

Socialist Republic of Vietnam

The mobile market in Vietnam has been growing very fast. The mobile penetration has reached 137% of population over 9 years. Currently there are over 119 million subscribers. They are also one of the few countries that is making significant progress in the transition to IPV6 internet addressing technologies on the mobile networks. Already a significant amount of Vietnamese mobile broadband users access video content on their mobile phone.

TELECOMMUNICATIONS MARKET

Vietnam is a highly competitive and extremely lucrative telecommunication market for mobile phones. The number of mobile phone users has increased from 2 million in 2004 to 34 million in 2010. Based on data from the census bureau, by January 2012, the number of users in the Vietnam mobile market reached 119 million for a country of 88 million people. The total gross value for the telecommunication market in January 2012 alone is approximately US \$500 million.

Indicator ⁸³	measurement	Value
Computers	Per 100	6.1
Internet Users	Per 100	35.33
Fixed Lines	Per 100	18.9
Internet Broadband	Per 100	5.0
Mobile Subscriptions	Per 100	136.9
Mobile Broadband	Per 100	14.7
International Bandwidth	Per 100	354.9 kb

There are six mobile phone companies operating on the market: MobiFone (41%), Viettel (36%), Vinafone (20%), S phone (3%), Vietnam Mobile, and Beeline. The first four are major players and take up almost the entire domestic telecommunications market.

The last two, Vietnam Mobile and Beeline, only take up a very small market percentage. One, EVN went

87 <http://www.worldbank.org> & <http://www.thongkeinternet.vn/jsp/trangchu/index.jsp>

QUICK FACTS SOCIALIST REPUBLIC OF VIETNAM

Land Area: 310,070 sq km
Population: 86.9 million
GNI per capita, PPP \$3,070 (WB, 2010)

TLD: .vn
Fixed Telephones: 16.4 million (2010)
GSM Telephones: 119.0 million (2012)
Fixed Broadband: 4.3 million (2012)
Internet Hosts: 0.8m (2012)
Internet Users: 30.9 million (2012)



bankrupt in March 2012 and was taken over by Viettel.

The number of mobile phone users has kept increasing exponentially in the past 7 years, which gives rise to a highly robust and profitable mobile phone market and service industry. Smart phones have become popular ever since Apple iPhone's introduction to Vietnam. Vietnam indicated in its Whitebook 2011⁸⁸ that almost 47 million IPV6 addresses had already been allocated for use.

With nearly 90% of the market in the hands of three main players (Mobifone, Viettel, and Vinafone) there is sufficient competition in the market, regardless of

88 <http://mic.gov.vn/Attach%20file/sachtrang/sachtrang2011.pdf>

the public ownership that underlies the three main operators. Investment levels and profit appear to remain high⁸⁹, despite the economic downturn, with various operators announcing investment in mobile broadband⁹⁰.

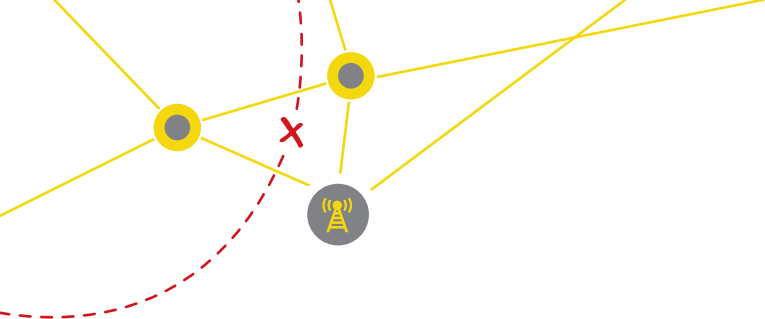
Recent developments include a plan to merge the third largest operator, Vinaphone, with Mobifone, further enhancing the latter's dominant position⁹¹. Most Vietnamese cannot afford iPhones from authorized sales agents. They ask their friends or relatives from overseas to buy "unlocked" iPhones. As a result, they cannot access official Apple iStore applications, but use the non-Apple apps. They find that the fees for Apple apps are out of their reach. They also find Apple apps not very useful in Vietnam, so the use of the is low.

Pricing Analysis (\$US)	Vietnam	All Countries Surveyed	
		Rank by Cheapest	Median Price
PRE-PAID Package Pricing			
Monthly Package Cost			
Cost per Minute National Call (First 3 Min)	0.06	3	0.09
Price for Data Traffic (Price per MB)	0.05	5	0.05
Price for One Text Message	0.02	3	0.02
POST-PAID Package Pricing			
Monthly Package Cost	2.40	3	7.53
Cost per Minute National Call (First 3 Min)	0.04	4	0.06
Price for Data Traffic (Price per MB)	0.01	1	0.04
Price for One Text Message	0.01	1	0.03

89 <http://www.vinaphone.com.vn/61-0-2-1952-Viettel-records-high-profit-in-2011.html>

90 <http://www.vir.com.vn/news/business/mobifone-to-upgrade-network-by-50-per-cent.html>

91 <http://businesstimes.com.vn/mobifone-vinaphone-to-merge/>

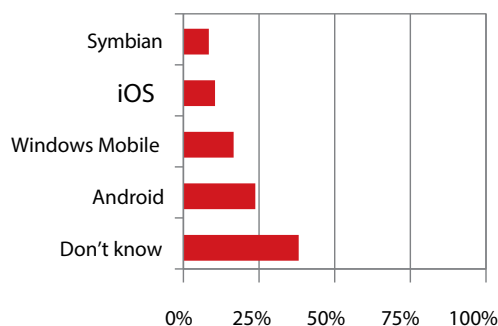


Operator	Mobifone	VIETTEL	VINAPHONE	Vietnam Mobile	CDMA-S Telecom	Beeline Vietnam
Brands						
Survey Respondents	57%	20%	21%	2%		
Subscribers	68.4m	29.6m	36.0m	1.2m	1.1m	0.12m
Mobile Internet Users	18.0m	8.9m	10.8m	0.4m	0.8m	0.04m
Ownership	National - VMS and VNPT	National Military Comms	National VNPT	Hanoi Telecom and Hutchinson Asia	Saigon Post and LG DongA Telecom	GTEL and Russia

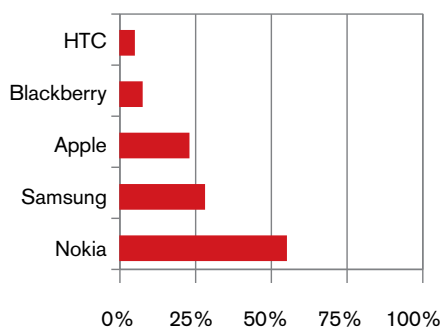
INTERNET ACCESS

91% of respondents used mobile internet and 9% do not use mobile internet. 53% of mobile internet users used WiFi to access the internet with 14% paying for a limited volume of data with their subscription and a further 23% paying for usage. Almost 8% indicated they had no access to the internet using their mobile handsets. Almost 62% owned a smartphone and an amazing 74% had 'jailbroken' their phone and 61% had updated the firmware on their phone.

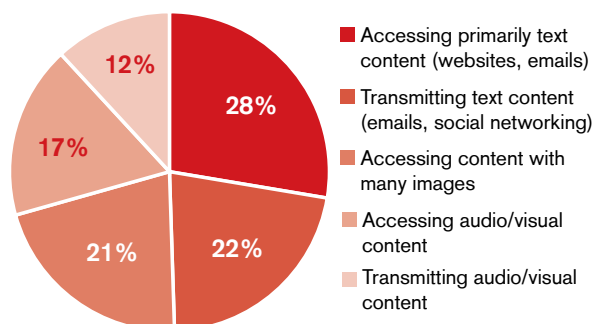
TOP 5 MOBILE OS IN USE



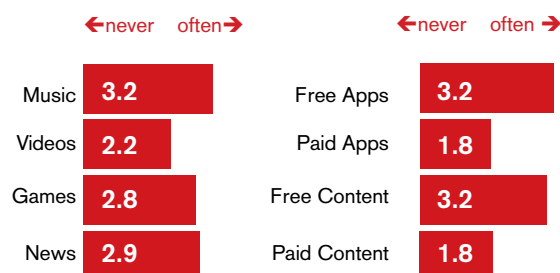
TOP 5 MOBILE HANDSET MANUFACTURERS



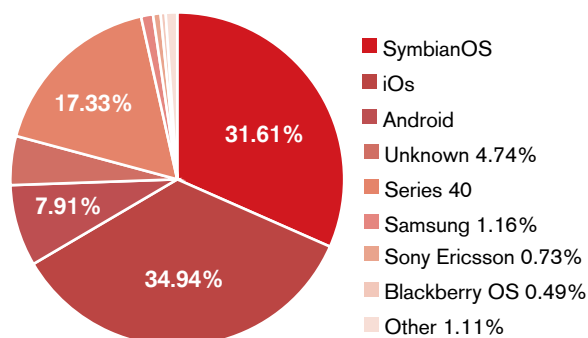
USE OF THE INTERNET 2012 (IN COUNTRY SURVEY)



TYPES OF MOBILE DOWNLOADS INCLUDING CONTENT (LEFT) AND TYPES OF APPS (RIGHT)



MOBILE OS DISTRIBUTION (STATCOUNTER)



ROLE OF MOBILE DEVICES

A significant amount of Vietnamese mobile broadband users access video content on their mobile phone. This is further evidence of Vietnam's advanced state of mobile internet access, and corresponds to figures and newsreels seen elsewhere.

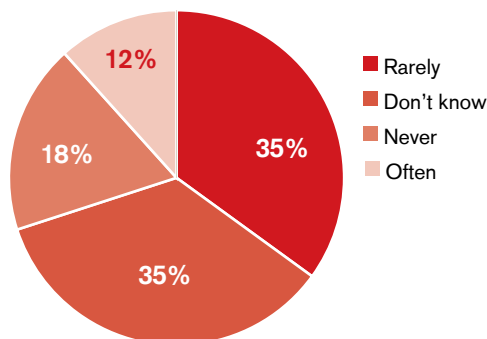
Mobile OS figures also show Vietnam in the forefront, with iOS leading the way after Nokia's Symbian. It should be noted that the user survey produced different phone ownership statistics, especially regarding BlackBerry, which may have more presence than shows in the statcounter⁹² figures.

92 <http://statcounter.com/>

CENSORSHIP AND CIRCUMVENTION

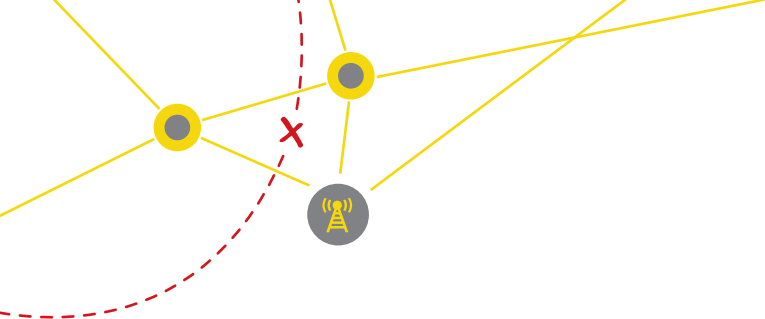
With state ownership of the mobile networks in Vietnam, little, if anything is known about the blocking and monitoring practices of the country. Most evidence is anecdotal, although some can be corroborated using various in-country sources. The state uses firewall technologies to block access to certain sites. They also listen to conversations and trace calls from those on their blacklist. These people are usually high profile "activists" or well-known members of certain targeted organizations. They sometimes disconnect mobile phone service of those who are actively engaged in activities that are deemed "reactionary."

HOW OFTEN DO YOU ENCOUNTER BLOCKED WEBSITES? (IN COUNTRY SURVEY)



Monitoring appears to be regular practice in Vietnam. The recent uproar surrounding China's claim over the Eastern Sea (part of the South Chinese Sea) saw the Vietnamese government reigning in many of the most vocal activists, stirring sentiments against China in an apparent attempt to appease Vietnamese-Chinese relationships. According to the expert survey, conducted many "leaders" in these discussions were confronted with monitored calls and SMS messages.

With as many as 18 bloggers and internet users imprisoned over the past few years, according to Reporters without Borders, Vietnam seems a fertile market for advanced monitoring technology for mobile devices.



Blocking also seems a pervasive practice, especially for political purposes. Social networks such as Facebook, however, also appear to be blocked, even if “unofficially.” Although the Vietnamese government denies this, on-going “technical problems” in reaching Facebook’s vast US and EU data centers cannot easily be explained other than through blocking – a fact corroborated by many rumours appearing to stem from local Telecom workers who indicate that blocking is taking place at the behest of the Vietnamese government.⁹³ Still, only a limited number of respondents appear to be hindered by such blocking: only 11% often encounters blocked content.

An expert responder rated the blocking effort much more pervasive, which seems to be confirmed by data from the OpenNet initiative.⁹⁴

93 Stories about random blocking of Facebook taking place go back as far as 2009: <http://news.bbc.co.uk/2/hi/8370762.stm>

94 <http://opennet.net/research/profiles/vietnam>

PHONE BRANDS⁹⁵

Phone	1280	Galaxy S3 I9300	S5570 Galaxy Mini	iPhone 3	B168
Manu	Nokia	Samsung	Samsung	Apple	Gionee
Released	March 2010	July 2010	February 2011	July 2008 (discontinued)	Yamaha
					
Data	No	GPRS/ EDGE C12	GPRS/EDGE C12	GPRS/EDGE	n/a
Bluetooth	No	v3.0 with A2DP	V2.1 vA2DP	v2.0 with A2DP	n/a
Sensors	n/a	Accelerometer, Gyro, Proximity, Compass, Barometer	Accelerometer, Proximity, Compass	Accelerometer, Proximity	Dual SIM
Internet	No	Yes	Yes	Yes	No
OS	Nokia	Android OS, v4.0.4	Android 2.3	iPhone iOS 4.2.1	Yamaha
GPS	No	A-GPS + Glonass	GPS-A	A-GPS	No
Camera	No	8 MP Rear GPS	3.15 MP (gps)	2 MP	No
WiFi	No	a/b/g/n, DLNA, Direct, hotspot	b/g/n	b/g	n/a

CONCLUSION

Vietnam is one the fastest growing mobile networks in the world. There is pro-active state interest in monitoring and blocking access. Almost 62% owned a smartphone and, different from other countries in the report, an amazing 74% of respondents had “jailbroken” their phone. 61% had updated the firmware on their phone.

FURTHER INFORMATION

Ministry of Information and Communications –

english.mic.gov.vn

Vietnam Internet Network Information Center (VNNIC)-

www.vnnic.vn

General Statistics Office of Vietnam - www.gso.gov.vn

MTS (Uzdunrobita) - www.mts.uz

Beeline - www.beeline.uz

Ucell - www.ucell.uz

Perfectum Mobile - www.cdma.uz

UZMOBILE - www.uzmobile.uz/ru/