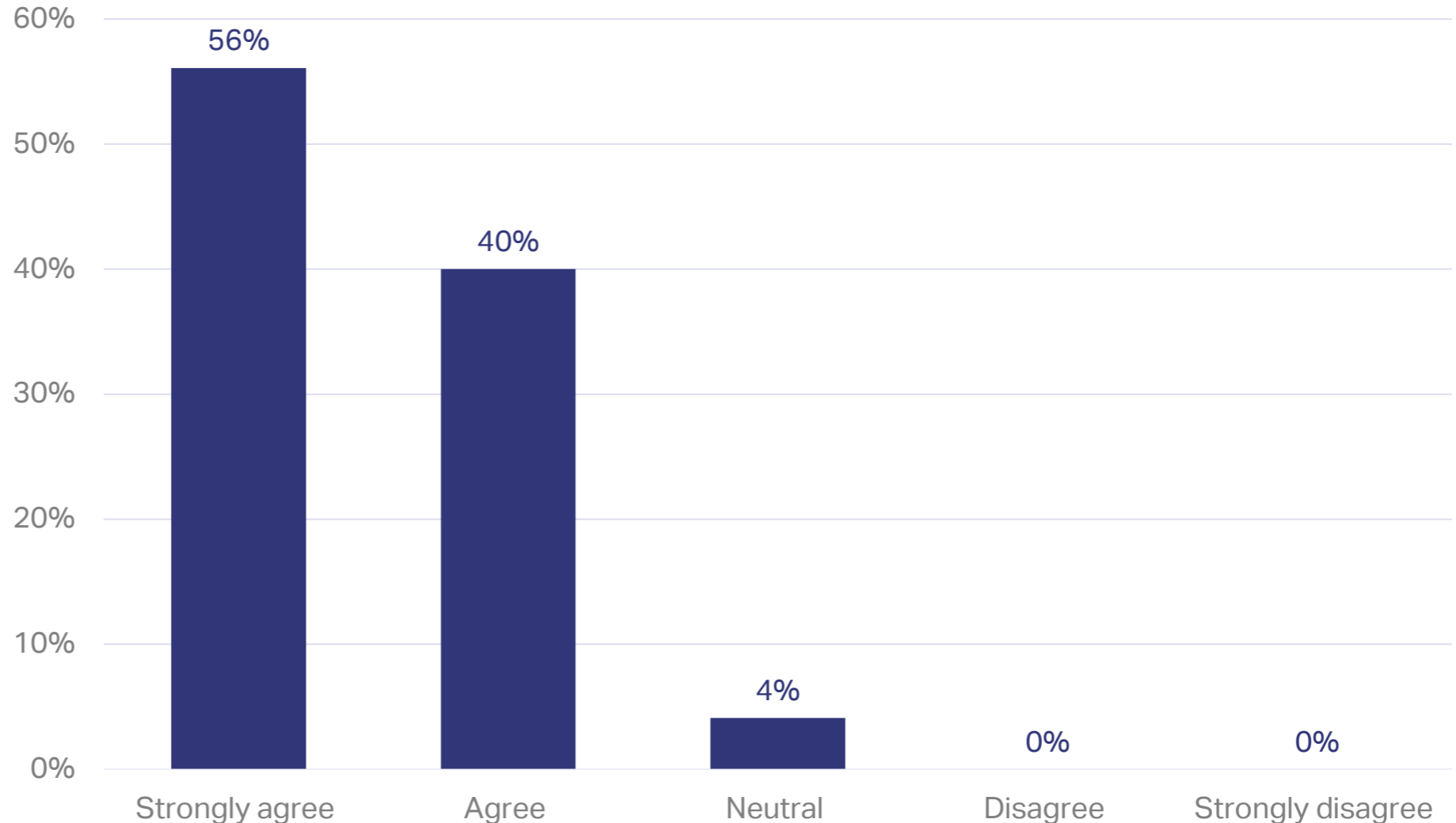


Mobile is playing a bigger role in the purchase journey

Nearly all (96%) marketing professionals in Vietnam agree or strongly agree that mobile plays a significant role in the purchase journey in 2021.

Although more than half of Vietnamese consumers say they prefer discovering products in-store over online, it has not deterred the growth of e-commerce. In 2020, the country's e-commerce market generated \$11.8bn and grew by 18%, the only Southeast Asian country with double digit growth.

“Mobile plays a significant role in the purchase journey of our typical customer”

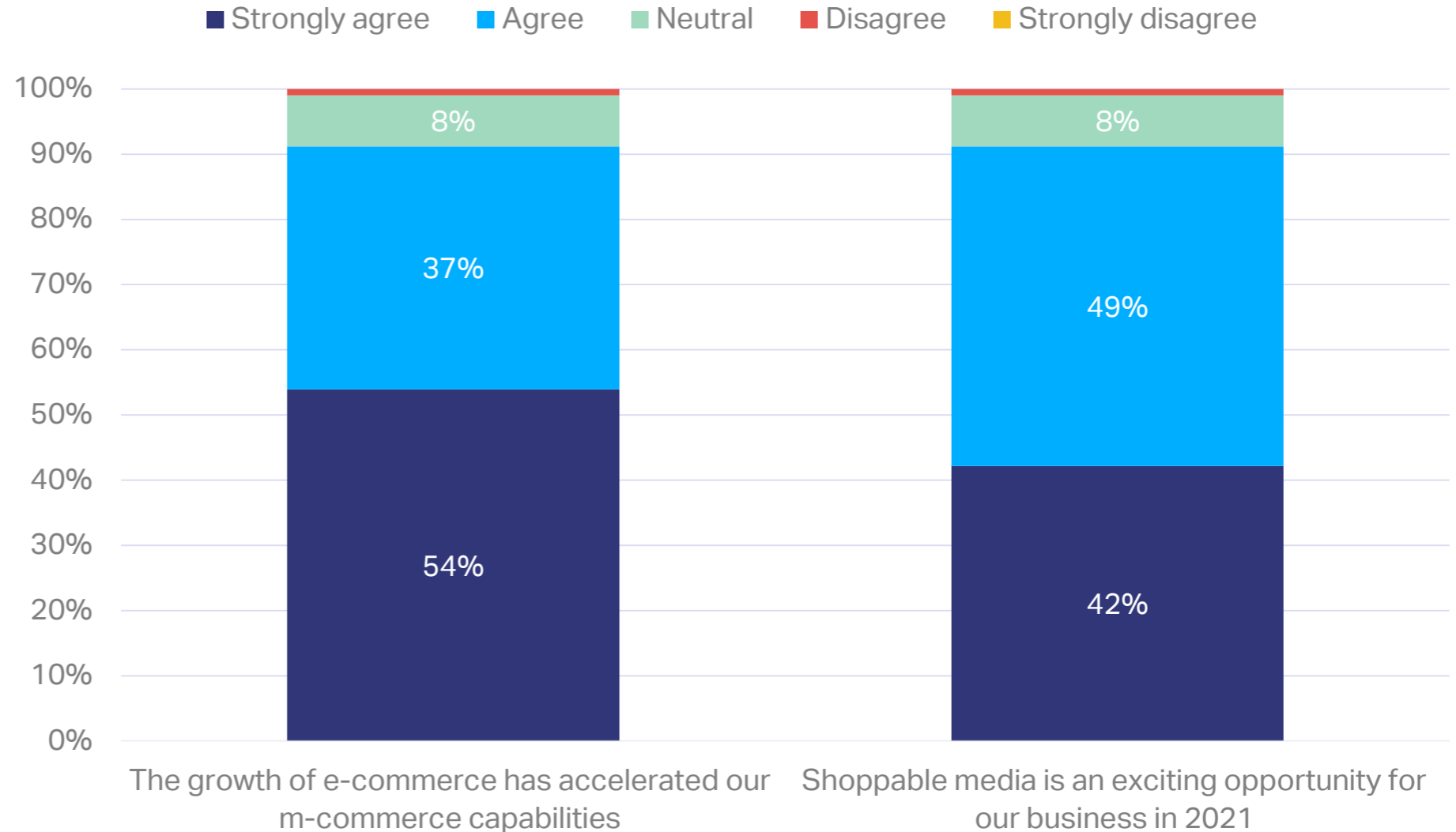


Nine in ten (91%) respondents have accelerated their m-commerce capabilities

M-commerce uptake in APAC has long been ahead of other regions and as a result of the recent e-commerce growth, marketers in Vietnam are improving their m-commerce capabilities even further.

Social media, in particular, assumed an important role as a digital store-front during COVID-19 and nine-tenths (91%) say shoppable is an exciting business opportunity in 2021. In the Southeast Asia region, social commerce is turning more conversational. One in five (17%) say conversational commerce is an important consumer behaviour today.

To what extent do you agree or disagree with the following statements about mobile?

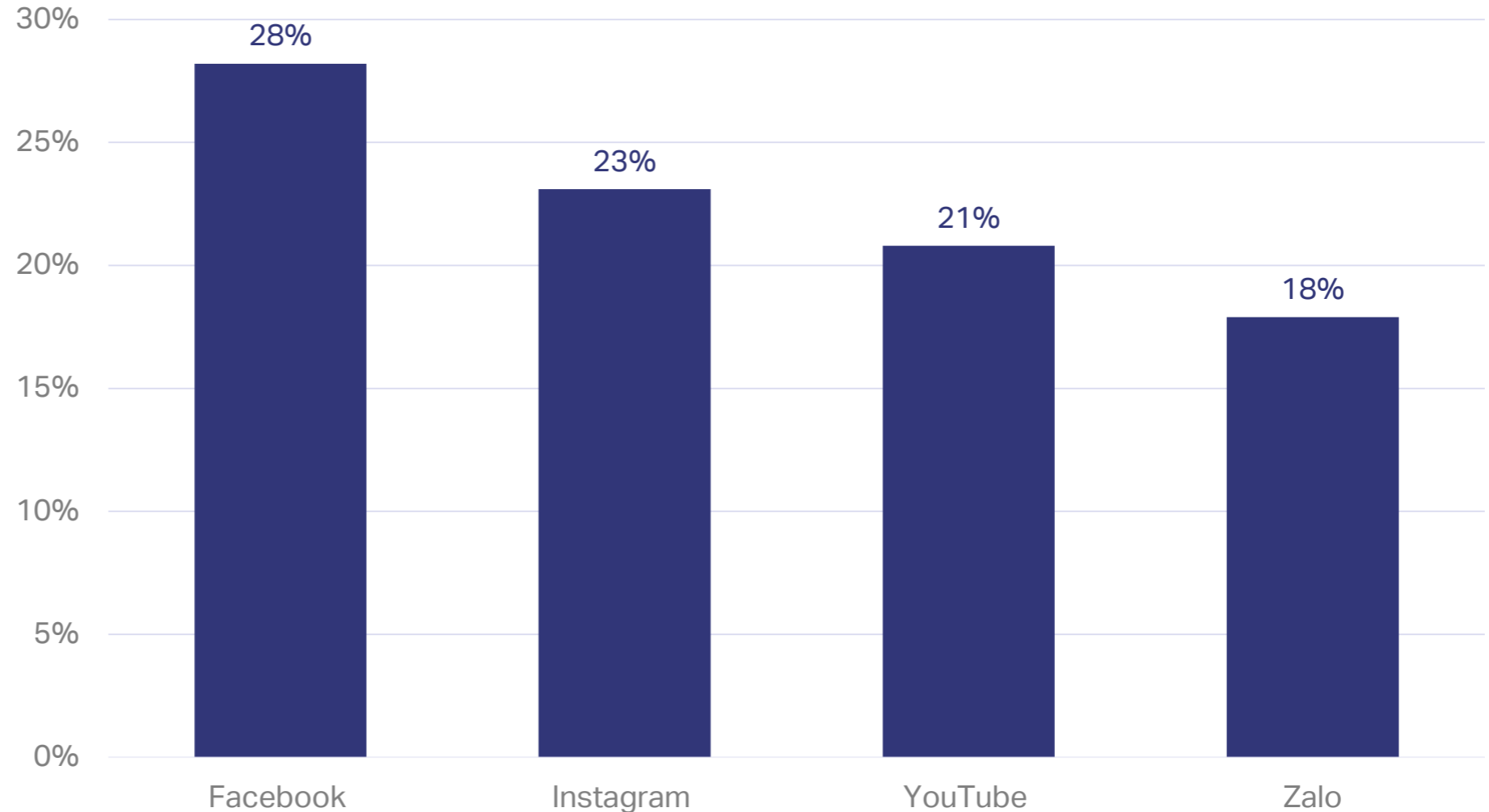


Facebook is the most used platform for shoppable media

So far, more than one-quarter (28%) of Vietnamese marketers have used Facebook for shoppable content and just under one-third (23%) have used Instagram. YouTube and Zalo follow suit, used by 21% and 18% of respondents respectively.

Because of Vietnam's youthful population, many brands are targeting this demographic and building loyalty through games and shoppable media. Many mobile shopping platforms are therefore pivoting to entertainment to appeal to the tech-savvy youth, for example livestreams with shoppable content.

For each of the social media platforms listed, select if you have used it for shoppable content:



Targeting in a cookie-free era

The end of the third-party cookie may have been postponed, but the coming change in targeting, tracking and measurement is still set to significantly impact marketing strategies for more than 60% of respondents.

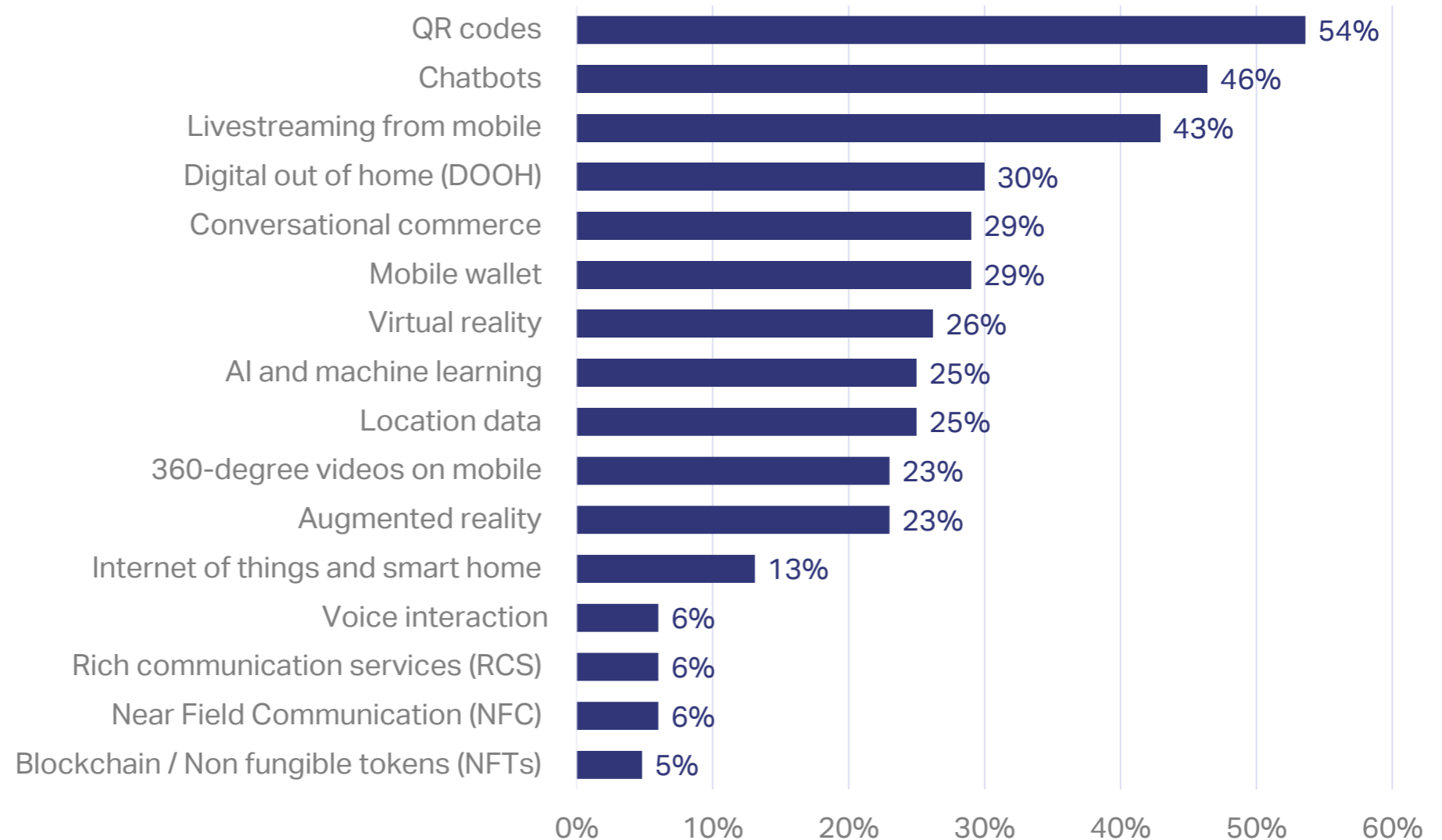
Over the next year, marketers will need to strengthen their first-party data strategies, or build partnerships to access such data, to gain attention in a crowded marketplace.

More than half (54%) of marketers in Vietnam are using QR codes

One of the more surprising consequences of the pandemic was the comeback of QR codes. QR codes are now the most-used mobile technology in 2021 (54%). In the days of social distancing we are likely to see more 'touchless tech' like QR for ordering food or entering social venues for example.

Both chatbots (46%) and conversational commerce (29%) are seeing more traction. Huy Nguyen at Facebook said conversational commerce is changing businesses in Vietnam, with the strategy allowing buyers and sellers to form more meaningful relationships through conversation.

Are you / your typical client's planning to use any of the following and their associated mobile technologies in 2021?

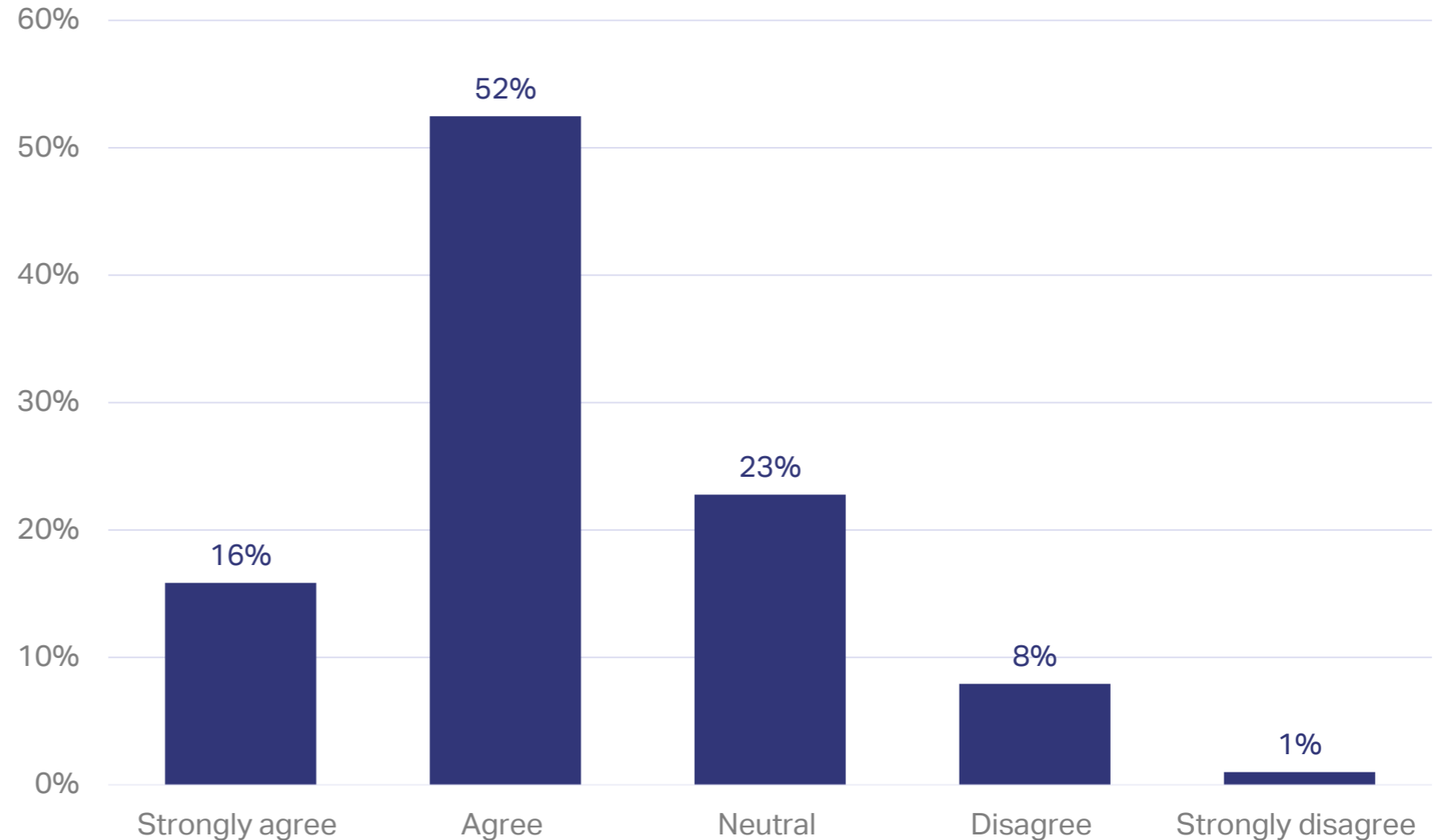


Two-thirds (65%) feel the 'death of the cookie' will have a big impact on mobile

One in five (16%) strongly agree and half (52%) agree, while nearly one-quarter feel neutral (23%).

The cookie has been a core part of the internet's advertising ecosystem since its invention in 1994, and as third-party cookies will no longer be supported in 2023, marketers will need to find new ways to target and identify online audiences as well as cap frequency to make sure users are not overexposed to the same creatives. As the 'cookie-death' has been delayed, there may be a lost sense of urgency, but brands still have an opportunity to turn privacy into a competitive advantage.

The 'death of the cookie' will significantly impact mobile marketing strategies

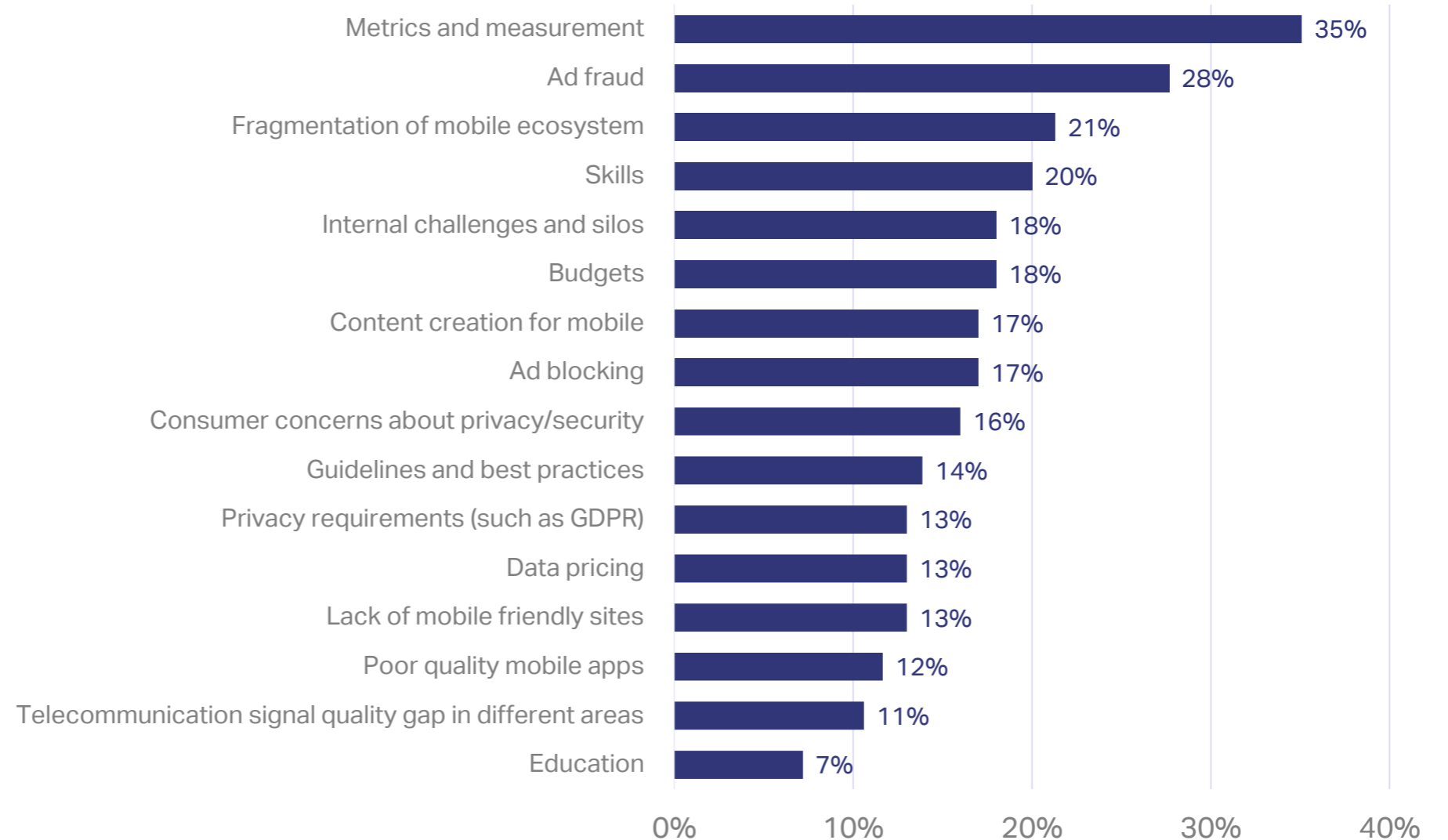


Over one-third (35%) of respondents see metrics and measurement as growth barriers

Just over one quarter (28%) of people are also concerned about ad fraud as a barrier to mobile growth. Ad fraud is a prominent concern across Asia and Vietnam is no exception. Bots are the most common app install fraud type across sectors, and are especially targeting social media apps in Vietnam.

Facebook have recently sued a group of Vietnamese individuals after they allegedly compromised the accounts of advertising and marketing agency employees to run unauthorised ads worth over US\$36m.

In your opinion, what are the biggest barriers to the growth of mobile marketing and advertising in your country?



The future of mobile technology

The speed of innovation within digital marketing continues to drive mobile marketing forwards. These innovations are linking offline and online together like never before, and marketers are making significant investments in mobile marketing technologies to ensure they keep up with their competition.

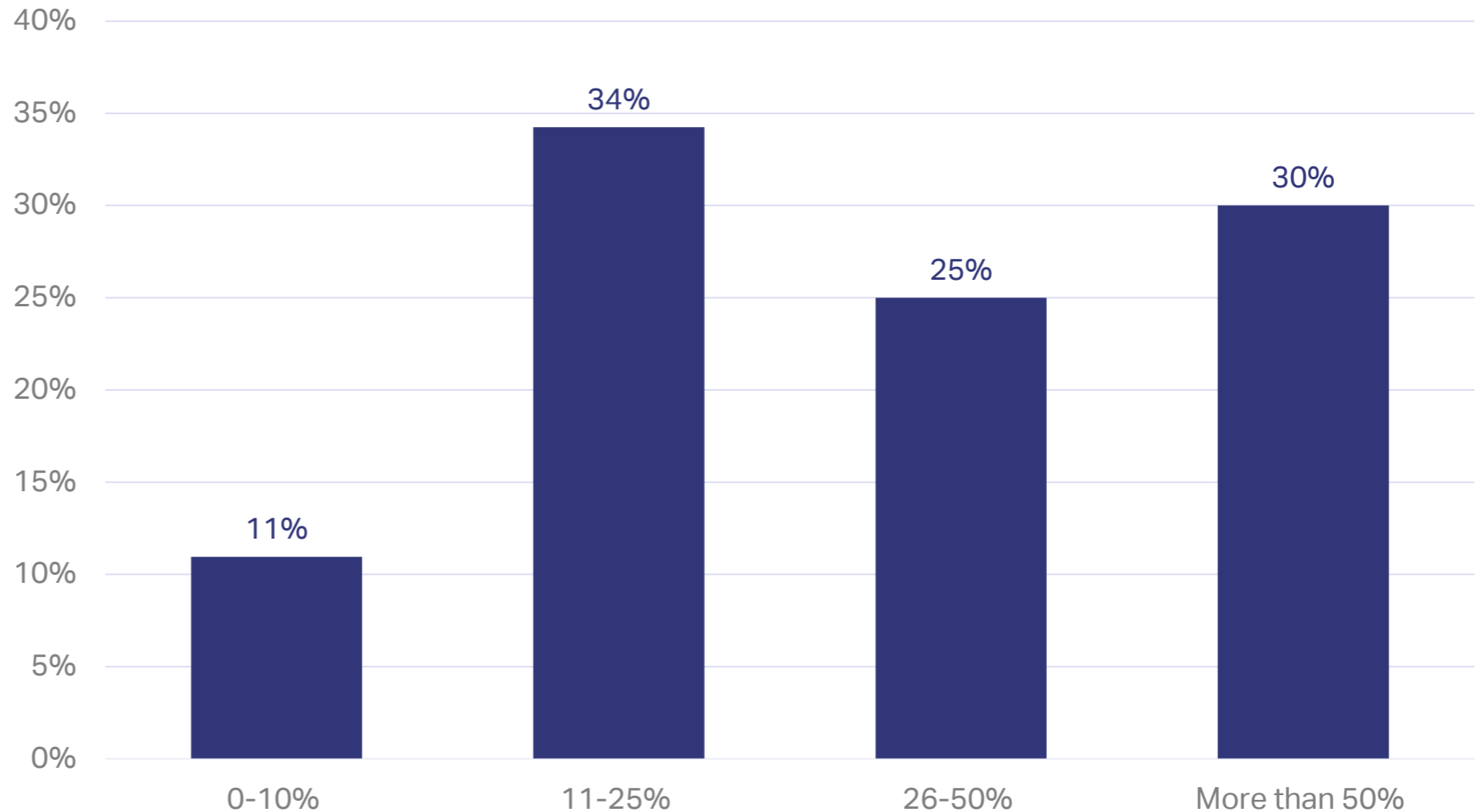
We asked respondents what technologies they thought would be most significant in two years' time. One in three pointed to mobile wallets – a technology promising to make shopping more accessible, convenient and secure.

Over half (55%) of marketers are investing more than a quarter of their budget in mobile martech

One in three (34%) marketers are investing 11-25% of their budget in mobile martech, while one in ten (11%) are spending between 0-10%.

While previous criticisms of martech have arisen due to lacking technological capabilities, in the right hands, the combining of tech and data can greatly enrich the customer experience. For example, automation and AI can streamline digital marketing efforts and make ad recommendations feel personalised and useful.

How much of your budget for 2021 will be invested in mobile marketing technology?

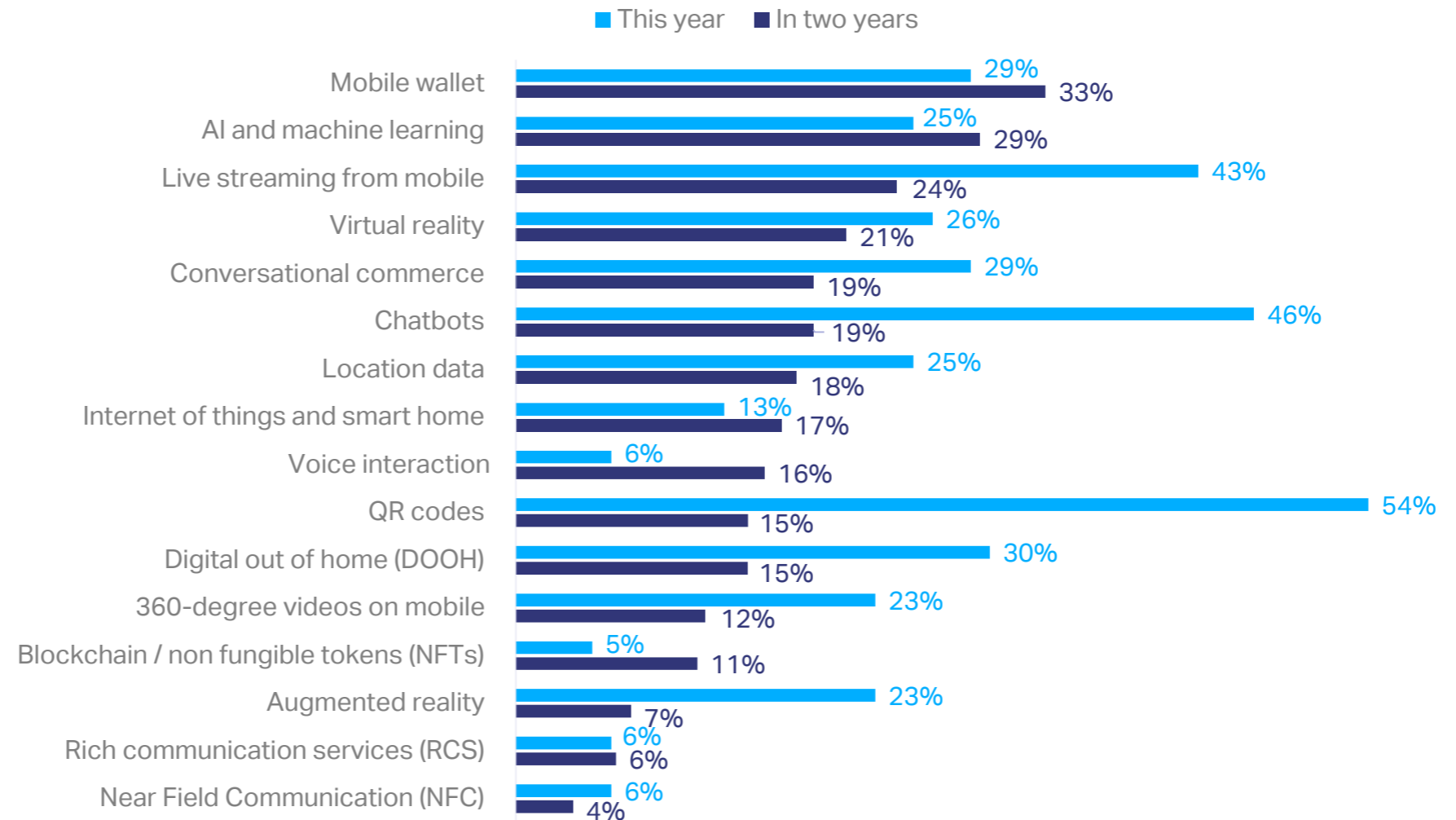


One-third (33%) say mobile wallets will be most important in two years

Mobile wallet is predicted to be one of the most important technologies in two years, potentially a result of COVID's impact on m-commerce. Additionally, e-wallets have grown in importance as cash-on-delivery has decreased, allowing mobile payments to take their place.

QR codes, which have seen a boost during COVID and are used by over half of respondents today (54%), might become more ubiquitous in the next two years and therefore not be as significant (15%).

Are you / your typical client's planning to use any of the following and their associated mobile technologies in 2021?/ Which of these technologies do you expect to be most significant in two years' time?



About

About the study

This report is based on an online survey of 152 marketing professionals, carried out in July and August 2021.

The survey link was disseminated to WARC and MMA lists, and respondents received a complimentary copy of the report.

Respondents were based in Vietnam, and were a mix of client-side, agency, media owner and technology vendor marketers.

About WARC

Warc.com is an online service offering advertising best practice, evidence and insights from the world's leading brands. WARC helps clients grow their businesses by using proven approaches to maximise advertising effectiveness. WARC's clients include the world's largest advertising and media agencies, research companies, universities and advertisers.

About the MMA

The MMA is the only marketing trade association that brings together the full ecosystem of marketers, martech and media companies to architect the future of marketing, whilst delivering growth today. Committed to science and questioning, the MMA invests millions of dollars in rigorous research to enable marketers with unassailable truth and actionable tools. By enlightening, empowering and enabling marketers, the MMA shapes future success, while also propelling business growth.

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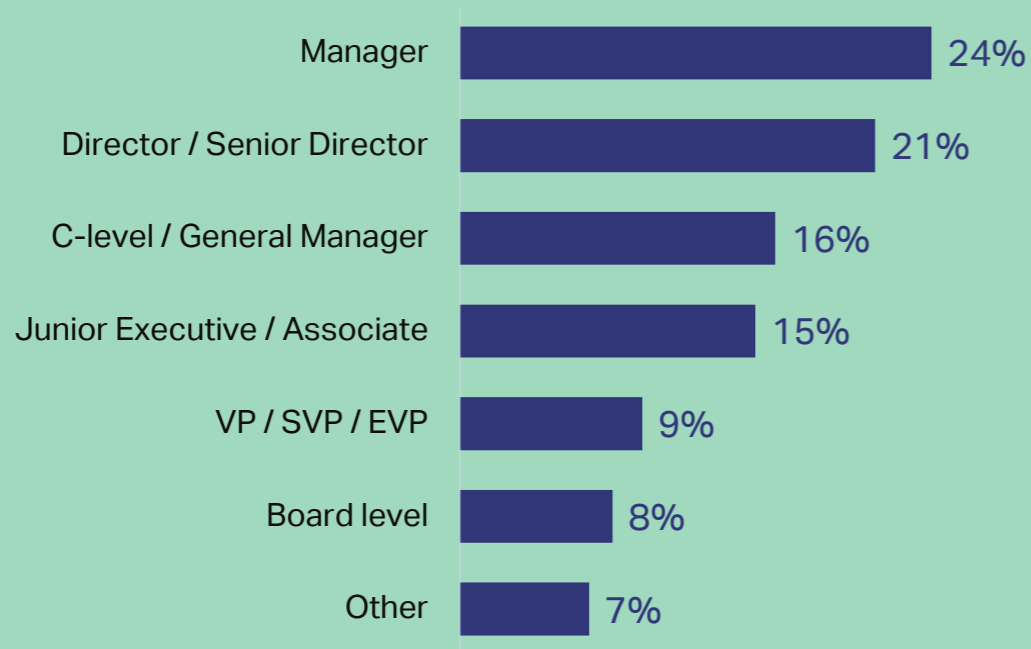
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Demographics

The survey was conducted in Vietnam. Respondents are most likely to work for advertising agencies. In terms of job role, most respondents hold Manager or Director level positions.

Job role



Note, In some charts, percentages may not sum to 100% due to rounding. Advertising agency option includes creative, digital and media agencies

Company type

