

UOB Business Outlook Study 2025



(SMEs & Large Enterprises)

The UOB Business Outlook Study 2025, now in its sixth year, offers a comprehensive snapshot of the business landscape in Vietnam. Conducted in January 2025, this annual survey encompasses Medium and Large Enterprises, providing valuable insights into the current economic climate and future expectations among business decision-makers.

The study delves into several key areas crucial for business growth and adaptation in the evolving economic environment. These include Sustainability Adoption, Digitalisation, FinTech Adoption, Supply Chain Management, Overseas Expansion and Workforce Management. A notable addition to this year's study is the focus on the needs and preferences of Women in Business and Next Gen Leaders in Vietnam.

This new perspective offers insights into the future direction of businesses and the evolving priorities of emerging business leaders. By capturing robust insights across various sectors and business sizes, the UOB Business Outlook Study 2025 serves as a valuable resource for companies looking to understand the current business environment, plan for future opportunities, and address potential challenges in Vietnam's dynamic economy



Vietnam

WHAT



Total of 532 interviews, 15-minute online survey, conducted in January 2025



Total of 110 interviews, 10-minute online survey, conducted in April 2025 after the US tariffs were announced

WHO



Covers both Medium and Large Enterprises across key industry verticals



Owners/C-suite/Management level who are involved with business decision-making



Classification of businesses
Medium Enterprises - annual turnover of VND 200b to <5t
Large Enterprises - annual turnover of VND >5t

INDUSTRIES

54



Professional Services

53



Construction & Infrastructure

52



Real Estate & Hospitality

51



Healthcare & Medical Services

51



Business Services

50



Community & Personal Services

50



Consumer Goods

48



Wholesale Trade

47



Manufacturing & Engineering

45



Tech, Media & Telecom

31



Industrials, Oil & Gas

Business sentiment has declined sharply after the recent US tariffs



However, nearly **1 in 2** businesses say the business sentiment is positive after the recent US tariffs



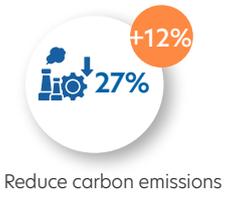
Business outlook has dropped sharply after the recent US tariffs



However, nearly **3 in 5** businesses say the business outlook is positive after the recent US tariffs



Businesses are prioritising sustainability and exploring new revenue opportunities in the next 1-3 years



■ 2024 ■ Change vs. 2023

Sustainability adoption has improved, with Healthcare & Medical Services and Tech, Media & Telecom sectors taking the lead



Nearly **3 in 4** businesses have started implementing sustainability practices

Sectors where sustainability is most implemented



Started implementing in 2023



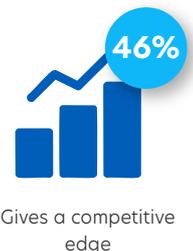
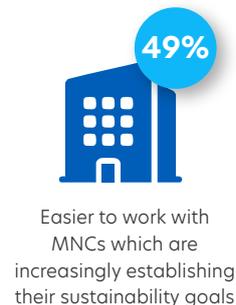
Started implementing in 2024



Cities where sustainability is most implemented



Sustainability is recognised as a lever to attract investors, boost reputation, and build a responsible future



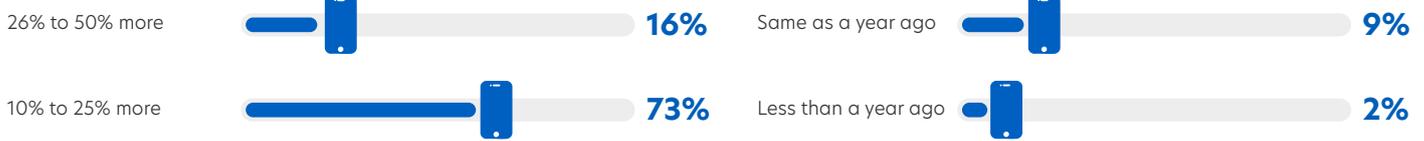
Digitalisation enhances customer experience, lowers IT costs, strengthens data security, and improves decision-making

Top impact areas from digitalisation



With positive outcomes clearly visible, businesses are planning to invest more in their digital efforts in 2025

Digital spending in 2025 vs. 2024



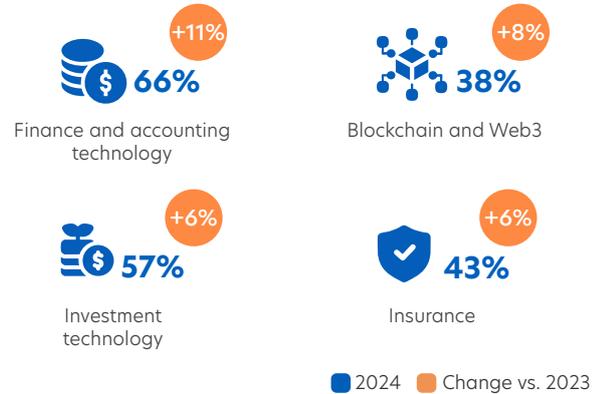
FinTech solutions for finance, accounting, and blockchain are driving overall FinTech adoption growth

Over **9 in 10** businesses have adopted or planned to adopt FinTech

Adopted/Plan to adopt in 2023 **95%**

Adopted/Plan to adopt in 2024 **98%**

FinTech Solutions Adopted/Plan to Adopt



Supply chain disruptions continue to impact businesses and are expected to intensify after the recent US tariffs

33% of businesses expect supply chain disruptions to increase a lot after the recent US tariffs

Affected in 2023 **49%**

Affected in 2024 **34%**

Most impacted sectors

47% Business Services

45% Industrials, Oil & Gas

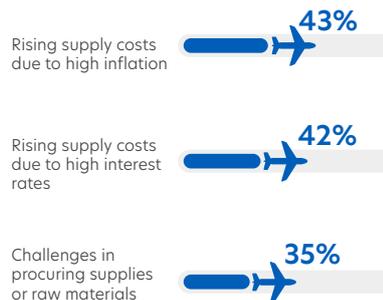
Most impacted cities

38% Rest of Vietnam

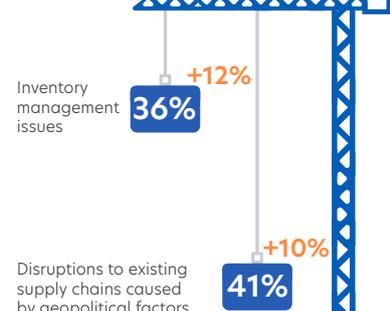
36% HCMC

Beyond cost and procurement, businesses face inventory issues and supply chain disruptions

Top 3 challenges in supply chain management



Emerging supply chain challenges in 2024



Interest in overseas expansion remains strong, especially among Tech, Media & Telecom and Business Services firms

 Nearly **9 in 10** businesses are interested in expanding overseas in the next three years



Very interested



Slightly interested

Total  **89%**

Most interested sectors



Differences by business size



Revenue, profits, and reputation are key drivers for overseas expansion

Top 3 motivators for expansion



Opportunities in other markets are also creating greater interest in expansion

Taking advantage of opportunities in other markets, 2023



Taking advantage of opportunities in other markets, 2024



Workforce challenges have impacted many businesses

 Close to **1 in 2** businesses are affected by workforce or manpower-related issues

Most affected sectors



Most affected cities



15%



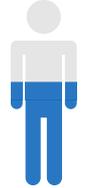
Extremely affected

31%



Very affected

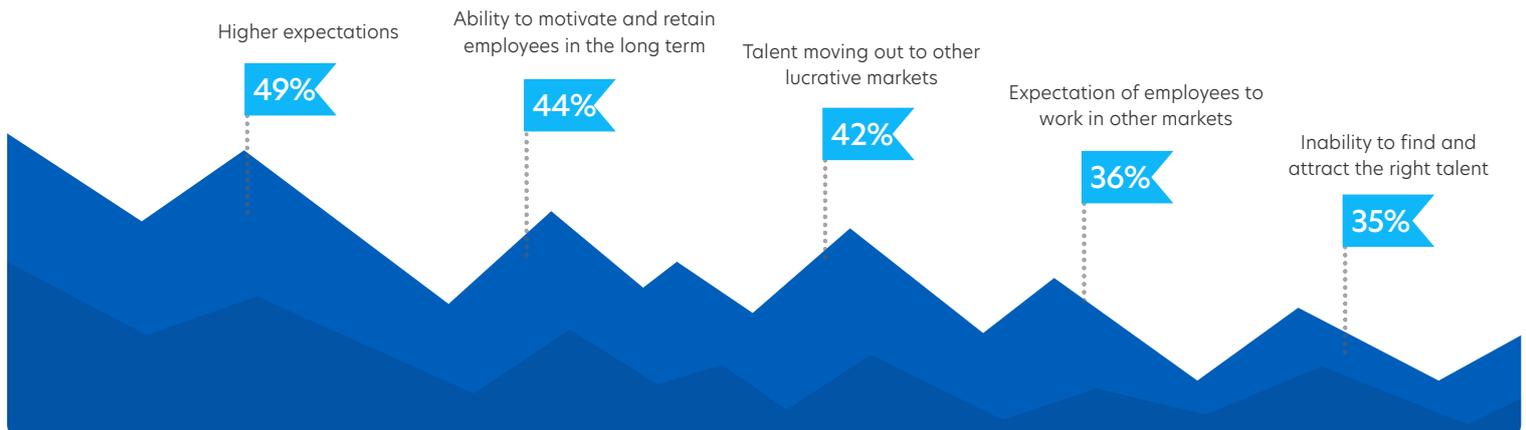
46%



Total

Higher expectations and talent retention are key workforce challenges

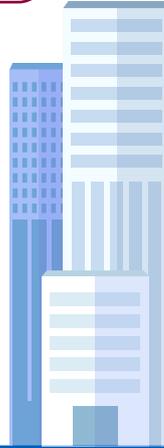
Top internal challenges in workforce management



Business sentiment has declined sharply after the recent US tariffs



However, nearly **1 in 2** businesses say the business sentiment is positive after the recent US tariffs



Business optimism has declined after the recent US tariffs



However, nearly **3 in 5** businesses say the business outlook is positive after the recent US tariffs



Businesses face challenges with rising business costs and high levels of inflation, which are set to increase after the recent US tariffs



52% of businesses expect raw material and production costs to increase a lot after the recent US tariffs



30% of businesses expect the level of inflation to increase a lot after the recent US tariffs

Businesses are prioritising sustainability and exploring new revenue opportunities in the next 1-3 years

Top priorities for the next 1-3 years



2024 Change vs. 2023

Businesses are looking for financial support measures that can provide immediate relief from the adverse impact of the recent US tariffs

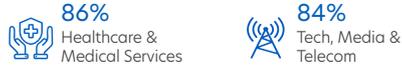
Support needed after the US tariffs were announced



Sustainability adoption has improved in 2024, with the pace of adoption expected to increase after US tariffs



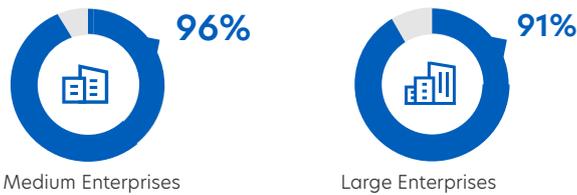
Sectors where sustainability is most implemented



Cities where sustainability is most implemented



Sustainability adoption is more important among Medium Enterprises



Healthcare & Medical services drive sustainability by reducing waste and enforcing clear, efficient operational policies.

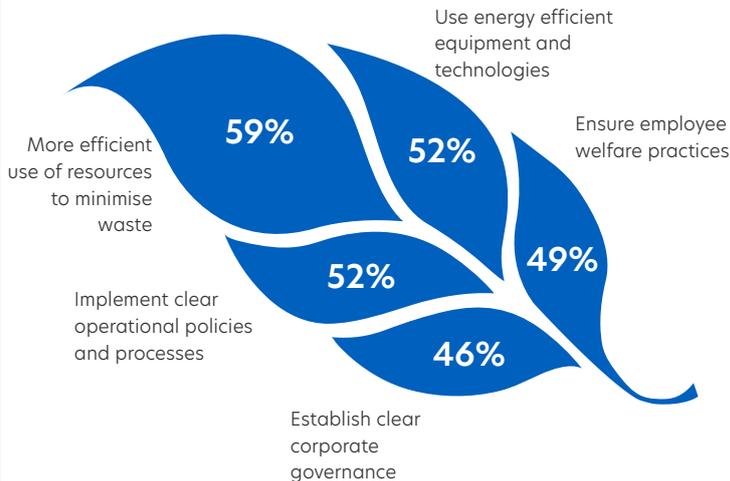
In Tech, Media & Telecom, sustainability is key to attracting investors and standing out in a competitive landscape.

Sustainability is recognised as a lever to attract investors, boost reputation, and build a responsible future

Top motivators for sustainability adoption



Initiatives with a tangible impact such as minimising waste and saving energy are prioritised



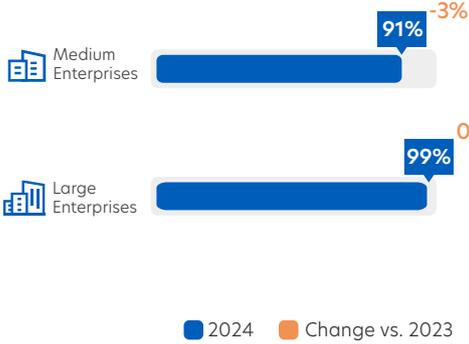
Rising costs and revenue impact are key barriers to adoption



“ We talked about cutting energy consumption, group panel, and other aspects. But I think those are, like surplus and not important. They are not applicable to the industry as there are no norms or standard practices. - CEO, Entertainment sector ”

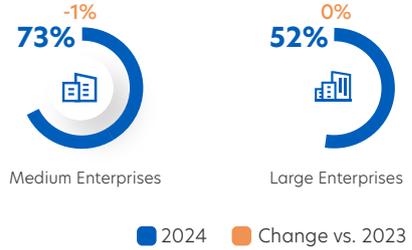
Digital adoption is expected to accelerate due to US tariffs

Digitalised at least one department



61% of businesses expect an increase in the pace of digital adoption after the recent US tariffs

Success with digitalisation



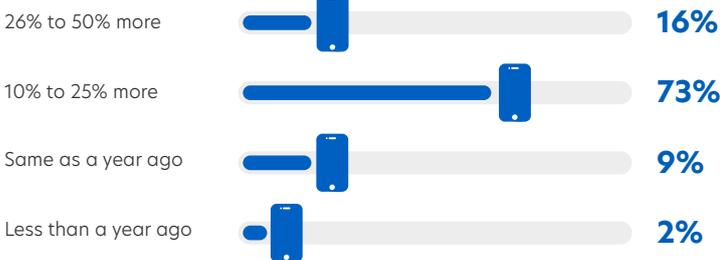
Digitalisation enhances customer experience, lowers IT costs, strengthens data security, and improves decision-making

Top impact areas from digitalisation



With positive outcomes clearly visible, businesses are planning to invest more in their digital efforts in 2025

Digital spending in 2025 vs. 2024

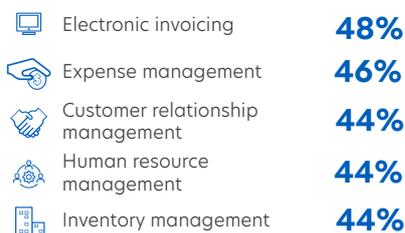


Many of our business functions are on the cloud. We can forecast the new trends seen in overseas markets, source for the required material in advance, and plan ahead.
- CFO, Wholesale Trade sector



Future digital investments will extend to supply chain, partner relationship management, and marketing functions

Current processes digitalised (Top 5)



Future processes digitalised (Top 5)



FinTech solutions for finance, accounting, and blockchain are driving overall FinTech adoption growth

 Over **9 in 10** businesses have adopted or planned to adopt FinTech

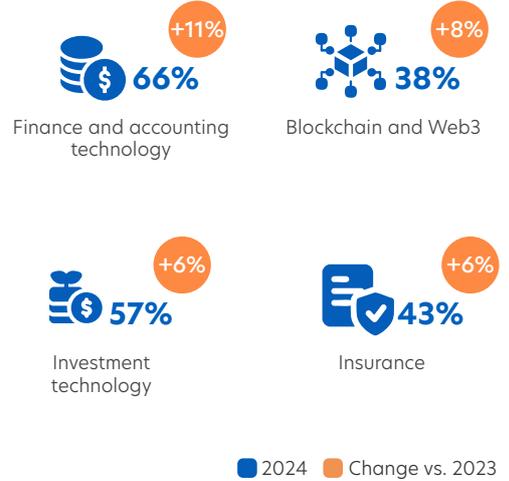
Adopted/Plan to adopt in 2023



Adopted/Plan to adopt in 2024

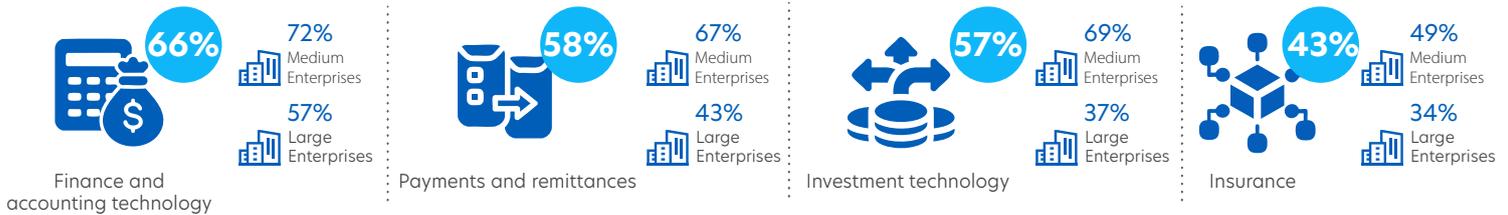


FinTech Solutions Adopted/Plan to Adopt

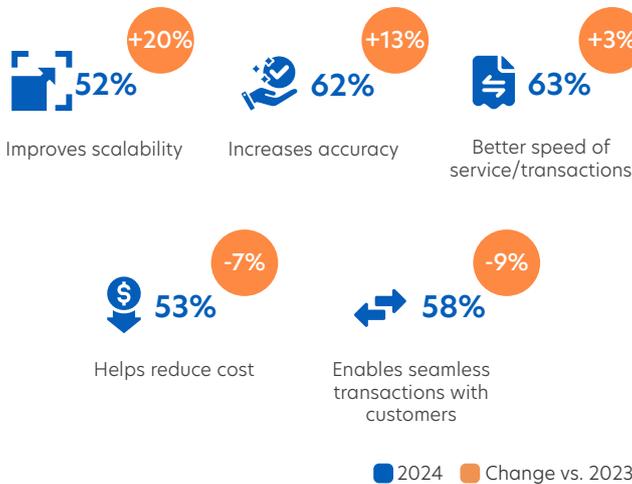


Medium Enterprises are leading in FinTech adoption across most solutions

FinTech Solutions Adopted



Businesses are increasingly adopting digital payments for scalability and accuracy



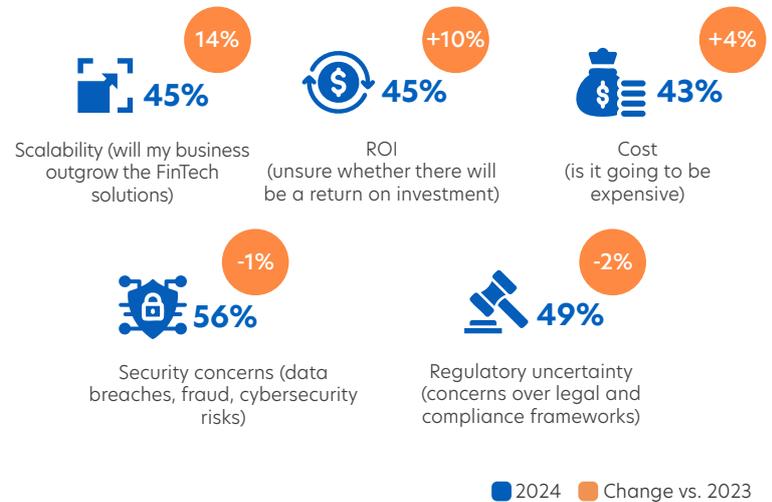
Sectors where scalability is more important



Cities where scalability is more important



Scalability and investment returns are bigger concerns now as businesses continue to adopt FinTech



Sectors where scalability is more important



Cities where scalability is more important



Supply chain disruptions continue to impact businesses and are expected to intensify after the recent US tariffs

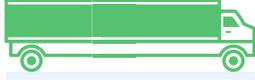


Over **1 in 3** businesses say their supply chain has been affected



33% of businesses expect supply chain disruptions to increase a lot after the recent US tariffs

Affected in 2023



49%

Affected in 2024



34%



Most impacted sectors



47%
Business Services



45%
Industrials, Oil & Gas

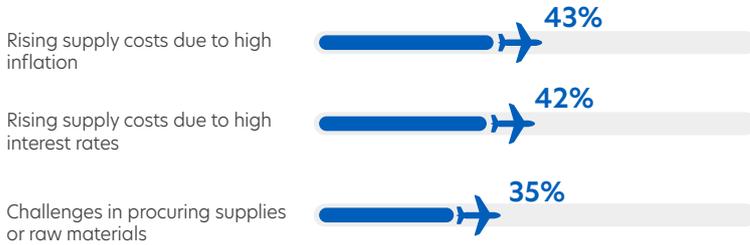
Most impacted cities

38%
Rest of Vietnam

36%
HCMC

Beyond cost and procurement, businesses face inventory issues and supply chain disruptions

Top 3 challenges in supply chain management



Emerging supply chain challenges in 2024

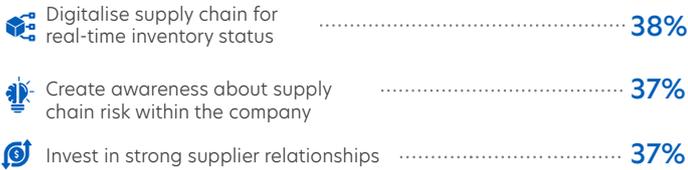
Inventory management issues



Disruptions to existing supply chains caused by geopolitical factors

■ 2024 ■ Change vs. 2023

Businesses are digitalising, managing risks, and collaborating for stable supply chains



Localisation, diversification, and alternative sourcing support supply chain stability



With diversification, future sourcing is set to expand into Mainland China and rest of North Asia

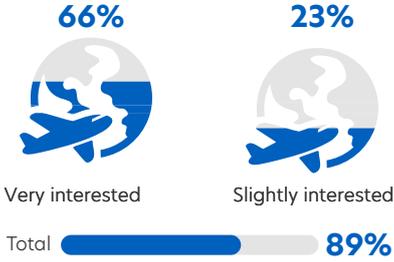


Businesses seek connections and collaboration opportunities for supply chain stability



Interest in overseas expansion remains high after US tariffs, with intra-ASEAN trade expected to grow

Nearly 9 in 10 businesses are interested in expanding overseas in the next three years



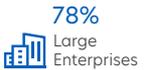
US TARIFFS
46% of businesses expect an increase in the pace of overseas expansion after the recent US tariffs

US TARIFFS
70% of businesses expect an increase in the level of intra-ASEAN trade after the recent US tariffs

Most impacted sectors



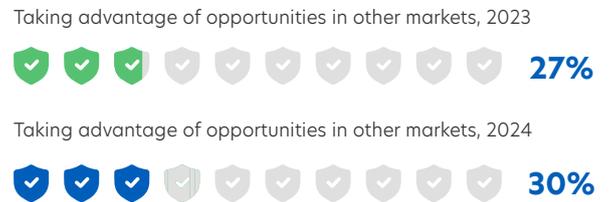
Differences by business size



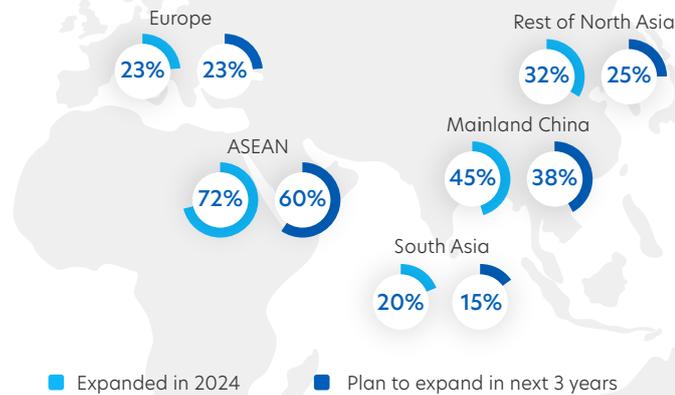
Revenue, profits, and reputation are key drivers for overseas expansion



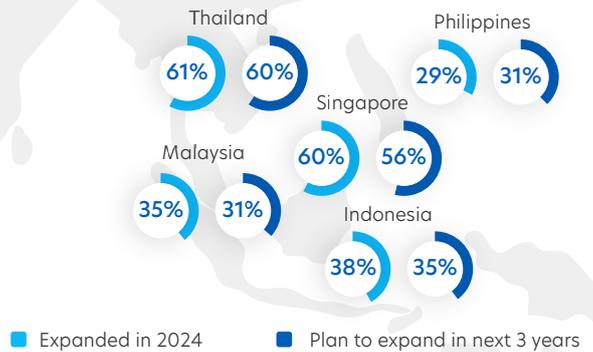
Opportunities in other markets are also creating greater interest in expansion



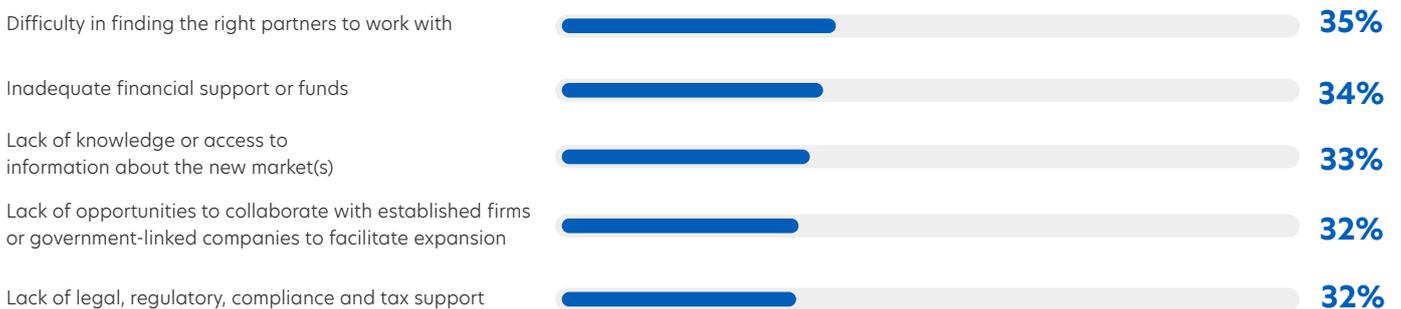
Current and future expansion efforts continue to prioritise ASEAN and Mainland China



Within ASEAN, Thailand and Singapore are key priority markets



Difficulty in partner identification, limited funding, and lack of access to market insights are key barriers to overseas expansion



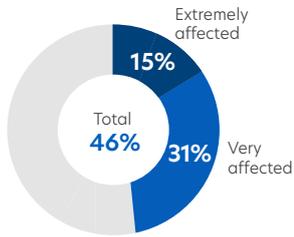
Businesses are experiencing workforce challenges, which are expected to escalate after US tariffs



Close to **1 in 2** businesses are affected by workforce or manpower-related issues



42% of businesses expect workforce challenges to increase a lot after the recent US tariffs driven by inflation and higher cost to business



Most affected sectors

71%
Wholesale Trade

63%
Professional Services

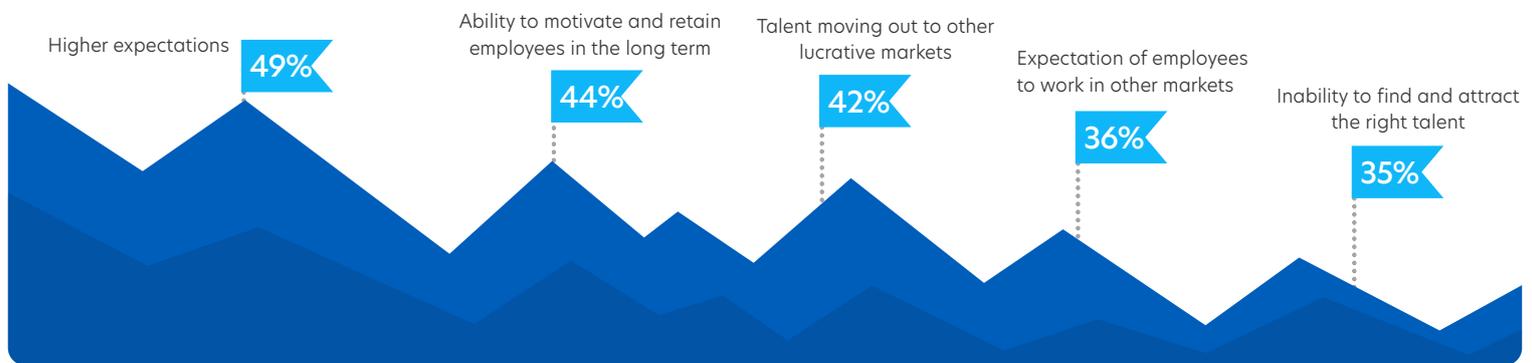
Most affected cities

51%
HCMC

47%
Rest of Vietnam

Higher expectations and talent retention are key workforce challenges

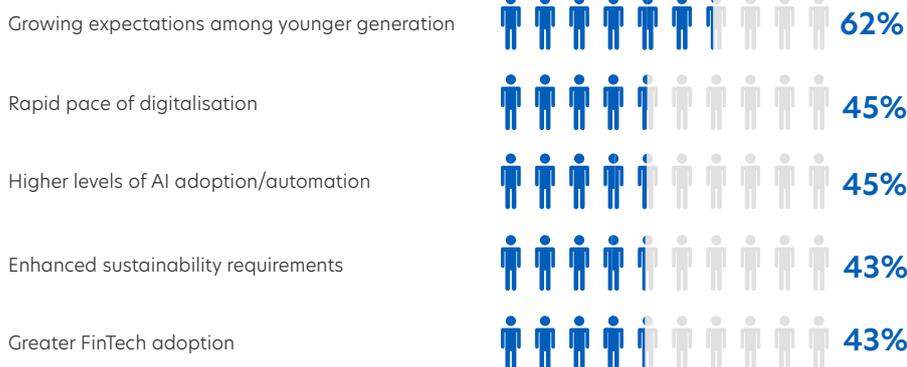
Top internal challenges in workforce management



External factors such as growing demands among the younger generation, rapid digitalisation, and AI adoption have intensified workforce challenges

Top external challenges in workforce management

Total in 2024

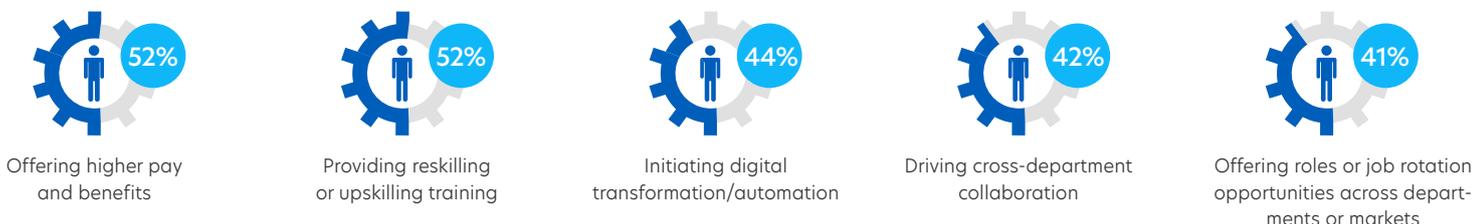


“ Fresh graduates like to be rotated across departments and locations because they are hungry for exposure, but this puts a huge pressure on the team leaders managing them. They also seek perks beyond remuneration.
- CEO, Tech sector



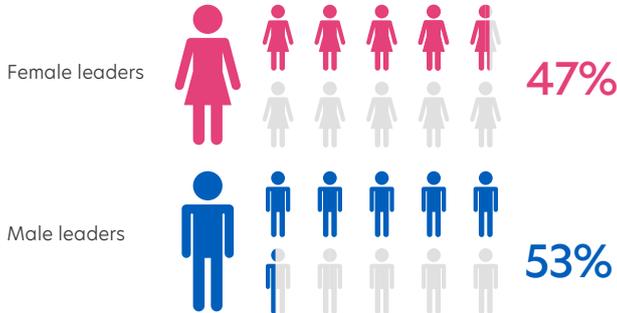
Businesses are addressing workforce challenges through higher pay, skill development, and digital transformation

Top actions to address workforce challenges



1 in 2 of all business leaders are women, with a stronger presence in Manufacturing, Healthcare, and Consumer Goods sectors

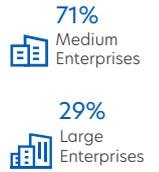
7 in 10 women in leadership roles within the business world are leading Medium Enterprises



Spread by sectors

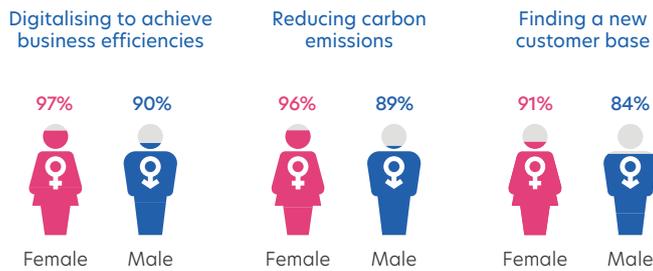


Spread by business size



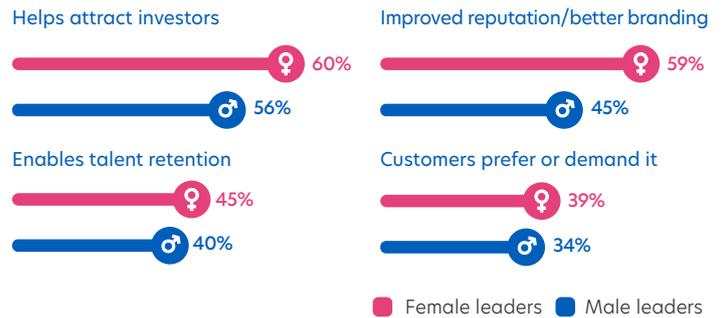
Women in business focus on digitalisation, cutting carbon emissions, and expanding their customer base

Women are more prepared on



Sustainability helps women leaders attract investors, enhance reputation, retain talent, and win customer preference

Sustainability drivers



Women leaders focus on customer experience through instant communication and efficient transactions

Use of AI, chatbots etc. for real-time interaction

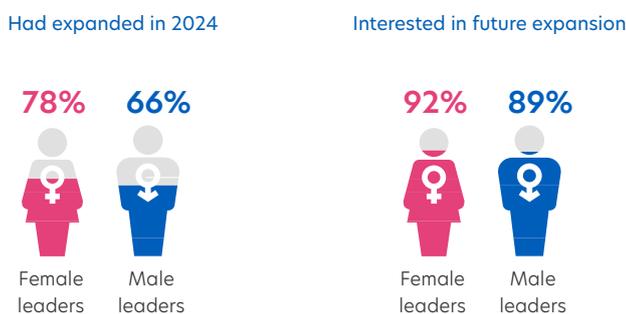


Adopted digital payment for better speed of service/transactions

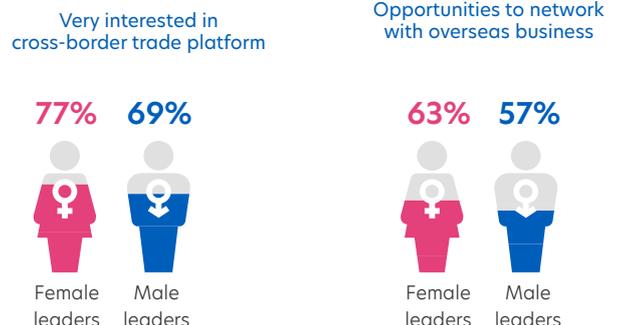


Women-led businesses have expanded overseas and are keen to leverage trade platforms

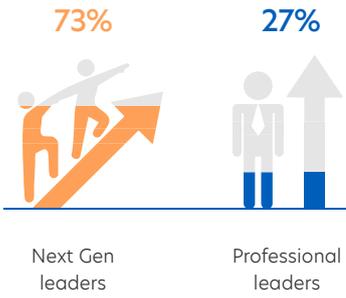
Expansion interest



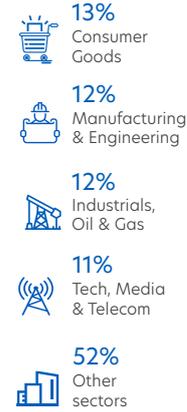
Cross-border trade platforms



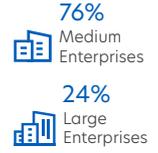
Almost 3 in 4 business leaders are Next Gen, with a stronger presence in the Consumer Goods sector and Medium Enterprises



Spread by sectors



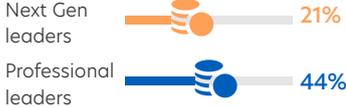
Spread by business size



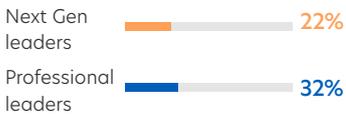
Next Gen leaders prioritise sustainability over short-term concerns

Short term concerns

High manpower cost



Hire more talent to boost business capabilities

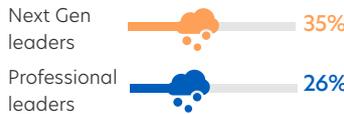


Strategic concerns

Move business towards ESG practices

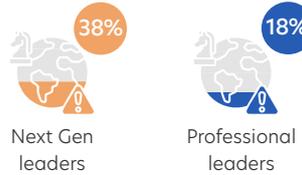


Reduce carbon emissions



Next Gen leaders tackle supply chain issues through employee training and strong supplier ties

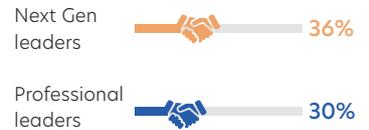
Affected by geopolitical impact on supply chains



Reskill/upskill employees



Invest in stronger supplier relationships



Sustainability appeals to investors and customers, and aligns with MNC partners

Sustainability practices



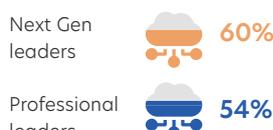
Next Gen leaders are at the forefront of tech adoption

Technologies used

Generative AI



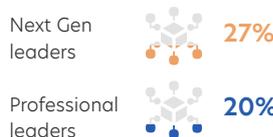
Cloud Computing



Augmented reality



Blockchain



Next Gen leaders have widely adopted digital tools for operations and relationship management

Areas digitalised or planned

Digitalisation of procurement



Digitalisation of Partner Relationship Management



Digitalisation of front-end fulfilment



Digitalisation of inventory management

