

AN ANALYSIS ON THE FUTURE OF DIGITAL INVESTMENT DEPLOYMENT IN VIETNAM

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Abstract

This paper investigates the potential for Vietnam to become a significant player in the rapidly evolving digital investment sector. Digital investment, encompassing tools like robo-advisors and neobrokers, represents a transformative shift in how individuals and institutions manage financial assets. By leveraging global trends, Vietnam's youthful demographic, growing internet penetration, and government-led digital transformation initiatives provide a solid foundation for the expansion of digital investment platforms.

The study explores the key drivers fueling this growth, including technological innovations, cost efficiency, and increasing financial inclusion. It also highlights opportunities such as localized solutions, micro-investments, and integration with banking systems, which can propel Vietnam's digital investment ecosystem. However, challenges like regulatory ambiguities, market trust, and competition from global players pose significant barriers.

The paper concludes with strategic recommendations for fostering growth, emphasizing the need for a robust regulatory framework, public awareness campaigns, and partnerships to overcome challenges and unlock Vietnam's full potential in the digital investment space.

Keywords: Digital investment, neo-broker, robo-advisor.

Phân tích khả năng triển khai các ứng dụng đầu tư số ở Việt Nam

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Tóm tắt

Bài viết nghiên cứu về tiềm năng của Việt Nam trong việc trở thành một nhân tố quan trọng trong lĩnh vực đầu tư số đang phát triển nhanh chóng. Đầu tư số, bao gồm các công cụ như: cố vấn tài chính tự động (robo-advisors) và dịch vụ môi giới số (neobrokers), đại diện cho một sự chuyển đổi mang tính cách mạng trong cách cá nhân và tổ chức quản lý tài sản tài chính. Bằng cách tận dụng các xu hướng toàn cầu, lực lượng dân số trẻ, sự gia tăng thâm nhập internet, và các sáng kiến chuyển đổi số do Chính phủ dẫn dắt, Việt Nam có một nền tảng vững chắc để mở rộng các nền tảng đầu tư số.

Nghiên cứu phân tích các yếu tố chính thúc đẩy tăng trưởng của đầu tư số, bao gồm: đổi mới công nghệ, hiệu quả chi phí, và tăng cường tài chính toàn diện. Đồng thời, bài viết cũng nêu bật các cơ hội như: phát triển giải pháp địa phương hóa, đầu tư vi mô, và tích hợp với hệ thống ngân hàng, những yếu tố có thể thúc đẩy hệ sinh thái đầu tư số của Việt Nam. Tuy nhiên, các thách thức như: sự không rõ ràng trong quy định, niềm tin của thị trường, và cạnh tranh từ các đối thủ toàn cầu đặt ra những rào cản đáng kể.

Bài viết kết luận bằng các khuyến nghị chiến lược nhằm thúc đẩy tăng trưởng, nhấn mạnh sự cần thiết của một khung pháp lý vững chắc, các chiến dịch nâng cao nhận thức cộng đồng, và hợp tác đối tác để vượt qua các thách thức, khai thác tối đa tiềm năng của Việt Nam trong lĩnh vực đầu tư số.

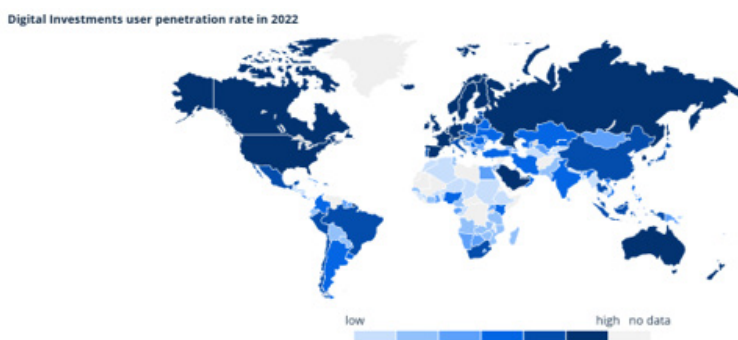
Từ khóa: Đầu tư số, môi giới số, tư vấn đầu tư tự động.

1. Introduction

Digital investment refers to the use of technology-driven platforms for trading and managing financial assets, enabling individuals and institutions to buy, sell, and monitor various financial instruments such as stocks, bonds, mutual funds, and exchange-traded funds (ETFs). The core components of digital investment include robo-advisors, neobrokers, and mobile trading apps, all of which leverage cutting-edge technologies such as artificial intelligence (AI), machine

learning, and big data to optimize investment decisions, automate portfolio management, and offer real-time trading opportunities (Fortagne et al, 2023). Globally, digital investment is expanding rapidly, with assets under management (AUM) in this sector forecasted to reach \$5.13 trillion by 2027, growing at a compound annual growth rate (CAGR) of 33.4%. This surge in growth is driven by the increasing adoption of fintech solutions and a shift toward more accessible, low-cost investment strategies.

Figure 1. Digital investment penetration worldwide



Source: Statista

In Vietnam, the financial sector is undergoing a transformative digital evolution. Initiatives like the "National Digital Transformation Program" aim to modernize the economy and foster innovation, including in fintech. As a result, the adoption of digital investment platforms, such as robo-advisors and neobrokers, is starting to gain traction. The rapid rise in internet penetration, with over 74% of the population now online, and the increasing smartphone adoption among Vietnam's young and tech-savvy population provide a fertile ground for the expansion of digital investment solutions. Financial technology (fintech) companies are seeing strong interest, with digital wallets and mobile payment systems like MoMo and ZaloPay

paving the way for more advanced investment tools. These platforms offer easy-to-use, cost-effective solutions, making it possible for retail investors to access financial markets previously reserved for high-net-worth individuals and institutional investors.

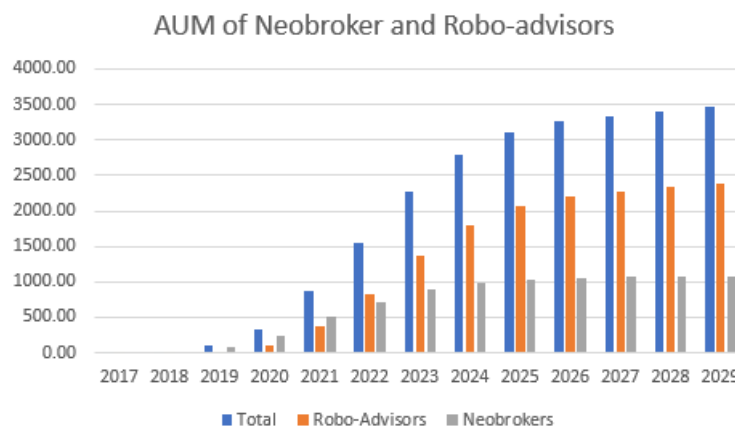
However, while digital investment holds significant promise, there are still substantial challenges that need to be addressed. Regulatory uncertainties remain a key barrier. The legal framework for digital investment tools, particularly robo-advisors and neobrokers, is underdeveloped, which could slow down growth or limit the potential of these services. Moreover, while mobile-based platforms are increasingly popular, many users in Vietnam

still lack sufficient financial literacy to fully understand the complexities of investing, which could undermine the widespread adoption of more advanced digital investment solutions. There are also concerns about cybersecurity and the security of online transactions, which could hinder the trust necessary for widespread adoption.

Despite these obstacles, the future of digital investment in Vietnam looks promising. The country's ongoing digital transformation, combined with its youthful, tech-savvy population, provides a unique opportunity for digital investment

platforms to thrive. The government's push to enhance fintech regulations and improve financial literacy can further support this growth. This paper explores the potential of digital investment in Vietnam by analyzing the drivers of growth, identifying the challenges that could impede progress, and proposing strategic recommendations to foster a robust digital investment ecosystem. By leveraging its unique demographic advantages and addressing regulatory and trust issues, Vietnam has the opportunity to become a leading market for digital investment in Southeast Asia.

Figure 2. AUM growth of digital investments



Source: Statista

2. Current Landscape of Digital Investment in Vietnam

2.1. Technological Infrastructure

Vietnam's technological infrastructure has significantly improved over the past decade, providing a strong foundation for the expansion of digital services, particularly in financial technology (fintech). With internet penetration exceeding 74.7% of the population as of 2023 and smartphone adoption growing rapidly, the country is well-positioned for the widespread adoption of mobile-first platforms, which are crucial for the success of digital investment solutions. The country's mobile internet speed is also improving, enabling smoother access to online financial services. This has created an ideal environment for digital investment platforms, which rely heavily on seamless

internet connectivity and mobile accessibility.

Mobile-first platforms are particularly dominant in Vietnam, as consumer preferences increasingly shift toward on-the-go management of their financial assets. With a young, digitally native population, there is a high demand for services that allow users to manage investments from their smartphones with ease. This mobile-first trend aligns with the growing interest in robo-advisors, neobrokers, and mobile trading apps, all of which are designed to provide easy-to-use, mobile-accessible solutions that democratize access to investment tools. Furthermore, mobile platforms like MoMo, ZaloPay, and ViettelPay have set the stage for further innovation in digital financial services, with many users now comfortable transacting digitally. This comfort with mobile payment and

money transfer apps lays the groundwork for broader adoption of digital investment tools, such as robo-advisors and investment platforms offering stocks, bonds, and ETFs.

The increasing reliance on digital infrastructure, paired with the growing mobile ecosystem, positions Vietnam as a prime candidate for the expansion of digital investment platforms. However, this growth must be accompanied by continuous improvements in digital literacy and cybersecurity measures to.

2.2. Economic Conditions

Vietnam's economic landscape is undergoing a significant transformation, with key indicators pointing toward an emerging middle class and rising disposable income, both of which create fertile ground for the growth of digital investment. The country has experienced rapid economic growth over the past few decades, moving from a primarily agrarian economy to an industrialized and increasingly service-oriented economy. This shift has raised the income levels of many Vietnamese households, creating a larger base of potential investors. By 2035, Vietnam is projected to be a \$1 trillion economy, a milestone that will further fuel the growth of consumer spending and investment opportunities.

This economic shift is accompanied by the rise of a robust middle class. As more individuals enter the middle-income bracket, there is a growing demand for investment products that allow people to grow their wealth. Digital investment platforms, including robo-advisors and neobrokers, have the potential to meet this demand by offering accessible, low-cost investment solutions that appeal to both novice and experienced investors. These platforms

eliminate barriers such as high initial investments and the need for personalized financial advisors, which have traditionally kept many individuals from entering the financial markets.

However, financial literacy remains a significant barrier to broader adoption of digital investment tools. While there has been progress in educating the public about basic financial concepts, many segments of the population still lack the necessary knowledge to make informed investment decisions. A large proportion of the population continues to prefer traditional savings methods, such as bank deposits or gold, due to a lack of understanding of more complex financial products. To overcome this challenge, targeted financial literacy campaigns and educational programs need to be implemented to ensure that individuals are equipped to navigate the digital investment landscape effectively.

As Vietnam's middle class continues to grow and its economy diversifies, digital investment tools have the potential to become mainstream financial products, helping individuals build long-term wealth in an increasingly digital economy.

2.3. Policy Environment

The Vietnamese government has shown strong support for the development of fintech in recent years, making it a priority to foster innovation and digital transformation across various sectors of the economy. Initiatives such as the "National Digital Transformation Program" and the "Fintech Development Strategy to 2025" aim to create a conducive environment for the growth of digital financial services, including digital investment platforms. These programs focus on enhancing digital literacy, improving regulatory frameworks, and supporting the growth of innovative financial technologies.

One of the key enablers of the fintech ecosystem in Vietnam has been the introduction of regulatory sandboxes for startups. These sandboxes allow fintech firms to test new products and services in a controlled environment, reducing the barriers to market entry and fostering innovation. Additionally, the government has introduced tax incentives for tech companies and startups, which have encouraged foreign and local investment in the fintech space.

However, while the government's support is commendable, there are still significant gaps in the regulatory environment, particularly when it comes to digital investment platforms. The lack of clear regulations governing robo-advisors and neobrokers remains a key challenge. The absence of specific legal frameworks to address issues such as consumer protection, data privacy, and platform security has created uncertainty for both investors and service providers. To fully capitalize on the potential of digital investment, the Vietnamese government must prioritize the development of comprehensive regulations that address these issues while balancing innovation with market stability.

In the absence of a fully developed regulatory framework, the digital investment space remains in a state of flux. As such, government action to establish clear guidelines will be crucial for enabling the sustainable growth of digital investment services in the country.

2.4. Adoption Trends

Vietnam's adoption of digital financial services has been accelerating in recent years, with digital wallets, mobile payment platforms, and other fintech services seeing exponential growth. Platforms such as MoMo, ZaloPay,

and ViettelPay have become ubiquitous in the daily lives of Vietnamese consumers, especially in urban areas, where cashless payments are increasingly the norm. The success of these platforms demonstrates a growing readiness among the population to embrace digital financial solutions.

As digital wallets and payment platforms continue to gain traction, they are paving the way for more advanced financial products, including robo-advisors and neobrokers. Digital wallets have not only simplified day-to-day transactions but also provided a foundation for introducing more complex services, such as investment tools. These platforms offer the convenience of managing finances on-the-go, which aligns with the preferences of the young, mobile-first Vietnamese population. In fact, mobile-based investment apps and online trading platforms have started to gain popularity, particularly among younger, tech-savvy investors who are looking for easy-to-use solutions to grow their wealth.

However, while adoption rates are increasing, there are still hurdles to overcome. Despite the increasing usage of mobile financial tools, a significant portion of the population still lacks the financial literacy to fully engage with more complex digital investment options. Moreover, trust in digital platforms remains a challenge, particularly when it comes to investing significant sums of money. Many users still view traditional banking and savings methods as more secure compared to newer, less-regulated digital platforms.

Despite these challenges, the trend toward digital financial solutions is undeniable. The increasing usage of digital wallets, payment

platforms, and mobile-based financial services is a clear indicator of the readiness for more advanced digital investment tools, signaling that the country is on the cusp of a significant shift toward more inclusive and diversified financial systems.

3. Key Drivers of Growth

3.1. Technological Innovation

Technological innovation, particularly through artificial intelligence (AI) and machine learning, is at the core of the growth of digital investment platforms, such as robo-advisors and neobrokers. Robo-advisors leverage AI to offer personalized and automated investment strategies, making investment management more accessible and efficient. These platforms use algorithms to assess an investor's financial situation, risk tolerance, and investment goals, automatically creating and managing a portfolio that is tailored to the user's preferences. The continual advancement in machine learning allows these platforms to evolve, improve their predictive capabilities, and optimize investment strategies based on new data, making them highly effective in meeting the needs of a wide range of investors.

Neobrokers, on the other hand, capitalize on technological innovations to provide commission-free trading and a user-friendly experience. These platforms often integrate social trading features, which enable investors to follow experienced traders and replicate their strategies in real-time. The rise of mobile-first solutions and AI-powered tools for portfolio management enables neobrokers to offer low-cost investment opportunities, opening the door to a broader demographic, especially younger, tech-savvy individuals who are accustomed

to using mobile apps for everyday financial transactions. The increasing use of AI in analyzing market trends, automating decision-making processes, and reducing human errors in trading also enhances the efficiency and accuracy of these platforms, making them an attractive option for both new and experienced investors in Vietnam.

The potential of AI and machine learning in digital investment platforms extends beyond simple investment management. These technologies can automate asset allocation, minimize risks, predict market fluctuations, and even adjust strategies in real-time, providing a more dynamic and personalized experience for users. As technology continues to advance, the role of AI in digital investment will likely expand, offering even more sophisticated services, such as real-time optimization of portfolios based on market conditions, and the introduction of advanced predictive analytics to forecast trends.

3.2. Cost Efficiency

One of the most significant advantages of digital investment platforms is their cost efficiency. Traditional investment management often involves high fees, including commissions, account management fees, and advisory costs, all of which can diminish overall returns. In contrast, digital investment platforms like robo-advisors and neobrokers operate on a low-cost or commission-free model, which significantly reduces the financial burden on investors (Nwankpa et. al, 2020). Robo-advisors typically charge a small percentage of assets under management (AUM) for their services, while some neobrokers operate without charging commissions at all, generating revenue through alternative means, such as payment for order flow or through premium features.

The reduction in fees allows users to invest smaller amounts of money while still receiving optimized returns, which makes these platforms particularly attractive to retail investors and younger generations who may not have large initial capital to invest. For instance, through fractional share investing, digital platforms enable users to buy portions of high-value stocks and ETFs, making it possible to diversify their portfolios with as little as \$5 or \$10. This makes investing more accessible to the masses, allowing individuals to start building wealth without the need for substantial upfront capital.

Furthermore, the cost efficiency of digital platforms allows for greater investment flexibility. Investors can make trades more frequently without being penalized by high transaction fees, which is particularly advantageous for those interested in short-term trading or in taking advantage of market fluctuations. By lowering the barriers to entry and reducing ongoing costs, digital investment platforms not only democratize access to financial markets but also encourage a greater number of individuals to participate in long-term investing strategies.

3.3. Financial Inclusion

Digital investment platforms have the potential to greatly enhance financial inclusion, especially in emerging markets like Vietnam. These platforms provide low-cost access to a wide range of financial products, allowing individuals from diverse socioeconomic backgrounds to participate in the financial markets. For many years, investing in the stock market and other financial instruments was limited to individuals with significant disposable income or those able to afford

traditional financial advisors. However, digital tools like robo-advisors and neobrokers have changed this dynamic by offering affordable, easy-to-use platforms that can cater to even the smallest investors.

In Vietnam, where a substantial portion of the population resides in rural areas, access to traditional investment services is limited. Physical proximity to financial advisors, brokers, and banks can be a significant barrier, particularly for those living in remote areas. Digital investment platforms overcome these geographic limitations by offering services through mobile apps and online platforms, which can be accessed from anywhere with an internet connection. As a result, individuals in rural and underserved regions are now able to access the same investment opportunities as those in urban centers, leveling the playing field and fostering greater economic participation.

Moreover, these platforms help bridge the financial literacy gap by offering educational tools and simplified, user-friendly interfaces that make it easier for individuals to understand investment concepts and strategies. Over time, as digital financial literacy improves, more individuals will gain the confidence and knowledge to make informed decisions, further driving financial inclusion in the country. By extending access to investment opportunities, digital platforms contribute to wealth creation across different income levels, helping individuals grow their financial security and contribute to the broader economic development of the country.

3.4. Demographics

Vietnam's demographic profile makes it an ideal market for the growth of digital investment

platforms. The country has one of the youngest populations in Southeast Asia, with nearly 50% of its population under the age of 30. This young, tech-savvy generation is increasingly looking for ways to manage and grow their wealth. The rise of mobile-first solutions and a deep familiarity with digital tools positions these younger generations as early adopters of robo-advisors, neobrokers, and other online investment platforms. This demographic is more likely to embrace innovative financial tools and seek out investment opportunities through their smartphones, as digital technology is an integral part of their daily lives.

Furthermore, Vietnam's youth is highly engaged with technology and social media, which enhances the appeal of neobrokers that incorporate social trading features. Platforms that allow users to interact, share investment ideas, and follow experienced traders align with the social and community-driven nature of this generation. As these platforms become more mainstream, they are likely to attract a growing number of young investors looking for an easy, cost-effective way to enter the financial markets.

In addition, Vietnam's younger population is increasingly aware of global investment trends and actively seeks opportunities to diversify their portfolios. Digital investment platforms allow them to do so in a way that was not previously possible, enabling access to international markets, cryptocurrencies, ETFs, and other diverse investment instruments. This eagerness to engage with global markets highlights the growing desire among young Vietnamese to secure their financial future and build wealth over the long term.

The ability of digital investment platforms

to cater to the needs of this young, dynamic population, by offering convenience, low costs, and innovative features, ensures that these platforms will be integral in shaping Vietnam's investment landscape for the foreseeable future.

4. Challenges and Risks

Despite the vast opportunities for growth, there are several key challenges and risks that could hinder the widespread adoption and development of digital investment platforms in Vietnam. These challenges primarily revolve around regulatory ambiguities, market trust, increasing competition from global players, and infrastructure limitations. Addressing these issues is crucial for fostering a secure, efficient, and user-friendly environment for digital investments.

4.1. Regulatory Ambiguities

One of the most significant challenges facing digital investment platforms in Vietnam is the lack of clear and comprehensive regulations surrounding robo-advisors, neobrokers, and other fintech services. While the Vietnamese government has made strides to promote digital transformation, the regulatory framework for digital investment services remains underdeveloped. This uncertainty can deter both potential investors and innovators, as there is no clear understanding of how these services will be regulated, taxed, or protected under the law.

For instance, robo-advisors platforms that use AI and machine learning to manage investment portfolios require specific legal definitions, especially regarding consumer protection, privacy, and data security. Similarly, neobrokers, which enable commission-free trading through mobile apps, need clear guidelines to ensure that they operate

transparently and fairly in the Vietnamese market. Without well-established rules, there is a risk of market fragmentation, where service providers may either be reluctant to enter the market or face sudden regulatory changes that could disrupt their operations.

Moreover, unclear regulations can create confusion for consumers who may be hesitant to trust digital investment platforms. Without a clear legal framework, consumers are unsure about the recourse available to them in case of fraud, mismanagement, or platform failures. To overcome this challenge, the Vietnamese government must expedite the development of comprehensive fintech regulations that provide clarity and protection for both service providers and users. This will help build a more sustainable and trustworthy digital investment ecosystem.

4.2. Market Trust

Trust remains a significant hurdle to the adoption of digital-only platforms in Vietnam. While digital financial services are growing rapidly, many consumers still prefer traditional methods of banking and investing, partly due to a lack of trust in digital platforms. This is particularly true in markets like Vietnam, where digital platforms are relatively new and where many individuals remain skeptical about the security and reliability of online financial services. (Bomnüter et. al, 2023)

There are two key aspects of trust that need to be addressed: security and reliability. On the security front, fears about cyberattacks, fraud, and data breaches are common concerns. While digital investment platforms generally employ robust security measures, including encryption and two-factor authentication, the frequency of high-profile data breaches in other sectors

can lead to lingering doubts about the safety of personal and financial data on digital platforms.

On the reliability front, potential investors may fear that digital platforms will not offer the same level of personalized service or regulatory oversight as traditional financial institutions. Many Vietnamese consumers still prefer face-to-face interactions when dealing with financial services, as they believe that human advisors are more trustworthy and offer better guidance.

To overcome these trust barriers, digital investment platforms in Vietnam must prioritize transparency, security, and customer support. Clear communication about how platforms protect user data, the steps taken to ensure secure transactions, and the availability of customer service will help build trust with users. Additionally, offering guarantees such as insurance or partnerships with trusted financial institutions could further reassure users that their investments are safe.

4.3. Competition

As the digital investment market in Vietnam begins to mature, local startups are facing increased competition from global players like Robinhood, eToro, and Betterment, which are expanding into Southeast Asia. These platforms already have established brands, large user bases, and significant resources, which can make it difficult for smaller, local companies to compete. Without sufficient support, local startups may struggle to differentiate themselves in an increasingly crowded market.

Global players bring with them advanced technological capabilities, greater financial backing, and strong marketing power. They are well-positioned to quickly scale their

operations, offering sophisticated features such as international trading, a wide range of asset classes, and additional financial services. This can make it challenging for local players to keep up, especially if they lack the necessary resources to enhance their platforms and attract a large user base.

To remain competitive, local fintech startups must focus on offering unique, localized services that cater specifically to the needs of the Vietnamese market. This could include providing content in the Vietnamese language, offering investment options that are more relevant to local preferences, and focusing on cost-efficiency. Building partnerships with local banks and leveraging government-backed initiatives for fintech can also provide a competitive edge. Ultimately, local platforms will need to demonstrate value in ways that global players may not be able to, such as offering personalized advice or customer support tailored to Vietnamese investors.

4.4. Infrastructure

Reliable internet connectivity and secure payment gateways are essential to ensuring a seamless and efficient user experience for digital investment platforms. Although internet penetration in Vietnam is growing, especially in urban areas, there are still significant disparities in internet access between rural and urban regions. In rural areas, lower internet speeds and less reliable networks can lead to issues with accessing or using digital investment platforms effectively. This can deter users from fully adopting these platforms, as they may face difficulties in executing trades or tracking their investments in real-time.

Additionally, while digital wallets and mobile payment platforms like MoMo and ZaloPay have become popular, the overall digital payment infrastructure in Vietnam still faces challenges. Payment gateways must be robust, secure, and capable of handling a large volume of transactions, particularly as more users engage with digital investment tools. Security concerns related to online transactions, such as fraud or unauthorized access, could create hesitancy among potential users, especially for those new to digital finance.

To address these challenges, digital investment platforms must collaborate with telecom and payment service providers to improve internet access and ensure secure and seamless payment systems. For the platforms themselves, focusing on creating responsive, user-friendly interfaces that work well on a range of devices and internet speeds will also be critical in broadening adoption across the country.

Furthermore, investing in improving cybersecurity measures and ensuring compliance with international standards for data protection and transaction security will help mitigate risks and build consumer confidence.

5. Strategic Recommendations and Conclusion

To fully realize the potential of digital investment in Vietnam, several strategic initiatives must be put in place. These strategies will help address the challenges and capitalize on the opportunities outlined previously. By creating a supportive regulatory environment, enhancing public trust, incentivizing early adoption, and fostering collaboration across sectors, Vietnam can create a sustainable and thriving digital investment ecosystem.

5.1. Developing a Regulatory Framework

One of the most urgent needs for the digital investment sector in Vietnam is a comprehensive and clear regulatory framework. As discussed earlier, regulatory ambiguities create uncertainty for both investors and innovators, which can slow down the growth of digital investment services. To address this, Vietnam should adopt best practices from markets such as Singapore, which has created a well-defined regulatory landscape for digital financial services. Singapore's regulatory body, the Monetary Authority of Singapore (MAS), has implemented clear guidelines on licensing, taxation, and consumer protection that enable fintech companies to operate confidently while protecting consumers.

Vietnam should establish similar regulations that provide clear guidelines for robo-advisors, neobrokers, and other digital investment platforms. These regulations should address key issues such as consumer protection, ensuring that investors' funds are safeguarded, and that platforms are held to high standards of transparency. In particular, clear rules around data privacy and cybersecurity must be defined to build trust among users.

Additionally, tax policies should be optimized to support the growth of digital investment platforms, ensuring that they are not overly burdensome and that the tax system incentivizes innovation. By creating a stable, predictable legal environment, Vietnam will attract both domestic and international players to invest in and develop digital investment services, accelerating market growth and fostering confidence among consumers.

5.2. Public Awareness Campaigns

One of the primary barriers to the widespread

adoption of digital investment platforms in Vietnam is the lack of public awareness and understanding of how these services work. While financial literacy has improved over the years, many people still perceive traditional banking and investing as safer and more reliable. Public awareness campaigns are essential for educating the population about the benefits and safety of digital investments.

Both the government and private sector players can collaborate to create public outreach programs aimed at educating citizens about digital investment opportunities. These campaigns could include a range of activities, such as social media outreach, public service announcements, online webinars, and educational content tailored to various demographic groups, especially young people and those in rural areas. Financial literacy workshops and interactive tools that teach the basics of investing, such as risk management and portfolio diversification, should be integrated into these campaigns to help individuals make informed decisions.

To further enhance trust, these campaigns should also emphasize the security measures that digital platforms employ to protect users' financial data and investments. Building public confidence in digital platforms will help mitigate concerns about fraud and cybersecurity, making it more likely that potential investors will consider these services as reliable and trustworthy alternatives to traditional investment methods.

5.3. Incentives for Early Adopters

Incentives are an effective way to accelerate the adoption of digital investment platforms. In the case of Vietnam, offering tax breaks or subsidies for individuals and businesses that

adopt these services early on could help boost initial engagement and create momentum. This could involve offering reduced transaction fees or tax incentives for the first few years of using robo-advisors and neobrokers, or even providing a tax deduction for individuals who invest in digital platforms.

For businesses, offering subsidies for integrating digital investment services into their financial products or creating partnerships with fintech startups can help stimulate the market. These incentives can also be targeted at specific groups, such as younger people who are more likely to embrace digital solutions or those in lower-income brackets who might be hesitant to invest due to financial constraints.

Moreover, the government could introduce initiatives like “investment savings plans”,

where individuals can invest small amounts regularly without incurring high fees. By encouraging people to start small and invest overtime, such programs can foster a culture of long-term investing and financial planning. These incentives would help overcome initial barriers to entry and promote the widespread adoption of digital investment services.

5.4. Conclusion

Vietnam’s potential for digital investment is immense. By leveraging global trends and addressing local challenges, the country can foster a robust ecosystem that benefits both investors and the economy. This requires coordinated efforts from the government, private sector, and educational institutions to create an inclusive and secure investment environment.

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