



Received: 03-03-2024  
Accepted: 13-04-2024

## International Journal of Advanced Multidisciplinary Research and Studies

ISSN: 2583-049X

### Developing e-commerce in Vietnam, Current Situation and Solutions

<sup>1</sup>Nguyen Thi Hue, <sup>2</sup>Luu Thi Mai Phuong

<sup>1</sup>Department of Business Administration, University of Labour and Social Affairs, Hanoi, Vietnam

<sup>2</sup>Faculty of International Business and Economics, University of Economics and Business - Vietnam National University, Vietnam

Corresponding Author: **Nguyen Thi Hue**

#### Abstract

In recent years, Vietnam's e-commerce market has been increasingly expanding and has now become a popular business method known by many businesses and people. Transactions of goods and services between sellers and consumers through e-commerce have brought more convenience and greater efficiency. This is one of the levers that create incredible growth figures for the e-commerce industry, making e-commerce an important pillar in the

country's digital economic development process. However, Vietnamese e-commerce still has many challenges and limitations to be able to catch up with the world's e-commerce industry. In this article, the authors introduce an overview of e-commerce, analyze the current state of e-commerce development in Vietnam, and thereby propose some solutions to develop sustainable e-commerce. Next time.

**Keywords:** e-commerce, Current Situation, Development Solutions

#### 1. Introduction

The Internet has gradually asserted its position as a popular means of providing and trading information, goods and services. Since then, e-commerce has become a popular trend in the world and in Vietnam. Vietnam is considered a potential market in the development of e-commerce and is currently considered one of the fastest growing e-commerce markets in Southeast Asia. Vietnamese e-commerce in recent years has undergone quite strong changes. Investment in technology infrastructure, legal corridors as well as businesses' awareness of e-commerce applications have been significantly improved, which are very good conditions for the development of e-commerce in Vietnam in the near future. However, e-commerce growth in Vietnam is being restrained for many reasons such as the habit and belief of buying and selling goods online as well as paying for goods online has become the main challenge that makes e-commerce Vietnam has not yet achieved expectations. Sales from e-commerce activities, especially online shopping activities, are still not commensurate with the potential, because consumers are still hesitant and not mentally ready to shop online.

With that reality, the authors have researched common issues about e-commerce, clarified the current status of e-commerce development in order to take measures to promote the development of e-commerce in Vietnam in the current period.

#### 2. Overview of e-commerce

##### 2.1 Concept

E-commerce is a relatively broad concept, so it has many different names. Currently, there are some popular names such as: Online trade, paperless commerce or e-business, however, the name e-commerce is e-commerce) is the most used, best known and almost considered a common convention to call a form of commerce transacted over the internet. Currently, the definition of e-commerce is given by many international organizations, but there is no unified definition of e-commerce.

According to the E-Commerce Committee of the Asia-Pacific Economic Cooperation (APEC) in 1988: "E-commerce is business conducted through data communications and information technology. Digital"

According to the World Trade Organization (WTO): "E-commerce (or online commerce) includes the production, advertising, sales and distribution of products purchased, sold and paid for on the Internet, but delivered and received in a tangible way, both delivered products as well as digital information via the Internet.

According to the US Census Bureau in 2000, "Electronic commerce is the completion of any transaction through a computer network that involves the transfer of ownership or use of goods and services".

According to Clause 1, Article 3, Decree 52/2013/ND-CP dated May 16, 2013 of the Government on e-commerce, explains: "E-commerce activities are the conduct of part or all of the process of commercial activities by electronic means connected to the internet, mobile telecommunications networks or other open networks" [5].

Thus, although there are many different understandings of e-commerce, they generally agree that: E-commerce is a form of commercial activity and information exchange between businesses, between businesses and customers, between businesses and state management agencies and between state management agencies with each other using electronic methods, taking place on the Internet.

## 2.2 E-commerce development process

E-commerce develops through 3 main stages

**Phase 1:** Information commerce (i-commerce). This period saw the appearance of the Website. Information about the business's goods and services as well as about the business itself has been posted on the web. However, the above information is for introductory and reference purposes only. The exchange of information, negotiation of contract terms, between businesses and businesses or between businesses and individual customers is mainly via email, forums, chat rooms... Information in this stage is mostly only is one-way, two-way information between seller and buyer is limited and cannot meet actual needs. During this period, consumers can make online purchases, but payment still follows traditional methods.

**Stage 2:** Transactional commerce (t-commerce). Thanks to the advent of electronic payment, information e-commerce has advanced to another stage in the e-commerce development process, which is transactional e-commerce. The advent of electronic payment has perfected online buying and selling activities. During this period, many new products were born such as e-books and many digital products. During this period, businesses built an internal network to share data between units within the business, as well as apply software for managing Human Resources, Accounting, Sales, Production, and Logistics, proceed to sign electronic contracts.

**Phase 3:** Collaborative commerce (c-Business). This is the highest stage of development of e-commerce today. This stage requires high collaboration and coordination between internal businesses, businesses and suppliers, customers, banks, and state management agencies. This stage requires the application of information technology throughout the entire cycle from the input of the production process to the distribution of goods.

## 2.3 Characteristics of e-commerce

E-commerce is associated with the development of information technology and the application of information technology in all business activities. Therefore, the development of information technology will promote e-commerce to develop more quickly. On the contrary, the development of e-commerce also creates leverage for the development of information technology fields such as e-commerce platforms, online payments...

E-commerce transactions are carried out entirely online, mainly the Internet. Subjects participating in online trading activities do not need to travel to any location, do not need to meet in person but can still perform e-commerce activities such as negotiation, transaction and payment. Pay for goods via websites, applications, etc. Therefore, parties participating in e-commerce activities can conduct transactions at any time of the day, anywhere there is a means of transportation. Electronic connection to telecommunications networks.

In e-commerce, there must be at least three participating entities, including the buyer, the seller and a party that creates the environment for e-commerce transactions. They are agencies providing e-commerce services, network services and certification agencies, serving as a bridge between buyers and sellers with the responsibility of circulating, securing and ensuring the reliability of information between parties.

In the future, all e-commerce sites will be able to differentiate their customers through their own habits. The e-commerce websites that receive the most users will be those that can provide customers with high personalization and enhanced interactivity.

## 2.4 E-commerce models

Depending on the participants, the e-commerce market is divided into the following 6 basic e-commerce models:

**Business-to-Business (B2B) Model:** B2B e-commerce involves sales made between businesses, such as between a manufacturer and a wholesaler or retailer. Typically, business-to-business sales will often focus on raw materials or products that are packaged or combined before being sold to customers. The Alibaba.com website is an example of a B2B e-commerce model. Alibaba Group has built online e-commerce marketplaces to create an environment for thousands of businesses from large to small to exchange and cooperate for mutual benefit. All transactions on the Alibaba.com Website ensure transparency and speed, helping businesses effectively optimize marketing costs and distribute products and services.

**Business to Customer (B2C) Model.** This is the most popular form of e-commerce today, representing the buying and selling relationship between businesses and consumers. With these B2C e-commerce features, users can easily compare product and service prices as well as refer to feedback and comments from previous users. For businesses, the B2C model allows them to gain a deeper understanding of customers from a personal perspective. An example of the B2C e-commerce model is online retail websites such as Elise, Routine, Juno. The B2C e-commerce model will help businesses significantly save on costs of hiring sales staff, renting warehouses, etc. premises... but still have the ability to contact an extremely large number of customers via the Internet. With the characteristics of this B2C e-commerce, online buyers can choose and close orders for products at any time, delivered to their home without having to waste time going to traditional stores.

**Business to Government (B2G) model.** This is a form of commerce between a business enterprise and public administration sectors. The B2G e-commerce model includes activities related to the Government such as: Deploying modern Internet technology for public transactions, online procedures in licensing... In the B2G e-

commerce model, the Government and other agencies. The public administration sector will play a leading role in building and helping purchasing and exchange systems become more and more effective, increasing clarity and transparency throughout the product transaction process. - Service. Currently, although invested to operate similarly to other forms, B2G has not really developed strongly.

**Customer to Business (C2B) Model.** C2B inverts the traditional e-commerce model (and is what we often see in crowdfunding projects). C2B means the individual consumer makes the product or service, the business will be the one buying it. An example of C2B e-commerce is when a graphic designer edits and designs a logo for a company or a photographer takes photos for a certain business's e-commerce website. Another C2B e-commerce example is when businesses need initiatives, sales and business ideas from consumers and consumers will be paid for those contributions.

**Customer to Customer (C2C) Model.** The most recognizable feature of C2C e-commerce is the process of electronic transactions between consumers. These transactions are often conducted when consumers use personal social networking platforms, such as Facebook, Instagram or websites and e-commerce platforms Lazada, Tiki, Shopee... In Vietnam today, Shopee or Sendo has built and developed an e-commerce system that helps users set up their own stalls, sell products to other users and deduct a commission to return to the floor.

**Customer to Government (C2G) Model.** Another form that is quite popular today in e-commerce is the C2G model, which includes all electronic transactions between people and public administrative sectors. An example of C2G e-commerce is when people declare and pay taxes through the tax agency's electronic portal or people buy some products that Government agencies auction online.

### 2.5 The role of e-commerce

E-commerce makes shopping more convenient. E-commerce helps consumers not have to spend too much time and effort going to stores. They only need a device that can connect to the Internet to easily perform transactions. They can shop at any time of the day, sales pages will be open 24/24 and every day of the week including holidays to serve consumers.

Thanks to public information on the e-commerce platform about prices, businesses can build flexible pricing policies that can compete with other brands. Each product on e-commerce sites will have many brands for sale, so there will be a variety of prices depending on the quality of the product and the customer base the business wants to target. Thanks to that, businesses will be able to flexibly change prices to better attract their customer base by consulting surrounding prices.

Thanks to advertising tools on e-commerce platforms, businesses can easily expand their customer base, expand their scale and develop products by upgrading the system, or increasing costs to reach many areas. Different areas with customers. With the e-commerce business model, brands, especially new brands, can use advertising tools to find customers more easily. Consumers' habits and needs when using search engines like Google will be saved, so that brands' products will be distributed to them. At the same time, consumers can easily come into contact with brands they have never known, and can experience new products.

Besides, unlike normal buying and selling where you can only advertise in one area, e-commerce will help businesses bring products and services anywhere. This will help make advertising programs more effective and cost-optimized on online platforms.

Through e-commerce, businesses can easily take care of customers. Communicating with customers through e-commerce applications is easier and more convenient, helping suppliers quickly support and advise customers. Besides, personalized customer care will create closer relationships with customers, making the customer care process more effective.

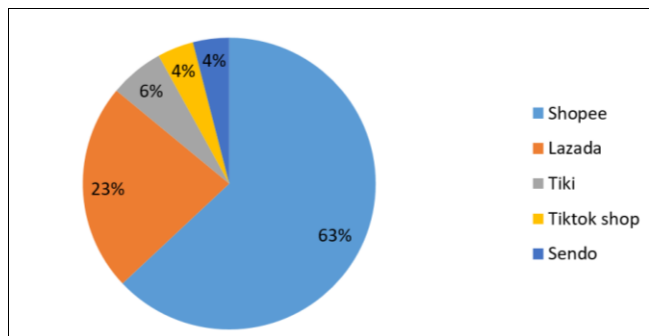
E-commerce's operating costs are usually not too high compared to traditional commerce. Doing business through an e-commerce platform does not require businesses to spend a lot of money on operating an expensive store, but only needs a space that can preserve business products well at a reasonable cost. Costs will be optimized when the process is operated from management, bills of lading, goods handling... so the number of employees will be limited and costs reduced. Because of the optimization of operating costs, consumers will benefit from cost benefits in e-commerce transactions, when product prices will often be cheaper than prices sold directly at stores or supermarkets.

E-commerce helps customers improve their experience. The processes from ordering, bill of lading, payment... to delivery have been systematized to make it easy for consumers to use to avoid errors and create a good customer experience. Besides, the display of related products will be based on past consumer behavior, thanks to e-commerce support software. Consumers will quickly find the items they are looking for, which will make them feel comfortable and easily make transactions to promote repeat purchases.

### 3. Current status of e-commerce development in Vietnam

Currently Vietnam has about 100 cross-border e-commerce platforms, 139 units owning e-commerce trading floors; Of which, there are 41 e-commerce platforms selling goods, 98 e-commerce platforms providing services, three partner companies of foreign suppliers are allowed to pay organizations on behalf of foreign suppliers, individuals with transactional relationships. This market is also being raced and dominated by the five "giants" providing the largest e-commerce platforms in Vietnam: Shopee, Lazada, Tik tok shop, Tiki and Sendo. Vietnam's e-commerce market is dominated by foreign businesses. Notably, some businesses start out as Vietnamese businesses, but when successful, they are acquired by foreign countries or controlled by foreign legal entities. Typically, Tiki floor is a native Vietnamese floor. By the end of 2020, foreign capital on this floor accounted for nearly 55% and by 2021, this floor transferred 90.5% of its shares to the Singaporean legal entity Tiki Global. Thus, Tiki has become a Singaporean enterprise. Similarly, Sendo started as a Vietnamese enterprise, but by the end of 2020, foreign capital on this floor had reached more than 65%. Thus, among the 5 largest e-commerce trading floors in the Vietnamese market today, there are 3 foreign-invested e-commerce trading floors. The total revenue of these four e-commerce platforms is reaching 135 trillion VND with a total of 566 thousand stores generating 1.3 billion product orders<sup>[3]</sup>. Among them, Shopee is the largest e-commerce platform, accounting for nearly 63% of total market share; Lazada reached about

23%; Tiki accounts for 6%; Tiktok shop 4% and Sendo account for about 4% market share (Figure 1).

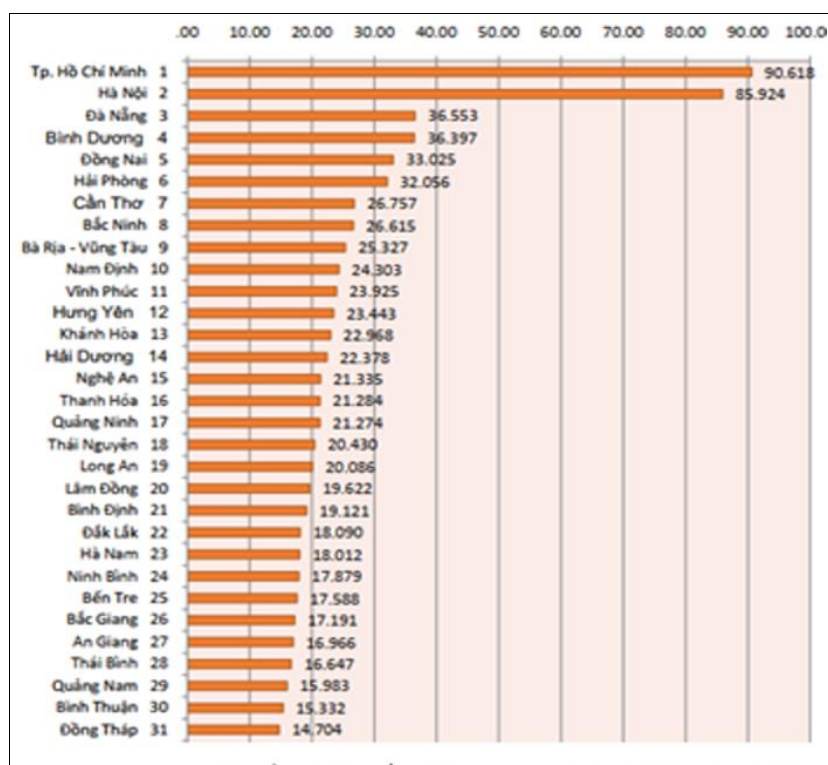


Source: Ecommerce in Southeast Asia 2023 [4]

Fig 1: Vietnam e-commerce market share in 2022

Regarding the growth rate of the e-commerce market: The e-commerce market in Vietnam is assessed to be developing rapidly, becoming an important distribution channel, the market size is estimated to reach more than 56 million.

Billion USD by 2025 (more than 4 times the scale in 2021). Data from the General Statistics Office shows that in 2022, Vietnam's e-commerce will still maintain a growth rate of over 25% and reach a scale of over 20 billion USD. Vietnam is classified in the group of 5 countries with the highest trade growth rate. The world's leading e-commerce. Hanoi and Ho Chi Minh City is the two leading cities in the country in e-commerce growth. According to a report of the Vietnam E-commerce Association, Ho Chi Minh City continues to lead the Vietnam E-Commerce Index 2022 ranking with 90.6 points. Ranked second is Hanoi with 85.9 points and less than Ho Chi Minh City 4.7 points. Ranked third in the rankings is Da Nang with 36.6 points and a very far distance from the Ho Chi Minh City and Hanoi. The average score of this year's index is 20.4 points. But there is still a huge gap between the two economic bridgeheads, Hanoi and Ho Chi Minh City with the remaining provinces and cities. This proves that the potential for e-commerce development in the provinces and rural areas is still very large (Fig 2).



Source: Vietnam E-commerce White Paper 2021 [2]

Fig 2: Vietnam e-commerce index ranking 2022

In 2022, e-commerce work has achieved many important results. Specifically, for the management of activities during the year. The Department has received applications and advised and supported 7,893 businesses, organizations and 2,609 individuals to register accounts. Implement notifications for 10,146 e-commerce websites and 660 websites providing e-commerce services. The number of products purchased online by Vietnamese consumers in 2022 has increased by more than 50% compared to 2021; The number of online retailers also increased by 57%; leading to total online retail sales in 2022 increasing by nearly 3 billion USD compared to 2021. According to the report "Southeast Asia regional economy in 2022" by Google, Temasek and Bain & Company, the scale of

Vietnam's digital economy Vietnam can reach 50 billion USD by 2050, of which e-commerce will be the most important contributing field [6]. It is forecast that the average online shopping value of online consumers will continue to increase strongly, from 381 USD/person in 2021 to 671 USD/person in 2025. The most commonly purchased items online are: Clothes, shoes, cosmetics; household appliances and equipment; technology and electronics. Many experts predict that in the coming time, Vietnam's e-commerce will have strong growth. Accordingly, by 2026, Vietnam will be the fastest growing e-commerce market in Southeast Asia. On average, 1 in 5 USD spent on online shopping in Vietnam is done by customers through social networks [8].

According to Statista data, by 2022 the penetration rate of social network users in Vietnam is estimated to reach about 75.57% of the total population; by 2030, this rate will reach 85.74%. In particular, Statista commented: Livestream will be an indispensable part of the social commerce strategy of many businesses in Vietnam and will become a trend in the near future, because it is still in the growth phase, beating out other popular content categories, including entertainment. Accordingly, electronic payment in Vietnam will grow rapidly in the coming time (Song Linh, 2023) <sup>[9]</sup>. Vietnam ranks 2nd in Southeast Asia after Indonesia (83 billion USD), Vietnam (29 billion USD) and ahead of Thailand (24 billion USD). With only 30% of adults using digital banking services, Vietnam has a lot of potential for electronic payment growth. Those are the premises for the development of Vietnam's e-commerce in the coming time. People and businesses have become accustomed to and quickly adapted to e-commerce transaction activities, many people have abandoned the habit of buying, traditional transactions, direct contact, and instead use indirect transactions, through e-commerce floors, through digital platforms such as facebook, zalo, youtube, messenger...; Many commercial contracts are carried out through online conference communication platforms such as Zoom, Google Meet, etc. In general, the buying habits of Vietnamese consumers have also seen positive changes. From only being used to traditional business transactions, face to face, holding, looking at and being able to try products, they have now gradually approached and loved online shopping. The trend of online shopping is gradually becoming a popular trend among the population, spreading from urban to rural areas, from plains to mountainous areas. E-commerce promotion is gradually becoming a trend, products and goods are not only introduced and promoted on major e-commerce platforms but also on the websites of businesses, individuals, suppliers, customers, partner. Distance and space have been narrowed and changed, bringing convenience to all e-commerce participants. In addition, recently, the Government has issued a number of new laws to protect consumer rights, specifically according to the new regulations in Clause 1, Article 12 of Decree No. 85/2021/ND-CP, information about goods and services for sales e-commerce websites must be detailed by the provider <sup>[7]</sup>. Regarding sanctions for handling administrative violations in e-commerce activities, on January 31, 2022, the Government issued Decree No. 17/2022/ND-CP amending and supplementing a number of articles of Decrees regulating sanction administrative violations in the field of chemicals and industrial explosives; electricity, hydroelectric dam safety, economical and efficient use of energy; commercial activities, production and sale of counterfeit and banned goods and protection of consumer rights; Petroleum activities, petroleum and gas trading. This is considered a step in perfecting the legal infrastructure for e-commerce with a comprehensive system of legal documents, keeping up with the practical development of different e-commerce models and activities in society, as well as such as electronic payment integration utilities for widespread use in e-commerce models. This effort is aimed at minimizing fraud and selling illegal items on e-commerce sites, creating peace of mind for consumers. However, in reality, some sanctions are still not enough of a deterrent and the risk of illegally collecting information online is still very significant.

It can be seen that Vietnam's e-commerce is having many driving forces to support growth, such as the wave of digital transformation, technology infrastructure, universal internet connection, capital, online payment, logistics and human resources... Especially, Vietnam has many mechanisms and policies to encourage the development of the digital economy and e-commerce. However, besides the achieved results, the development of Vietnam's e-commerce is facing some difficulties and challenges, specifically as follows:

Firstly, institutions and policies regulating the e-commerce sector are still incomplete, especially consumer protection issues. Currently, the Consumer Protection Law has not promptly regulated new types of businesses and transactions, as well as violations of consumer rights that may arise in the context of digital transformation, such as: There are provisions to protect consumer rights in remote transactions conducted in cyberspace... The legal framework and regulations related to the logistics field are still difficult and complex. Last-mile issues must be resolved, and transporting goods to remote, rural areas is also a challenge. These issues become more apparent as retail businesses seek to gain a foothold outside of large cities with high levels of shopping and consumption, such as Hanoi and Ho Chi Minh City, Da Nang...

Second, digital infrastructure is still weak; Network security has not been guaranteed; Delivery network or warehousing (logistics) issues are also big challenges for many businesses operating e-commerce. Even if a business has a logistics network, it still has to rely on third-party partners to fulfill e-commerce orders. Therefore, delivery costs are high and delivery times are long, on average it usually takes 5-6 days for an order to be delivered to the consumer. Furthermore, Vietnam's e-commerce ecosystem is gradually being disrupted through M&A deals of foreign businesses. Currently, Vietnamese e-commerce brands are falling into the hands of large foreign e-commerce companies, such as: Lazada, Shopee, Tiki, Zalora or even Sendo, which is a company owned by FPT, but is also subject to indirect investment from JD.com through VNG. The remaining brands, such as: Vatgia.com, Chodientu.vn, Enbac.vn... all have very low revenue. This shows that the influence of foreign e-commerce businesses is very large and it is almost like these businesses decide the game in Vietnam's e-commerce ecosystem.

Third, the use of cash is still popular. Although the use of cash on delivery in 2021 has decreased compared to 2020, it still accounts for 73%. The habit of consuming cash is still deeply rooted in people's subconscious. Infrastructure and technical equipment serving electronic payment forms are still ineffective and not commensurate with the potential. The large number of local people without bank accounts is also a factor hindering online payments.

Fourth, the problem of counterfeit, fake, and poor quality goods is still quite common. Counterfeit goods, goods that violate intellectual property rights, and trade in prohibited goods of unknown origin are still widespread and popular. Crime and financial fraud in e-commerce are increasing. General Director of the General Department of Market Management (Ministry of Industry and Trade) Tran Huu Linh said that the operating methods and tricks of violators in cyberspace are increasingly sophisticated. Many businesses do not have warehouses or stores, only accepting online orders. Goods are torn apart and stored in many places; only delivering goods in small, conservative

quantities, causing many difficulties for the authorities in the process of reconnaissance, arrest and punishment. Not only that, these subjects only sell through intermediary collaborators; Many times they advertise different products, but in reality they only accept orders for one type of product and then place it through another supplier to act as an intermediary to sell for profit... In particular, it is common for websites and networking sites to Society is easily created and closed in a quick time, making it very difficult for the authorities to control. In 2022, the General Department of Market Management in coordination with the Department of E-Commerce and Digital Economy removed 1,663 stalls with 6,437 violating products; block 5 websites showing signs of taking advantage of e-commerce to sell fake and counterfeit goods of unknown origin (Song Linh, 2023) <sup>[9]</sup>.

#### 4. Solutions for developing Vietnamese e-commerce

Although it is forecast to have many development prospects with very clear trends, to develop according to expectations, Vietnamese e-commerce needs synchronous solutions implemented from both businesses, sellers and especially Government agencies. Solutions that need to be focused on include:

Firstly, review, supplement, amend and promulgate new policies and legal documents in the direction of creating conditions, encouraging and supporting e-commerce application activities on technology platforms to guide the development of e-commerce in the future. Policies and laws need to create a legal corridor to ensure a favorable environment for e-commerce development, ensuring legal and legitimate benefits for e-commerce participants; create a playground, healthy and fair competition; promote the nation's traditional cultural identity, absorb the quintessence of world culture, in accordance with conventions, agreements, and regulations on free trade that Vietnam is a member and signatory of; Strengthen state management of e-commerce, proactively prevent commercial fraud, negative behaviors and customer fraud in e-commerce; prevent tax loss; Encourage creativity and support businesses in applying science, technology and techniques in e-commerce activities; continue to reform and innovate the administrative system and public service towards creating an administrative system of "integrity, creation and service", creating a healthy business environment to attract domestic and foreign investment.

Second, perfect the information technology infrastructure. To ensure consumers' rights regarding information security, completing, synchronizing and enhancing technology infrastructure is necessary. Good information technology infrastructure, specifically transmission speed, will help e-commerce transactions run smoothly, quickly and conveniently. This implementation requires the efforts of many parties, ministries, branches and localities to create a complete and synchronous infrastructure for e-commerce development in the future. Increase public investment in infrastructure development to serve e-commerce activities; Encourage, create conditions and support businesses to digitally transform, apply information technology to serve e-commerce activities, build infrastructure, technology and techniques to ensure adaptation to development conditions of the 4.0 technology revolution; Pay attention to supporting small and medium enterprises; propagate and educate to raise awareness about e-commerce, trends, and the need to develop e-commerce associated with digital transformation

and digitization; Regularly access and update modern and advanced technology platforms; Encourage innovation and creativity in e-commerce technology and techniques; Develop protection policies and protect intellectual property rights for inventions, patents, technology copyrights, and products.

Third, regularly organize e-commerce events to stimulate demand for the domestic market and expand cross-border e-commerce activities, creating an environment for organizations and businesses to bring new technologies to the market. New technology, advanced e-commerce models reach consumers.

Fourth, focus on training digital human resources and e-commerce human resources. Many studies have shown that the key to Vietnam's e-commerce industry is the gap and shortage in both quantity and quality of digital human resources compared to market demand. To meet the urgency in human resource training, building a sustainable human resource management and development model ensures 3 elements: diversity, fairness and inclusion, e-commerce is extremely important for businesses. Along with that, it is necessary to strengthen cooperation between businesses and schools, promote training quality, and meet human resource needs in businesses.

Fifth, on the business side, actively improve brand reputation and service quality after purchase. For businesses, investing in after-sales activities after purchasing on e-commerce will play an important role in whether customers will return and give good reviews to the business's products on e-commerce sites, thereby attract more new customers from positive reviews from loyal customers. If you can increase the rate of loyal customers, businesses will certainly be able to increase the conversion rate in e-commerce.

#### 5. Conclusion

Vietnamese e-commerce in recent years has undergone quite strong changes. Investment in technology infrastructure, legal corridors as well as businesses' awareness of e-commerce applications have been significantly improved. However, sales from e-commerce activities, especially online shopping activities, are still not commensurate with the potential because consumers are still hesitant and not mentally ready to shop online. Therefore, on the Government's part, continuing to improve and perfect the legal framework for e-commerce is still a necessary action, in order to create a healthy environment for both buyers and sellers in the digital environment, in addition to is to improve technology infrastructure, contributing to making e-commerce transactions more convenient and easier. On the business side, it is necessary to pay more attention to customer care activities after buying and selling on e-commerce sites to have more loyal customers recommending the business's products to people around them.

#### 6. References

1. Department of E-commerce and Digital Economy (Ministry of Industry and Trade). E-commerce White Paper 2022, 2022.
2. Department of E-commerce and Digital Economy (Ministry of Industry and Trade). Vietnam E-commerce White Paper 2021, 2021.
3. E-commerce is becoming an increasingly important

- distribution channel. <https://baothainguyen.vn/lanh-te/202303/thuong-mai-dien-tu-ngay-cang-tro-thanh-kenh-phan-phoi-quan-trong-b927e43/>
4. Ecommerce in Southeast Asia, 2023. <https://momentum.asia/product/ecommerce-in-southeast-asia-2023/>
  5. Government. Decree No. 52/2013/ND-CP dated May 16, 2013 on e-commerce, 2013.
  6. Google, Temasek and Bain & Company. E-Conomy 2022 Report: Overcoming the waves, reaching out to the sea of opportunities, 2022.
  7. Government. Decree No. 85/2021/ND-CP dated September 25, 2021 amending and supplementing a number of articles of Decree No. 52/2013/ND-CP dated May 16, 2013 on E-commerce, 2021.
  8. Phuong Linh. Vietnam's e-commerce is developing rapidly but there are still many barriers, 2023.
  9. Song Linh. E-commerce: Filling legal loopholes to protect consumers, 2023. accessed from: <https://doibaotaichinhvietnam.vn/thuong-mai-dien-tu-lap-lo-hong-phap-ly-de-cover-ve-people-use-dung-124498.html>