

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



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



Positive in 2023



Positive in 2024



Positive in 2025 after 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



2024

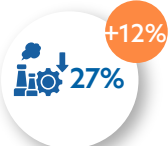


2025



2025 after US tariffs

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



Reduce carbon emissions



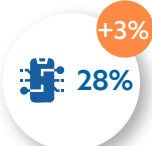
Move my business towards ESG practices



Develop new sources of revenue



Build a purpose-driven business



Digitalise to achieve business efficiencies

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



Cities where sustainability is most implemented



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



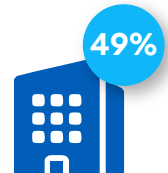
Helps to attract investors



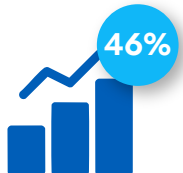
Improved reputation or better branding of the company



Builds an environmentally and socially sustainable future for the market



Easier to work with MNCs which are increasingly establishing their sustainability goals



Gives a competitive edge

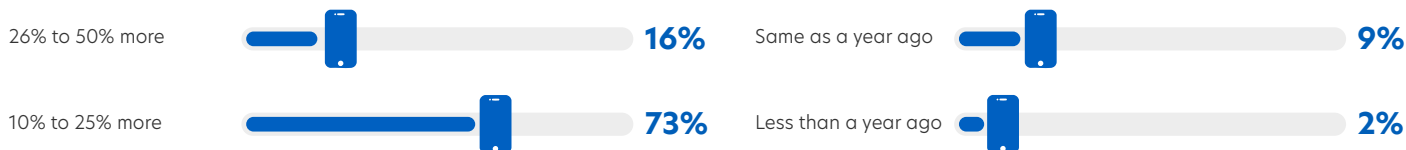
Digitalisation enhances customer experience, lowers IT costs, strengthens data security, and improves decision-making

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

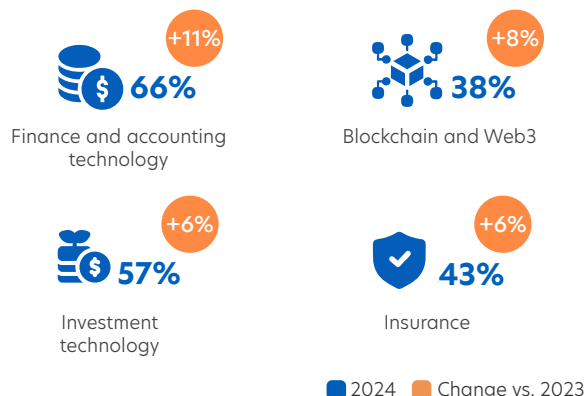


Over 9 in 10 businesses have adopted or planned to adopt FinTech

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

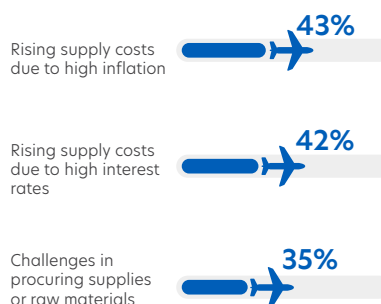
Most impacted cities

38% Rest of Vietnam

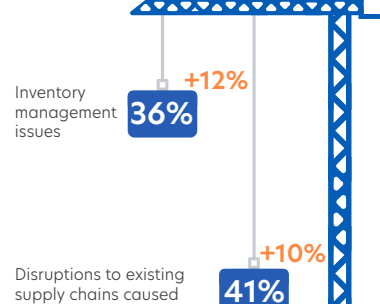
36% HCMC

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

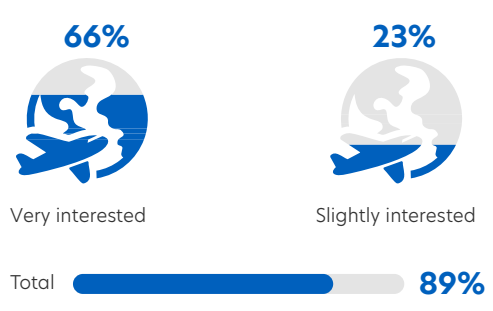
Top 3 challenges in supply chain management



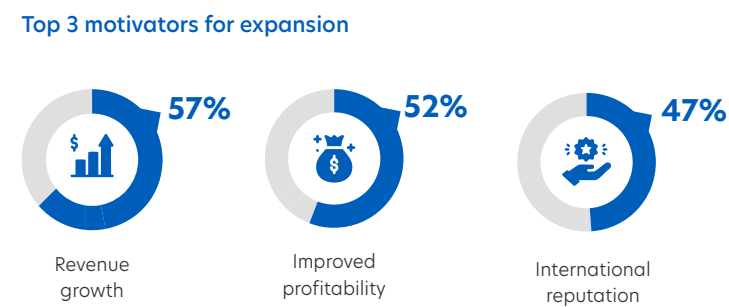
Emerging supply chain challenges in 2024



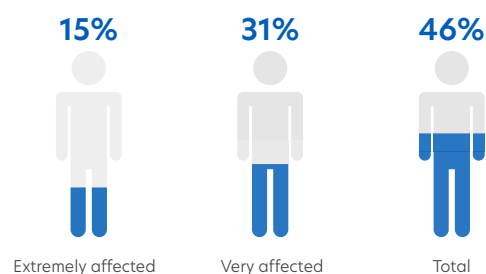
Interest in overseas expansion remains strong, especially among Tech, Media & Telecom and Business Services firms



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

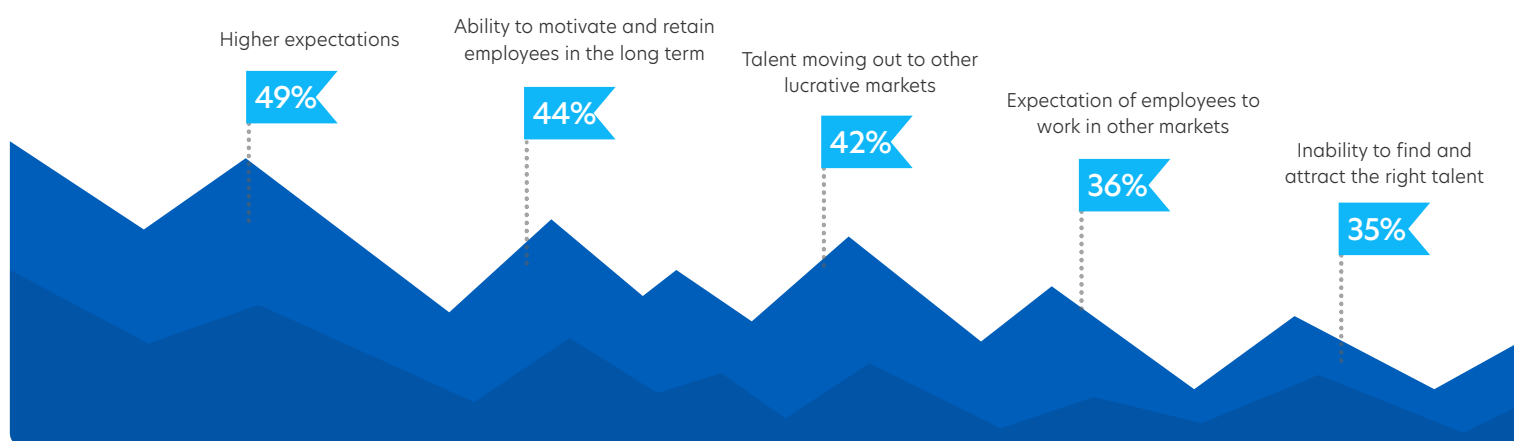


Workforce challenges have impacted many businesses



Higher expectations and talent retention are key workforce challenges

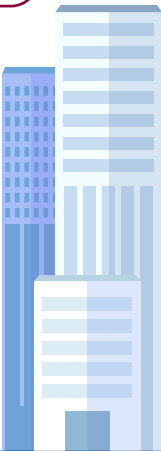
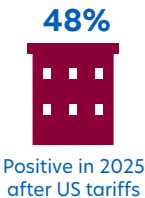
Top internal challenges in workforce management



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



Rising operational costs



High levels of inflation



Uncertainty over commodity prices



Recovering from overall economic slowdown



High interest rates



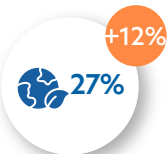
52% of businesses expect raw material and production costs to increase a lot after the recent US tariffs



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



Reduce carbon emissions



Move my business towards ESG practices



Develop new sources of revenue



Build a purpose-driven business



Digitalise to achieve business efficiencies

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



Financial aid to tackle loss or revenue/rising cost of doing business



Subsidies or tax exemption for certain sectors most hit by tariffs



Bilateral trade agreements with key markets

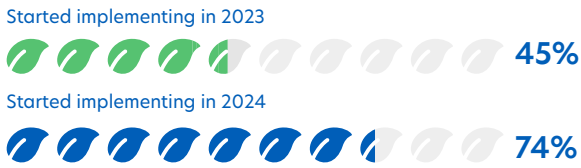


Longer-term assistance for relocation of supply chains



Financial products support/assistance

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



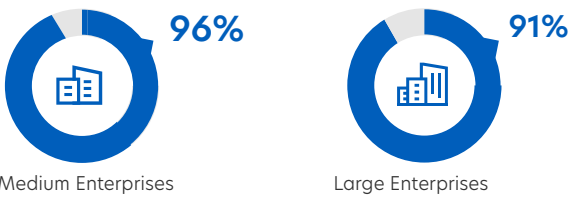
Sectors where sustainability is most implemented



Cities where sustainability is most implemented



Sustainability adoption is more important among Medium Enterprises



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

Top motivators for sustainability adoption



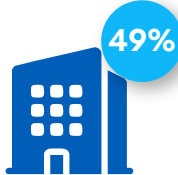
Helps to attract investors



Improved reputation or better branding of the company



Builds an environmentally and socially sustainable future for the market

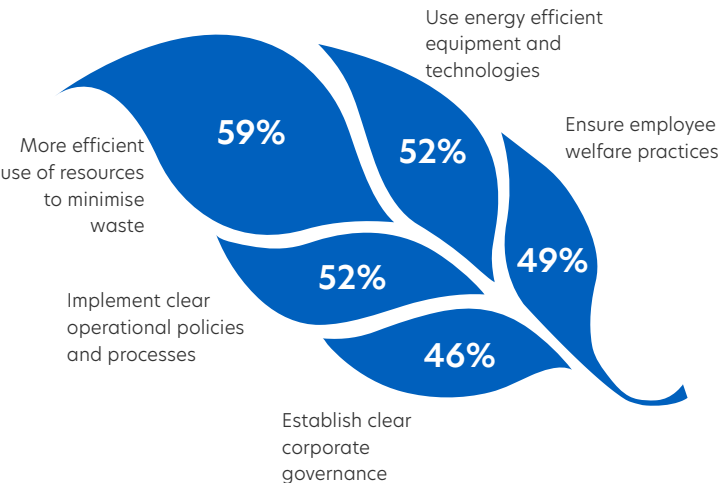


Easier to work with MNCs which are increasingly establishing their sustainability goals

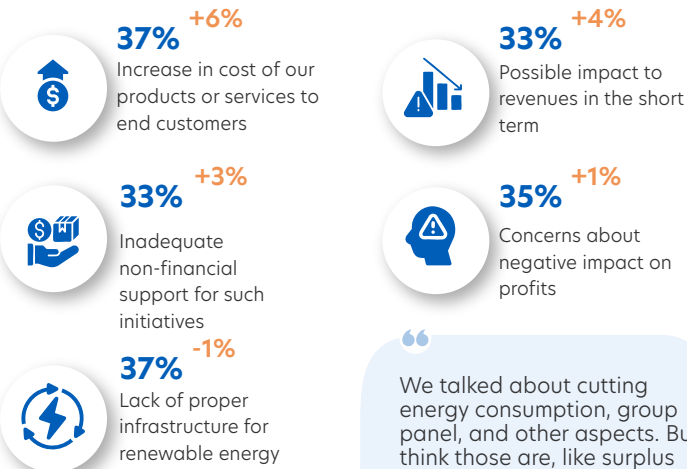


Gives a competitive edge

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



Rising costs and revenue impact are key barriers to adoption

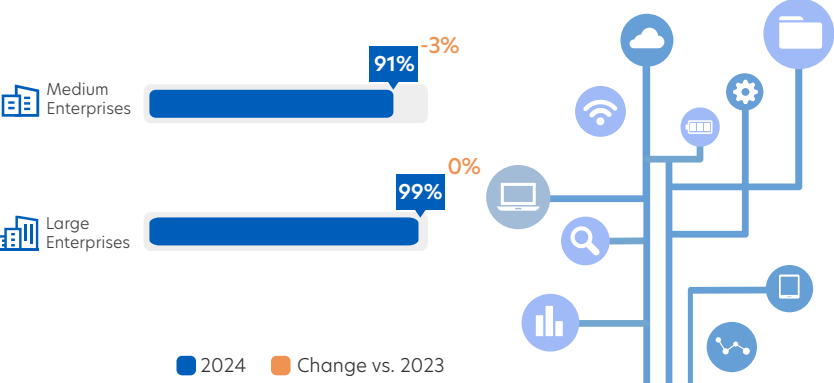


Change vs. 2023

“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

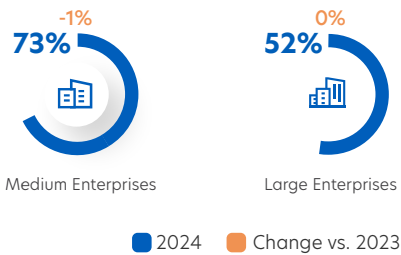
Digital adoption is expected to accelerate due to US tariffs

Digitalised at least one department



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

Success with digitalisation



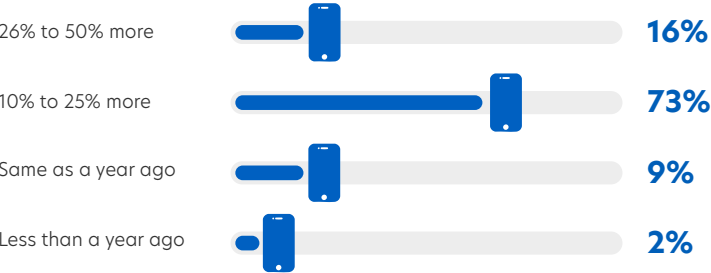
Digitalisation enhances customer experience, lowers IT costs, strengthens data security, and improves decision-making

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

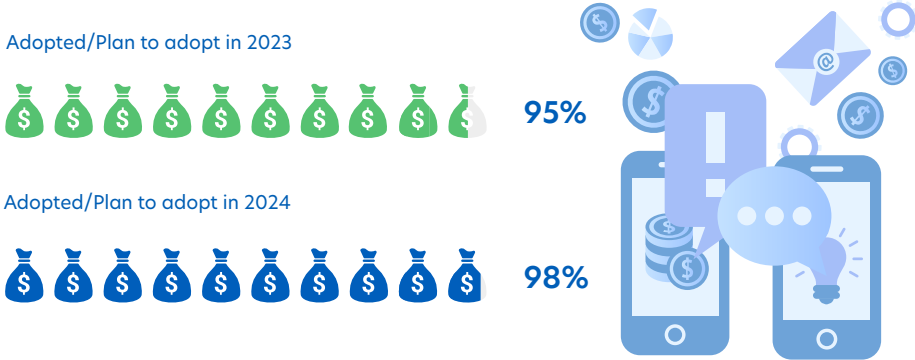
Current processes digitalised (Top 5)

Electronic invoicing	48%
Expense management	46%
Customer relationship management	44%
Human resource management	44%
Inventory management	44%

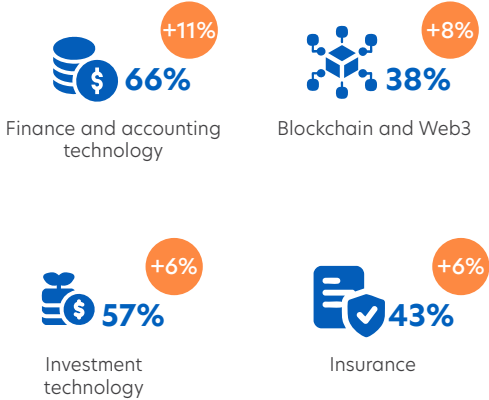
Future processes digitalised (Top 5)

Logistics and supply chain management	27%
Partner relationship management	27%
Marketing	26%
Expense management	24%
Customer relationship management	24%

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



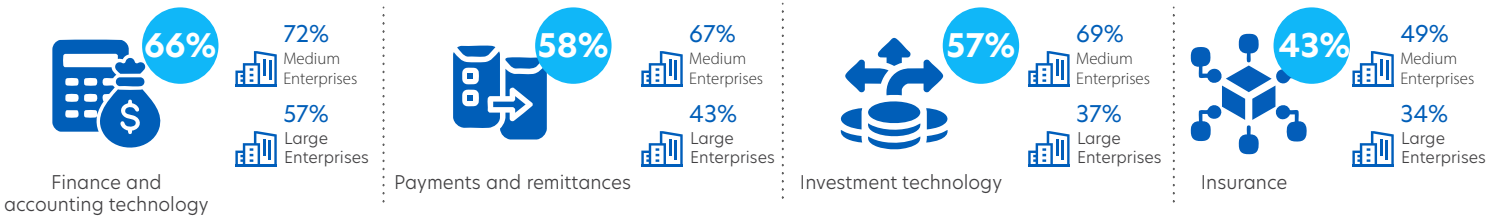
FinTech Solutions Adopted/Plan to Adopt



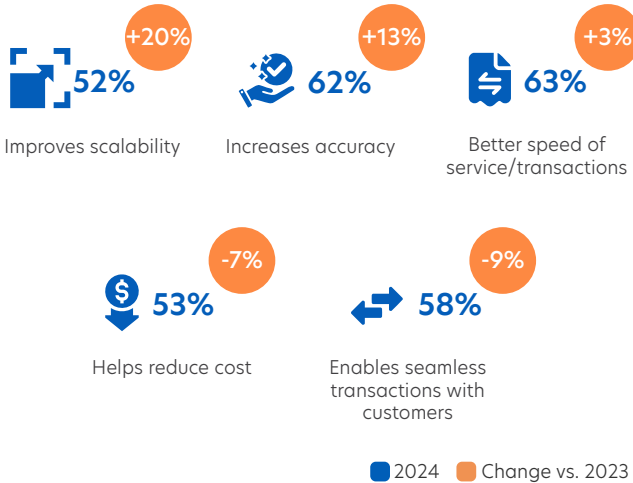
2024 Change vs. 2023

Medium Enterprises are leading in FinTech adoption across most solutions

FinTech Solutions Adopted



Businesses are increasingly adopting digital payments for scalability and accuracy



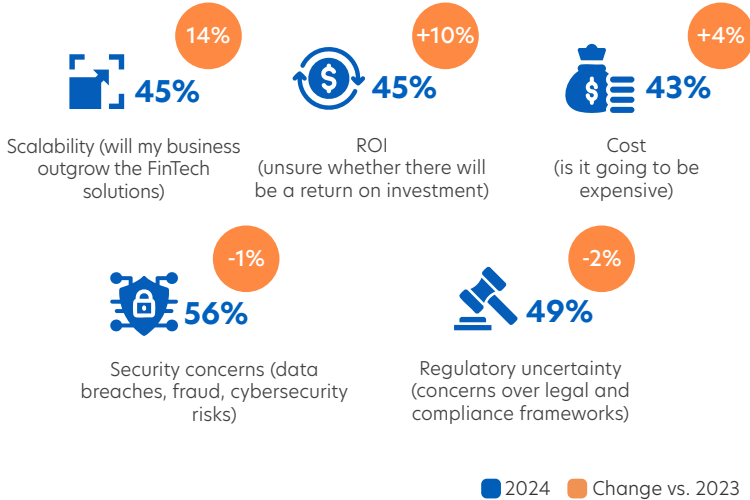
Sectors where scalability is more important



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

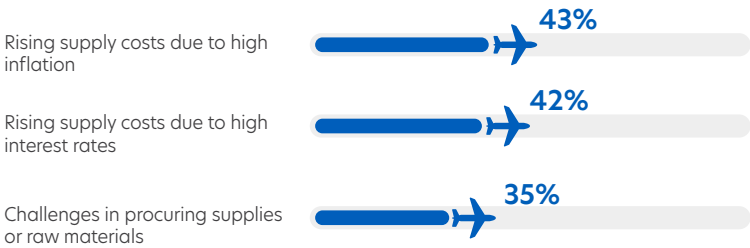


Supply chain disruptions continue to impact businesses and are expected to intensify after the recent US tariffs

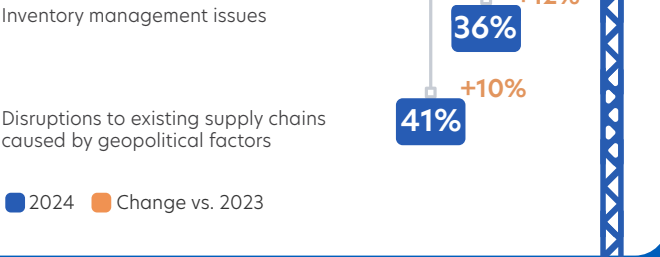


Beyond cost and procurement, businesses face inventory issues and supply chain disruptions

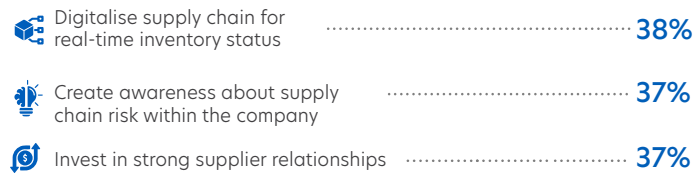
Top 3 challenges in supply chain management



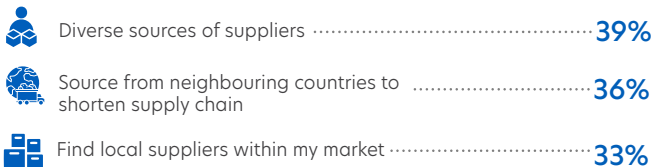
Emerging supply chain challenges in 2024



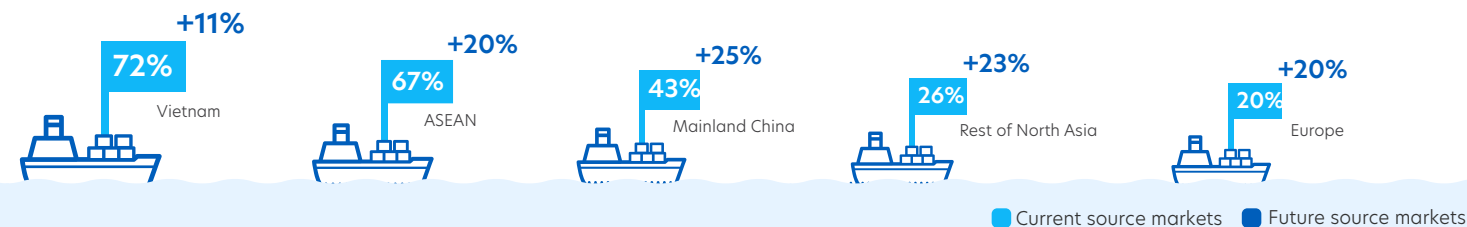
Businesses are digitalising, managing risks, and collaborating for stable supply chains



Localisation, diversification, and alternative sourcing support supply chain stability



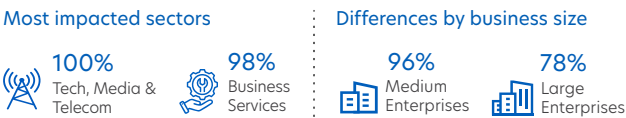
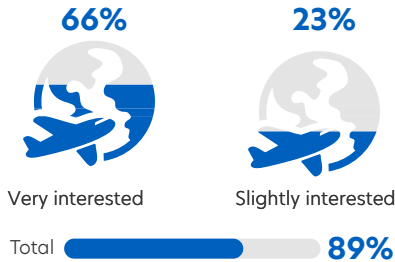
With diversification, future sourcing is set to expand into Mainland China and rest of North Asia



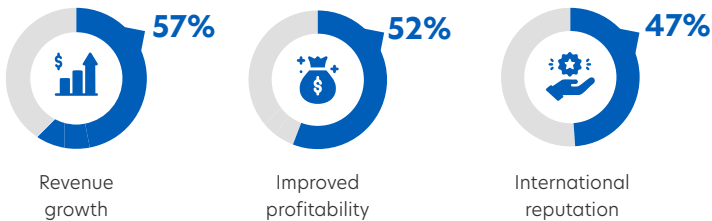
Businesses seek connections and collaboration opportunities for supply chain stability



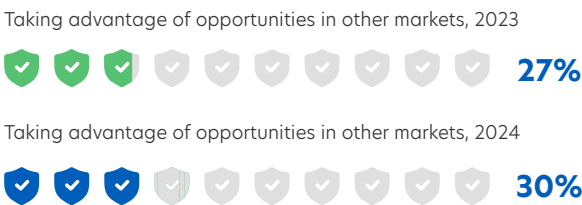
Interest in overseas expansion remains high after US tariffs, with intra-ASEAN trade expected to grow



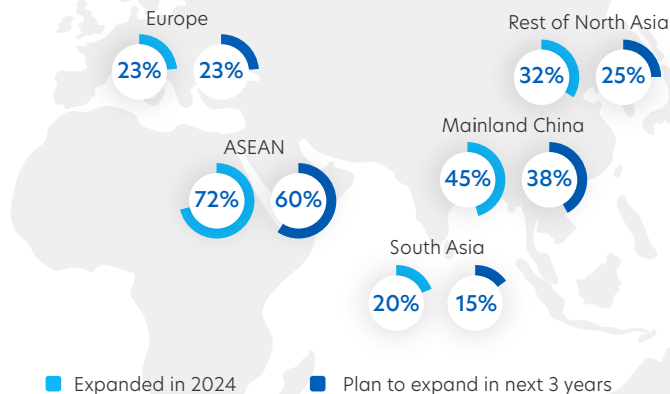
Revenue, profits, and reputation are key drivers for overseas expansion



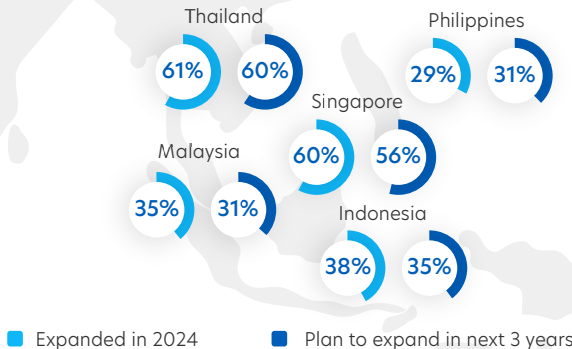
Opportunities in other markets are also creating greater interest in expansion



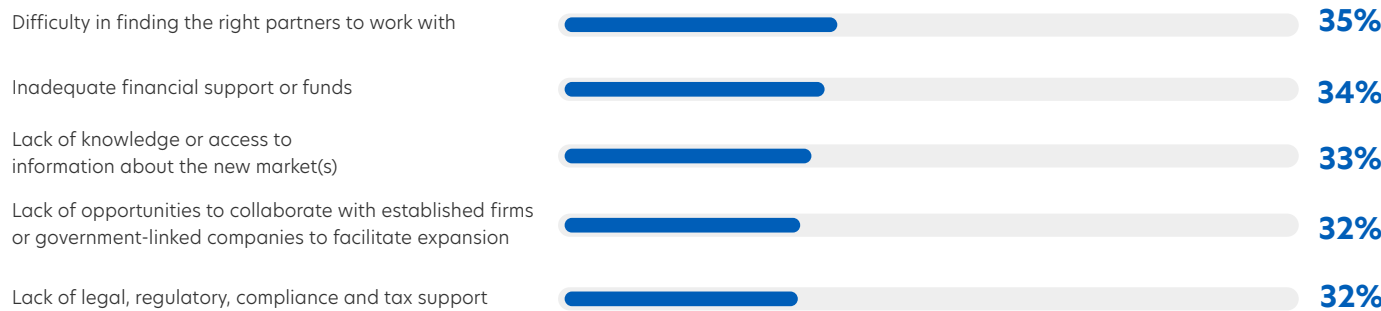
Current and future expansion efforts continue to prioritise ASEAN and Mainland China



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



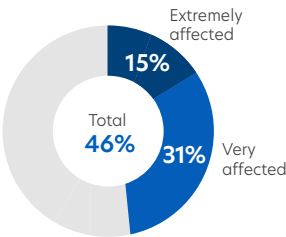
Businesses are experiencing workforce challenges, which are expected to escalate after US tariffs



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

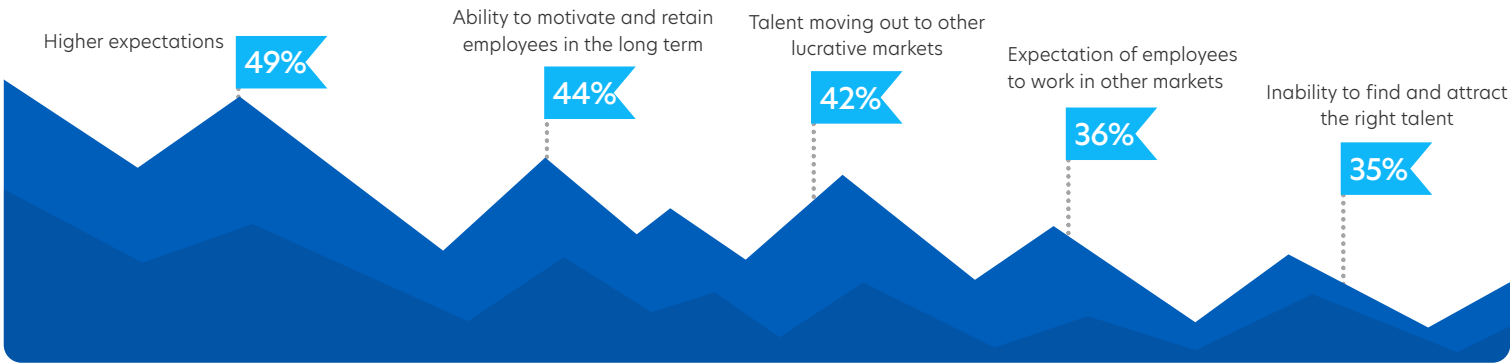
Most affected cities

51% HCMC

47% Rest of Vietnam

Higher expectations and talent retention are key workforce challenges

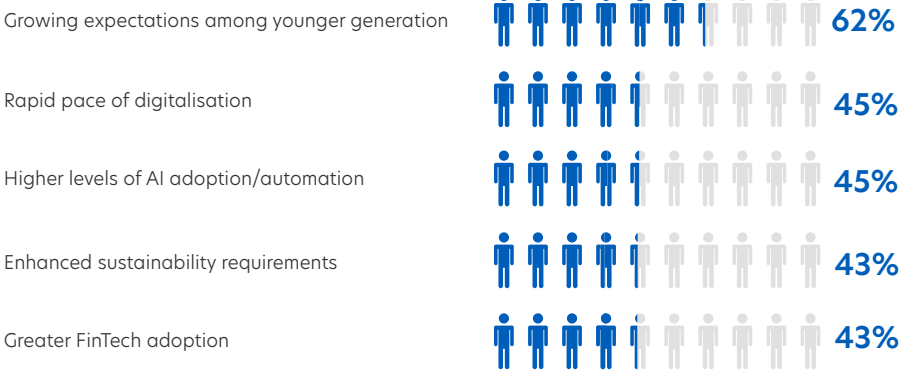
Top internal challenges in workforce management



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



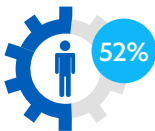
“ Fresh graduates like to be rotated across departments and locations because they are hungry for exposure, but this puts a huge pressure on the team leaders managing them. They also seek perks beyond remuneration. ”

- CEO, Tech sector

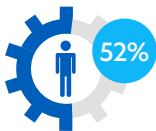


Businesses are addressing workforce challenges through higher pay, skill development, and digital transformation

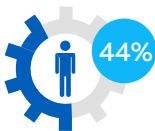
Top actions to address workforce challenges



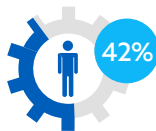
Offering higher pay and benefits



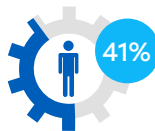
Providing reskilling or upskilling training



Initiating digital transformation/automation



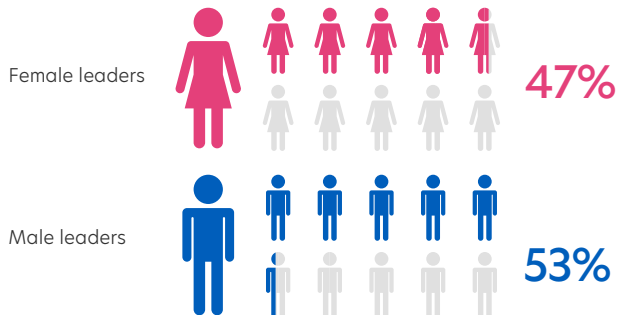
Driving cross-department collaboration



Offering roles or job rotation opportunities across departments or markets

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

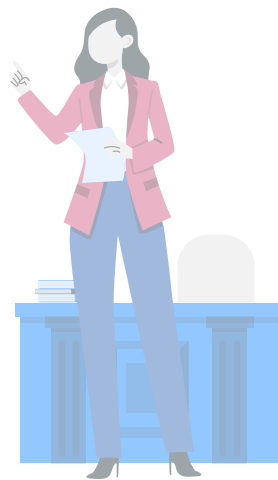
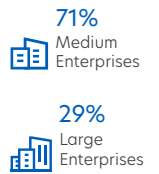
7 in 10 women in leadership roles within the business world are leading Medium Enterprises



Spread by sectors



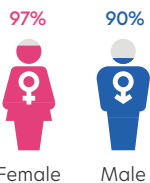
Spread by business size



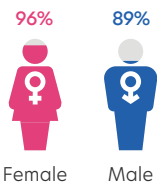
Women in business focus on digitalisation, cutting carbon emissions, and expanding their customer base

Women are more prepared on

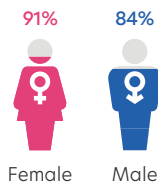
Digitalising to achieve business efficiencies



Reducing carbon emissions



Finding a new customer base



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

Sustainability drivers

Helps attract investors



Improved reputation/better branding



Enables talent retention



Customers prefer or demand it



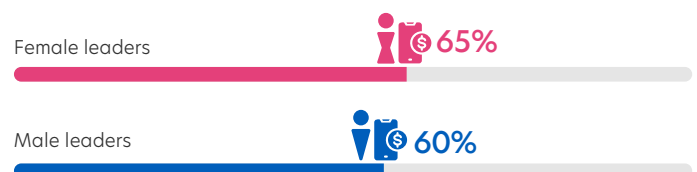
Female leaders Male leaders

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

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



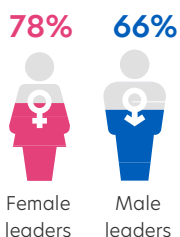
Adopted digital payment for better speed of service/transactions



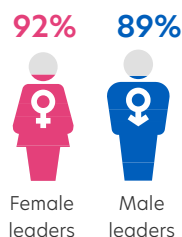
Women-led businesses have expanded overseas and are keen to leverage trade platforms

Expansion interest

Had expanded in 2024

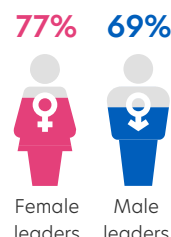


Interested in future expansion

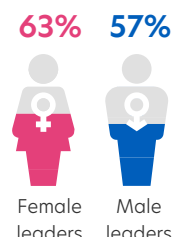


Cross-border trade platforms

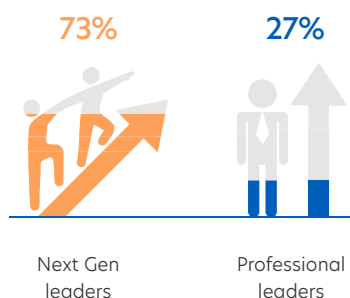
Very interested in cross-border trade platform



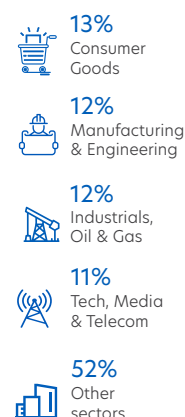
Opportunities to network with overseas business



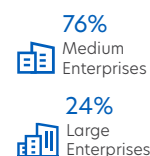
Almost 3 in 4 business leaders are Next Gen, with a stronger presence in the Consumer Goods sector and Medium Enterprises



Spread by sectors



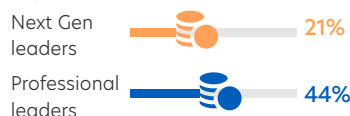
Spread by business size



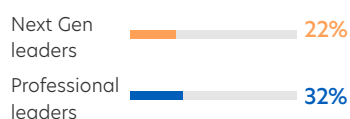
Next Gen leaders prioritise sustainability over short-term concerns

Short term concerns

High manpower cost

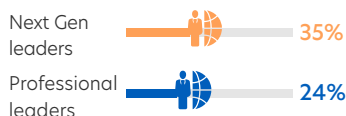


Hire more talent to boost business capabilities



Strategic concerns

Move business towards ESG practices

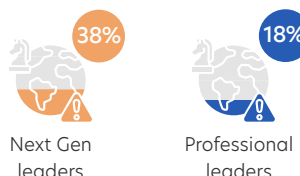


Reduce carbon emissions



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

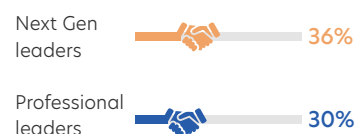
Affected by geopolitical impact on supply chains



Reskill/upskill employees



Invest in stronger supplier relationships

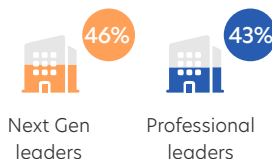


Sustainability appeals to investors and customers, and aligns with MNC partners

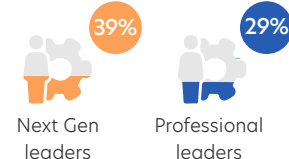
Sustainability practices



Attract investors



Easier to work with MNCs



Customers prefer or demand it

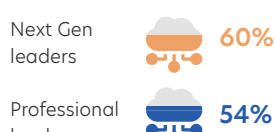
Next Gen leaders are at the forefront of tech adoption

Technologies used

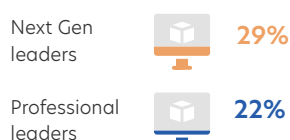
Generative AI



Cloud Computing



Augmented reality



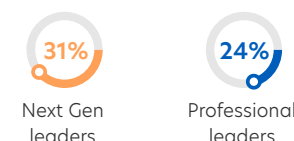
Blockchain



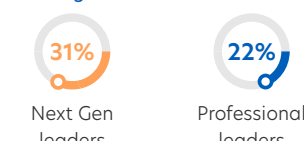
Next Gen leaders have widely adopted digital tools for operations and relationship management

Areas digitalised or planned

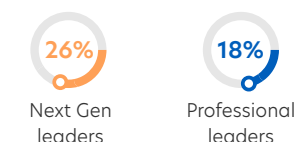
Digitalisation of procurement



Digitalisation of Partner Relationship Management



Digitalisation of front-end fulfilment



Digitalisation of inventory management

