



FRANCHISING IN VIETNAM THE NEXT BIG GROWTH STORY

OPPORTUNITIES FOR BRANDS &
INVESTORS IN A BOOMING MARKET



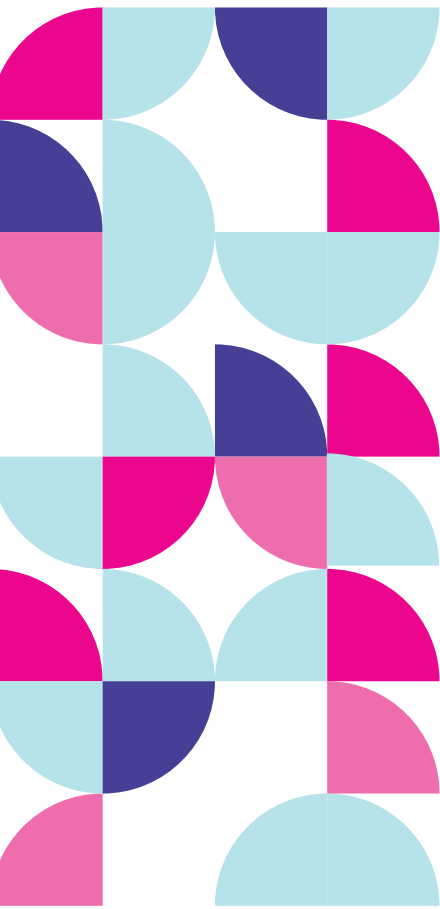


TABLE OF CONTENT

Welcome Remark

Chapter 1: Vietnam at a Glance

Chapter 2: The Franchise

Landscape

Chapter 3: Opportunities for Brands

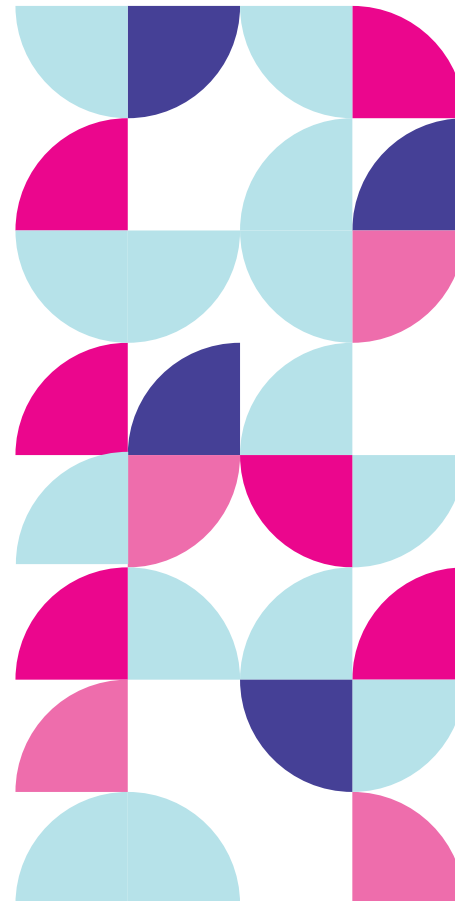
Chapter 4: Opportunities for Investors

Chapter 5: Challenges & How to

Overcome Them

Chapter 6: The Future of Franchising

in Vietnam



WELCOME REMARK



MDM. NGUYEN PHI VAN

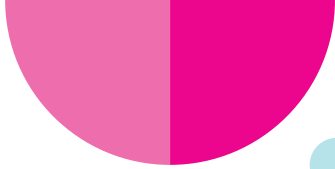
CHAIRWOMAN OF VFLN &
GO GLOBAL HOLDINGS

I was once asked by a journalist whether I ever lose faith in franchising, given the fraud and misuse of the word “franchising” in Vietnam. My answer was immediate and unwavering: “Never.”

Having dedicated 25 years to this industry - as a Master Franchisee, a Franchisor, and a Government Advisor - I have seen firsthand how franchising contributes to national GDP growth, creates jobs, enables SMEs and startups to scale effectively, and ultimately serves as a vital engine for the development of the private economy.

That being said, franchising in Vietnam remains a young industry. To put this in perspective: McDonald’s entered Malaysia in 1982, but only entered Vietnam in 2014 - 32 years later. The Japan Franchise Association was founded in 1972, and Singapore’s Franchising & Licensing Association in 1992. Vietnam’s own VFLN - Vietnam Franchising & Licensing Network - was established just in 2022, some 50 years and 30 years later, respectively.

Because it is still emerging, the industry needs time to learn, to adapt, to formalize, and to mature. Over the past decade, Vietnam has been undergoing this essential learning curve - building the foundations to become a recognized and professional player in the global franchise community.



And now, in 2025, we are proud to witness a truly inspiring milestone: Vietnamese brands expanding abroad through master franchising. This not only echoes the government's agenda to strengthen the private economy but also accelerates the presence of Vietnam-made products and brands on the global stage.

With Vietnam's GDP forecast to grow steadily at 6.6% in 2025 - among the strongest in the region post-Covid - combined with a rapidly expanding middle class that adds 1.5 million people annually toward a projected 23.2 million by 2030 (World Bank data), there is no doubt: Vietnam is becoming one of the most fertile grounds for franchising, both inbound and outbound.

I firmly believe the next century of franchising in Asia will be the century of Vietnam. Here, you will witness the rise of professional local franchisors, the emergence of sophisticated franchise investors, the beginning of robust government support, and with it, the unprecedented growth of Vietnam's franchise industry.

Today, franchising in Vietnam may still be Asia's hidden gem. But tomorrow, it will shine brightly - not only across Asia but also on the global stage.

On the occasion of the 16th edition of VIETRF, I would like to express my deep gratitude to Coex for being an integral partner in developing Vietnam's franchise industry and for joining hands with VFLN to take it to the next level. I also warmly invite all of you - franchisors, investors, and industry organizations - to come together, to explore, to collaborate, and to build with us an exciting and prosperous future for franchising in Vietnam.

WELCOME REMARK



MS. BAIK JIN YO

GENERAL DIRECTOR,
COEX VINA

It is my great pleasure to welcome you to the 16th edition of the Vietnam International RetailTech & Franchise Show (VIETRF). Over the past sixteen years, this event has grown hand in hand with Vietnam's dynamic retail and franchise landscape, becoming the country's most established and trusted platform for business expansion and international collaboration.

Since its first edition in 2009, Coex has remained deeply committed to supporting Vietnam's franchise ecosystem. Each year, we have witnessed the industry evolve—from the early introduction of global franchise concepts to the impressive rise of professional Vietnamese franchisors expanding beyond national borders today (MOIT, 2024). This continuous journey has allowed Coex not only to organise an exhibition, but also to accompany an entire community of entrepreneurs, investors, and innovators shaping the future of franchising in Vietnam.

Our long-term partnership with the Vietnam Franchising & Licensing Network (VFLN) reflects our shared mission: to connect knowledge, opportunity, and people. Together, we aim to create a sustainable ecosystem where local and international brands can learn from each other, explore strategic partnerships, and accelerate their growth through franchising.

In 2025, as Vietnam strengthens its position as one of Asia's

fastest-growing economies, with GDP growth forecast at 6.6% and a rapidly expanding middle class projected to reach 23.2 million people by 2030 (World Bank 2024), VIETRF continues to serve as a bridge linking the global and Vietnamese markets. We sincerely thank all our partners, exhibitors, and visitors for their continued trust and participation.

On behalf of Coex Vina, I wish you an inspiring and successful experience at VIETRF 2025 — where every connection made today will help build the franchise success stories of tomorrow.



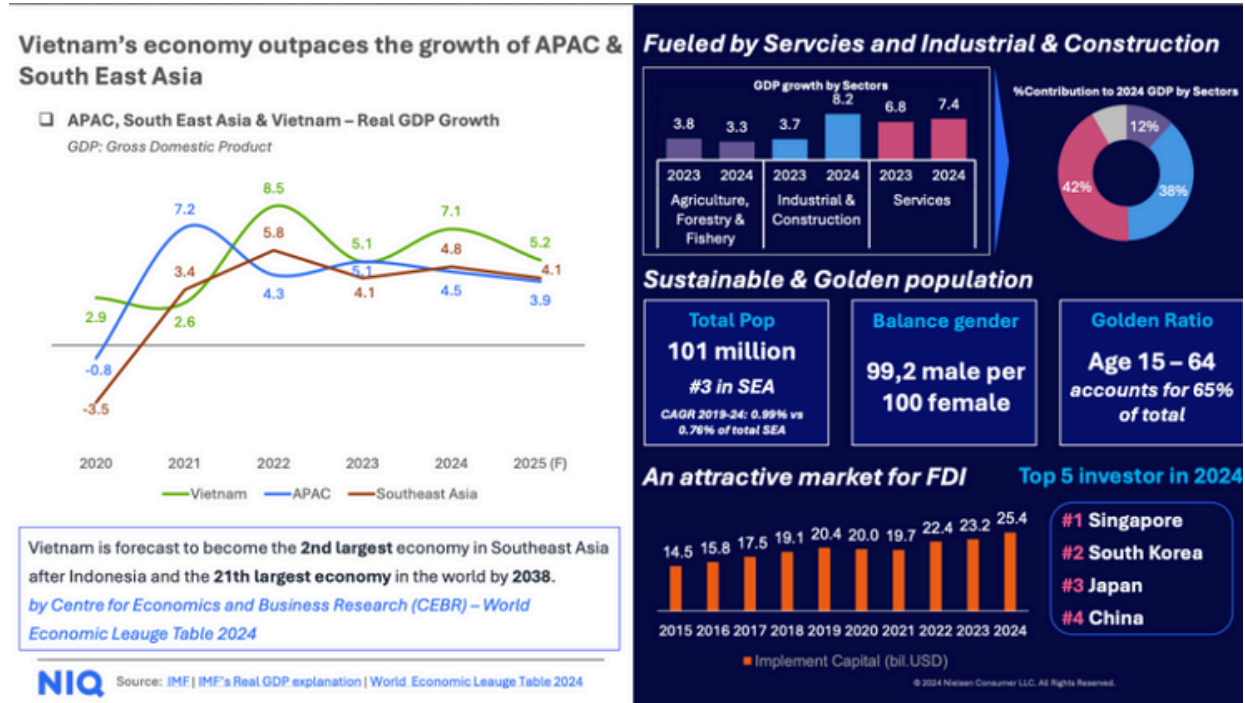


CHAPTER 1

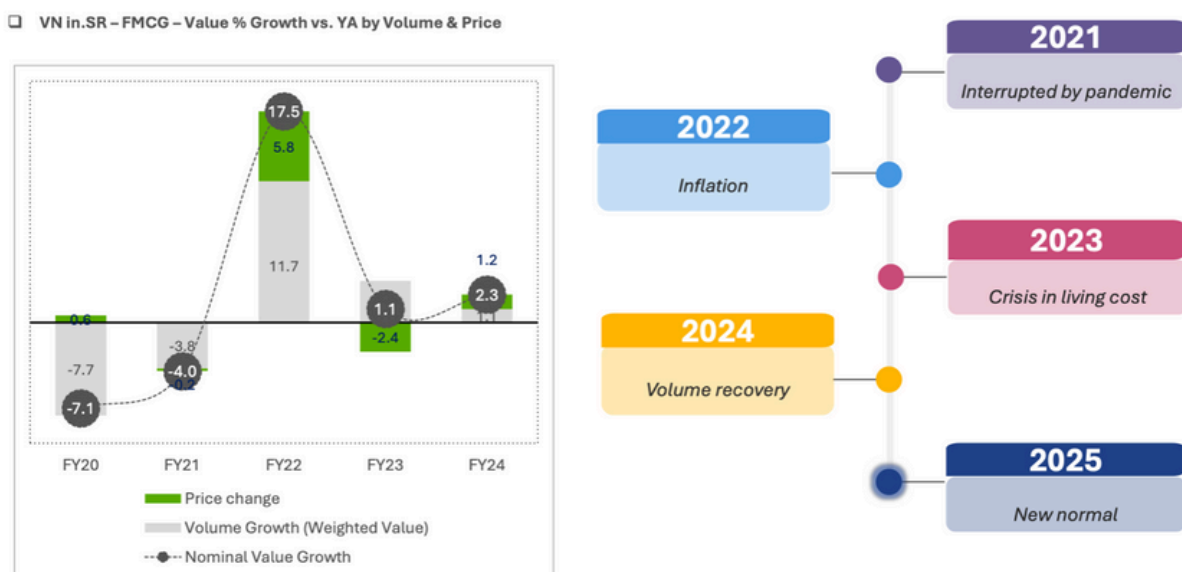
VIETNAM AT A GLANCE



1.1 A young consumer market of 101 million in population, with 65% in the golden age bracket and top GDP growth in APAC.

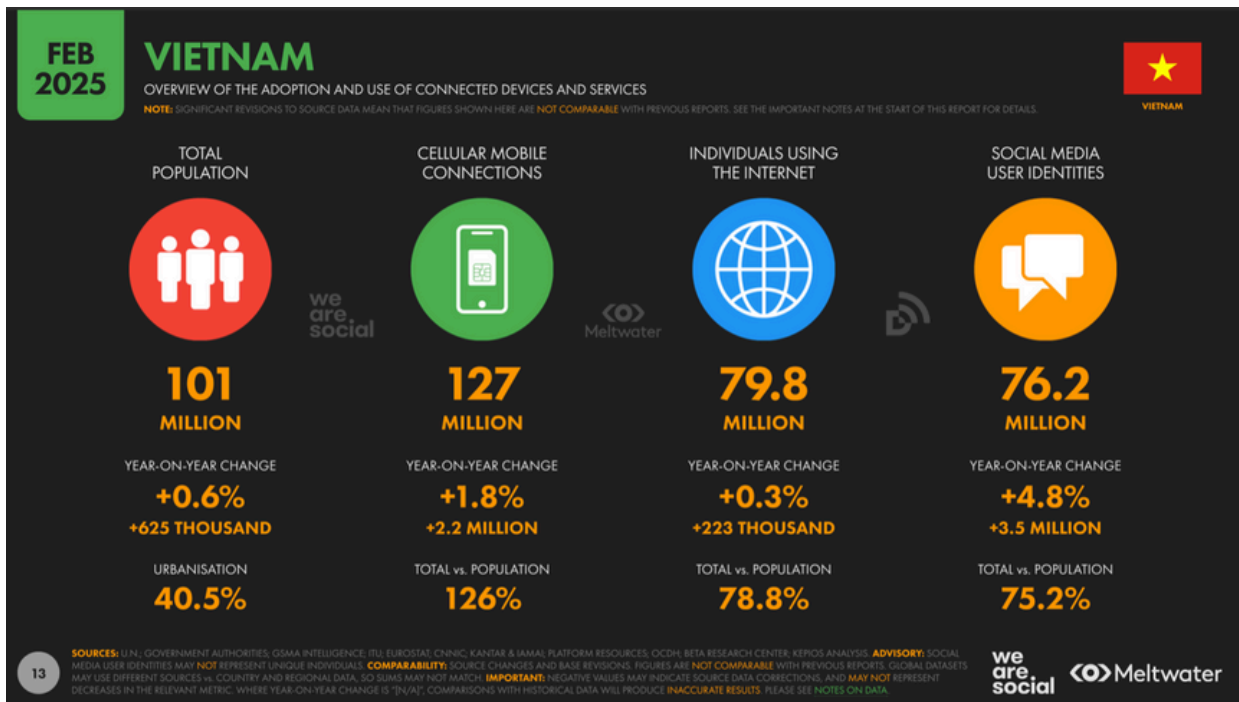


1.2 The year that gives Vietnam a place to stand to move the world



Source: NIQ 2025

1.3 Vietnam – An Online Nation



1.4 An upward trend in retail sales



Source: CEIC; General Statistics Office of Vietnam; and OECD calculations.



CHAPTER 2

THE FRANCHISE LANDSCAPE



2.1 Current size of Vietnam's franchise market.

According to Vietnam's General Statistics Office (GSO), the country's total retail market is projected to reach USD 250 billion by the end of 2024. While no official data has yet been published on the size of the franchise sector specifically, the Ministry of Industry and Trade estimates that food and beverage (F&B) consumption accounts for approximately 15% of GDP and continues to grow annually. Data from the U.S. International Trade Administration further highlights this trend, projecting revenue in the F&B segment to reach USD 678 million with a compound annual growth rate (CAGR) of 4.98% between 2021 and 2025. User penetration in this segment is also expected to reach 17 million by 2025, underscoring the sector's significant growth potential.

2.2 Vietnam franchise sector dominated by F&B

According to the Ministry of Industry and Trade (MOIT) web portal, 360 international franchise brands have officially registered in Vietnam to date. The actual figure is likely higher, as many regional brands remain either unaware of the registration requirement or have yet to complete the process. Among the registered brands, more than 50% operate in the food and beverage (F&B) sector, followed by retail, education, hospitality, and health & wellness. At the Vietnam Franchise & Licensing Network (VFLN), a similar trend is observed, with 70% of corporate members representing the F&B sector and the remainder spanning retail, education, and services.

2.3 The emergence of glocal franchisors (Glocal = global + local)

In previous years, several Vietnamese brands attempted international expansion through joint ventures or single-unit franchise arrangements, with limited scale. However, 2025 marks a pivotal milestone for Vietnam's franchise industry as

local brands begin securing multiple global master franchise agreements. Notably, Three O'clock, Vietnam's leading 24-hour coffee chain, announced master franchise deals covering Indonesia, four countries in the Indian subcontinent (India, Bangladesh, Sri Lanka, Nepal), and six GCC markets (UAE, Saudi Arabia, Qatar, Oman, Kuwait, Bahrain). The brand plans to open its first stores in Delhi, India, in October 2025 and in Jakarta, Indonesia, by December 2025. Similarly, Phúc Tea, internationally branded as HappiTea, launched its first store in Manila, the Philippines, in late 2024 through a master franchise deal, and has recently signed an agreement to enter India with stores expected to open in November 2025. These landmark developments have ignited strong inspiration and determination among other Vietnamese brands to pursue global expansion.

2.4 Top 5 Sectors for Franchise Growth in Vietnam

With stable growth in both volume and value, alongside the increasing adoption of digital and “glocal” strategies, franchise experts forecast that the top five sectors driving franchise expansion in Vietnam between 2025 and 2030 will include:

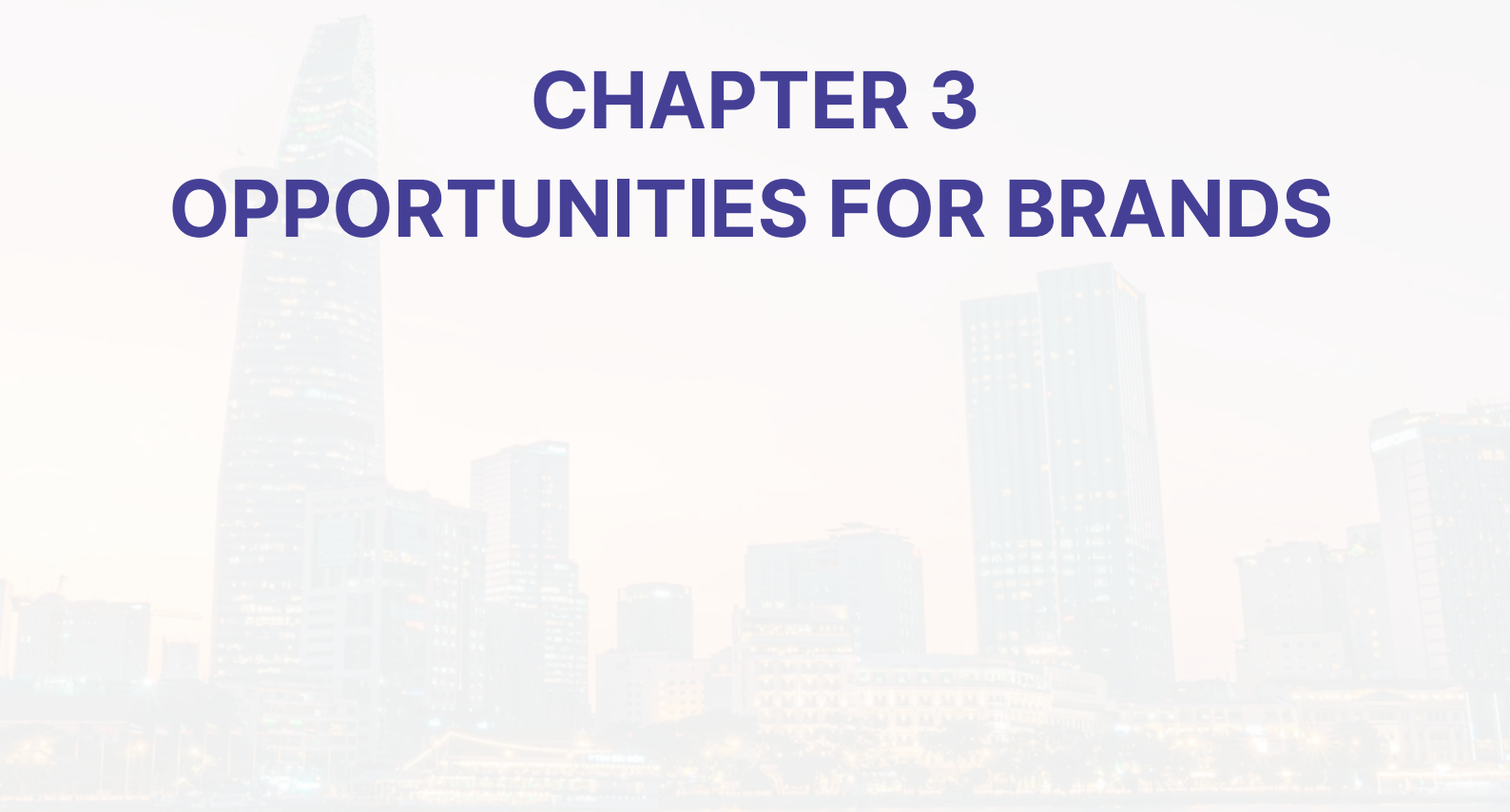
1. **Food & Beverage (F&B):** particularly concepts with strong local and cultural relevance.
2. **Retail:** small-format specialty stores, hybrid models, and technology-driven formats.
3. **Children's education and services.**
4. **Senior health and wellness services.**
5. **Beauty, health, and wellness product distribution franchises.**





CHAPTER 3

OPPORTUNITIES FOR BRANDS



3.1 Why international brands should enter Vietnam now?

After a decade of experimentation and pilot programs, Vietnam's franchise industry has reached the tipping point of exponential growth, driven by several key factors:

- A growing pool of informed investors: Following decades of success in manufacturing, OEM, ODM, distribution and trading, Vietnam has witnessed the rise of a new generation of entrepreneurial investors eager to diversify their portfolios and explore new sectors. With franchising being actively promoted over the past two years through mainstream media such as VTV, leading newspapers and magazines, initiatives by the Vietnam Franchise & Licensing Network (VFLN), and popular platforms like Shark Tank Vietnam, the concept is no longer unfamiliar to emerging investors.
- Rapid urbanization fueling consumption in second- and third-tier cities: While Ho Chi Minh City and Hanoi have traditionally been the focus of franchise expansion, the rapid growth of cities such as Da Nang, Hai Phong, Can Tho, Hai Duong, Binh Duong, and Quy Nhon is opening up new opportunities. These rising urban centers are driving consumption growth, making franchising more accessible for both investors and target consumers.
- Market openness through free trade agreements (FTAs): Vietnam has signed 20 FTAs to date, 16 of which have already been implemented, positioning the country as one of the most open and accessible markets in the region. These agreements significantly lower barriers for foreign brands and investors, further accelerating the development of the franchise ecosystem.

Bilateral & Regional FTAs

- ASEAN Trade in Goods Agreement (ATIGA) – intra-ASEAN tariff reduction.
- ASEAN – China FTA (ACFTA)

- ASEAN – Korea FTA (AKFTA)
- ASEAN – Japan Comprehensive Economic Partnership (AJCEP)
- ASEAN – India FTA (AIFTA)
- ASEAN – Australia – New Zealand FTA (AANZFTA)
- ASEAN – Hong Kong FTA (AHKFTA)

Comprehensive & Strategic FTAs

- Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) – 11 members, Vietnam is a founding member.
- EU – Vietnam FTA (EVFTA) – landmark deal with the European Union.
- UK – Vietnam FTA (UKVFTA) – continuity after Brexit.
- Vietnam – Eurasian Economic Union FTA (VN-EAEU FTA) – with Russia, Belarus, Kazakhstan, Armenia, Kyrgyzstan.
- Vietnam – Chile FTA
- Vietnam – Korea FTA (VKFTA) – separate from ASEAN-Korea FTA.
- Vietnam – Japan Economic Partnership Agreement (VJEPA) – bilateral, in addition to AJCEP.

Mega-Regional

- Regional Comprehensive Economic Partnership (RCEP) – ASEAN + China, Japan, Korea, Australia, New Zealand.

3.2 Why international brands should enter Vietnam now?

For Vietnamese brands, this is a once-in-a-lifetime opportunity to step into the spotlight. Vietnam's favorable macroeconomic environment, coupled with a rapidly expanding franchise market, creates ideal conditions for ambitious and professional players to rise. The industry infrastructure is now in place to support both brand development and broader sector growth, and there are already successful case studies of local brands that have expanded globally through master franchising. The moment is

here, and the opportunity is Vietnam. The next step lies with you, and in just a few years, we look forward to celebrating the first 100 Vietnamese franchise brands recognized on the global stage.

3.3 Successful global brands in Vietnam

International brands that have entered Vietnam have not only established strong market positions but also inspired the local business community through their success. Several standouts merit recognition for their solid achievements over the years. In the convenience store sector, Circle K leads with a network of more than 500 outlets. In fast food, Lotteria dominates with over 250 stores, followed closely by KFC with more than 230 stores and Jollibee with over 200 stores. Starbucks has become the leading international café brand in Vietnam, operating more than 100 stores nationwide. These global names represent just a few examples of international franchises that have successfully embedded themselves in Vietnam's market landscape and demonstrated sustained growth.

3.4 Successful local brands going global

Local franchise chains in Vietnam have also experienced rapid growth, with several leading brands establishing extensive networks through hybrid models combining corporate-owned and franchised outlets. Notable examples include Highlands Coffee with over 700 stores, Trung Nguyên with more than 800 stores, Phúc Long with over 150 stores, The Coffee House with more than 170 stores, and Golden Gate Group with a portfolio of over 250 restaurants.

While these large-scale players remain focused primarily on the domestic market, a number of smaller, emerging brands have successfully expanded internationally. In 2025 alone, Three O'clock, a Gen Z-focused 24-hour coffee chain, has secured 12 international master franchise agreements; HappiTea (known

locally as Phúc Tea), a popular bubble tea chain, has signed 11 such agreements; and Care With Love, a distinctive mother-and-baby care service, has finalized 7 international master franchise deals. These achievements have generated significant momentum in the local market, inspiring both major corporations and SMEs to pursue growth strategies that extend beyond Vietnam's borders.





CHAPTER 4

OPPORTUNITIES FOR INVESTORS



4.1 Portfolio diversification with lower risks

The current moment presents an ideal window for investors to capitalize on the post-tipping point growth trajectory of Vietnam's franchise industry. Over the next two decades, the sector is expected to evolve into a mature market, making this one of the most promising periods for both seasoned and new investors.

Experienced entrepreneurs can expand and diversify their portfolios with a balanced mix of international and local brands, creating opportunities for fundraising, M&A activity, and eventual IPOs. Meanwhile, new investors are encouraged to pilot their first franchise ventures, gain familiarity with return-on-investment cycles, and gradually scale their participation. In the next five years, the market will likely see a surge of fresh investors, particularly second-generation local entrepreneurs and overseas returnees.

Private equity funds are also anticipated to show heightened interest in franchise holding entities with robust, diversified portfolios at both local and regional levels, leading to an increase in deal activity. In parallel, strategic investors are expected to leverage M&A as a key growth instrument, acquiring established local and international franchise systems already operating in Vietnam.

4.2 Strong ROI potential in F&B, education, beauty, health.

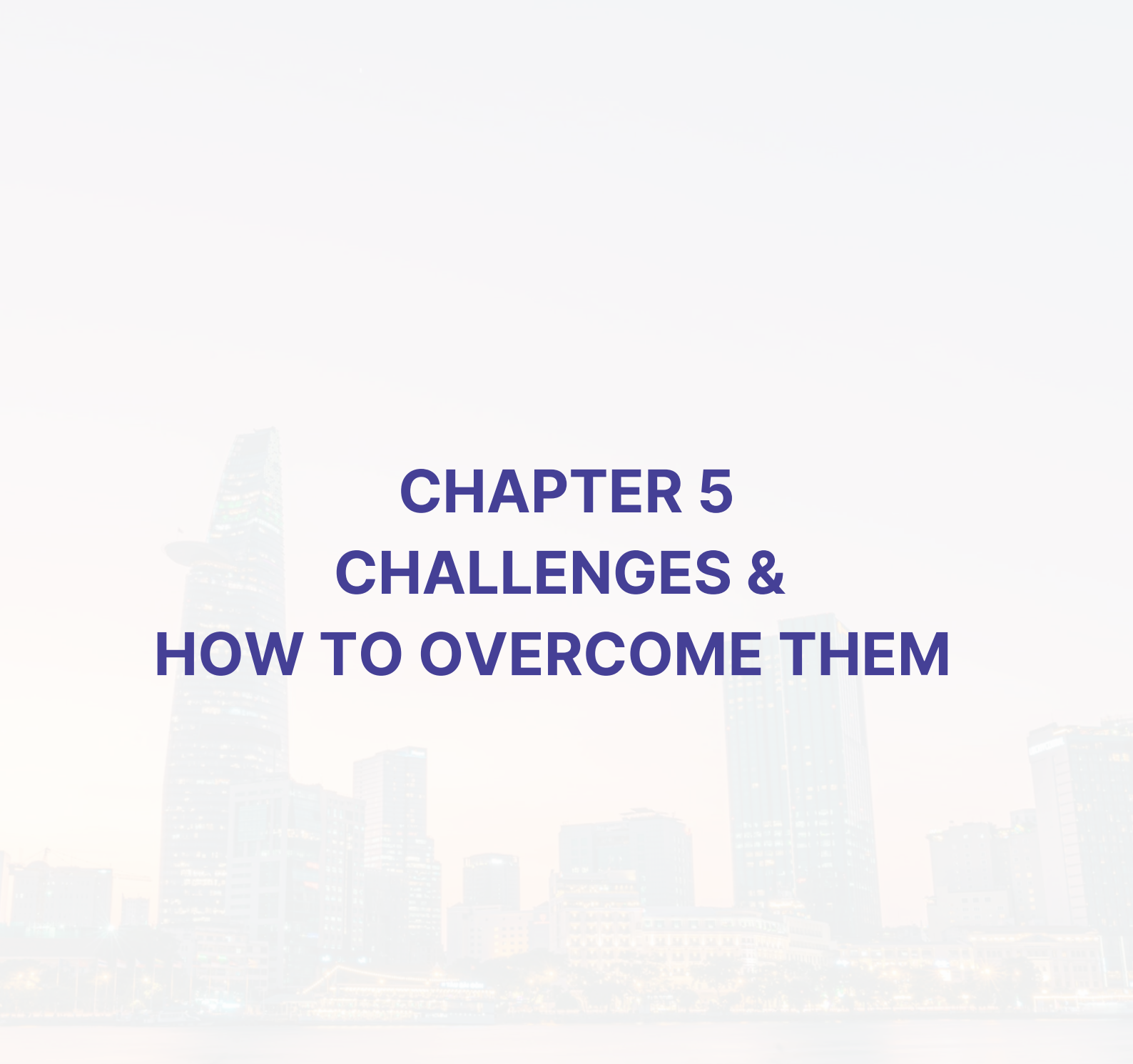

As investment opportunities continue to expand, investors are advised to focus on the leading sectors highlighted in section 2.4, particularly brands that have demonstrated resilience during periods of crisis, sustained profitability, and strong potential for rapid, efficient scalability. These qualities position such brands

not only for success in Vietnam's domestic market but also for competitive growth on a global scale.


4.3 Franchise vs startup: lower risk, proven models

For retail investors seeking to diversify and mitigate risks associated with traditional investment channels in Vietnam, such as stocks, corporate bonds, real estate, gold, and more recently digital assets, franchising is emerging as an attractive alternative. With its lower risk profile and proven business models, franchising represents a compelling option for portfolio diversification and long-term stability. As the sector matures and more professional investors participate, franchising is expected to gain prominence as a top-of-mind investment choice. From this year onward, the market is likely to witness a significant increase in retail investor interest, fueling further growth in Vietnam's franchise landscape.





CHAPTER 5
CHALLENGES &
HOW TO OVERCOME THEM



5.1 Market Development Strategy

While most brands prioritize expansion in Vietnam's two largest cities - Ho Chi Minh City and Hanoi - these markets are often highly competitive, with elevated rental costs, thinner profit margins, and longer return-on-investment cycles. To address this, franchisors should develop a comprehensive market development strategy that not only phases growth carefully but also actively explores opportunities in second and third-tier cities. Given that the majority of franchise investors in Vietnam are relatively new to the industry, this strategy should be driven by franchisors in close collaboration with local partners to ensure proper execution.

Furthermore, because franchising remains at an early stage of development in Vietnam, sub-franchising presents significant risks. Many retail investors lack sufficient understanding of long-term commitments, governance, and compliance requirements. A growth model based solely on sub-franchising is therefore unlikely to be sustainable at this stage. Instead, a hybrid approach that combines corporate-owned outlets with carefully managed sub-franchising provides a more stable and scalable path forward.

5.2 The Due Dilligence Process

Beyond a few established corporate investors who entered the market early and have since built solid portfolios, the majority of franchise investors emerging in Vietnam today are new entrants looking to capitalize on post-tipping point growth. For this group, franchisors should adopt a broader approach to due diligence. While audited financial statements and official data remain essential, a relationship-based assessment is equally important to uncover non-audited insights that often provide a more accurate picture of an investor's capabilities and long-term potential.

During the due diligence process, both franchisors and investors must establish clear expectations regarding commitments, responsibilities, and legal boundaries. New investors, with limited exposure to franchising standards, can easily become overly enthusiastic about launching operations and, in doing so, risk overlooking critical contractual and compliance requirements. Setting these foundations from the outset is vital to ensure sustainable partnerships and successful market entry.

5.3 1.1 Industry Talents & HR Capacity

Approximately 80% of potential franchise investors in Vietnam are successful local SME entrepreneurs, particularly from sectors such as manufacturing, OEM, ODM, distribution, and trading. Many are seeking to diversify their investment portfolios or establish new ventures for the next generation. However, this profile also presents certain challenges: most SMEs in Vietnam still operate under family-owned structures rather than professional corporate governance, which limits industry expertise and supporting human resources. Consequently, franchisors must provide significant support in transferring management capabilities and fostering organizational development to ensure long-term sustainability.

Moreover, given the relative nascency of the franchise market, Vietnam faces a shortage of skilled industry professionals and a well-developed HR talent pool, making rapid nationwide scaling more difficult. To overcome these barriers, franchisors should prioritize training, continuous knowledge transfer, and capacity building for local teams to safeguard brand standards and operational quality. It is essential to remind partners that they are not simply opening a few outlets, but rather introducing and building an entire market presence. Sustainability is therefore critical, an unsuccessful initial entry can make it extremely challenging for a brand to regain traction in Vietnam.



CHAPTER 6

THE FUTURE OF FRANCHISING IN VIETNAM



6.1 Gen Z entrepreneurs driving new franchise models

Gen Z franchisors and franchise investors in Vietnam represent a new wave of entrepreneurial energy, shaped by digital fluency, global exposure, and a strong desire for independence. Unlike previous generations, they are quick to embrace innovative business models, prioritize lifestyle-driven brands, and leverage social media as a core tool for marketing and customer engagement. Many are drawn to franchises that align with their values, such as sustainability, creativity, or community impact while also seeking scalable opportunities that provide both financial return and personal fulfillment. Tech-savvy and trend-conscious, Vietnam's Gen Z investors are not only revitalizing traditional sectors like food and beverage but are also expanding into niche markets, wellness, and lifestyle services, signaling a dynamic shift in the future of franchising.

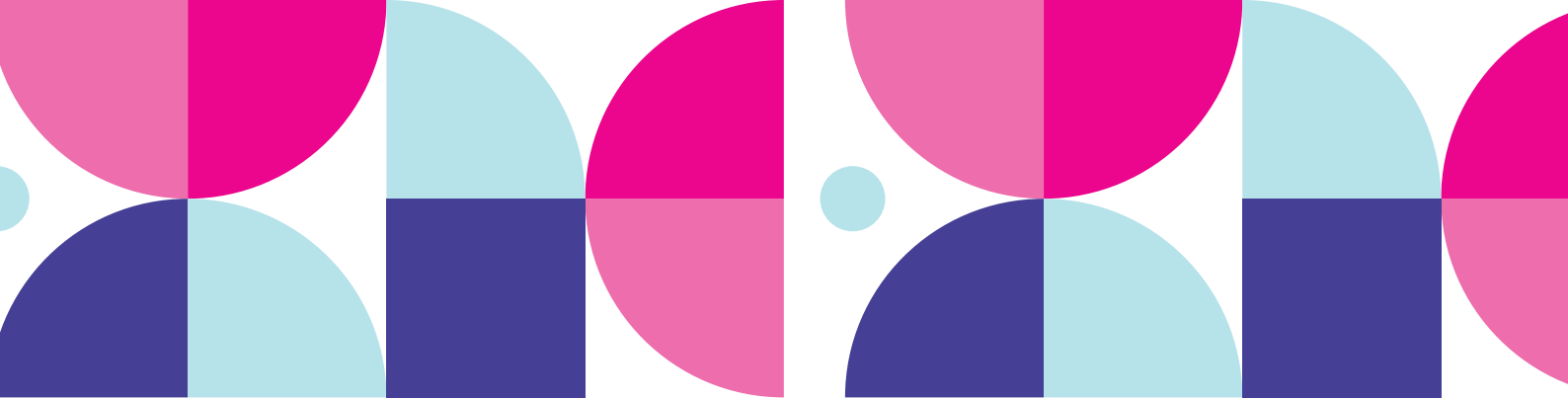
6.2 Green is the new black - Digital-first & green franchises.

The future of franchising in Vietnam is also being reshaped by the rise of digital-first and green franchises, reflecting the country's fast-growing consumer demand for convenience, innovation, and sustainability. Digital-first franchises are leveraging e-commerce, delivery platforms, and tech-enabled customer experiences to scale faster and reach younger, more connected audiences. At the same time, green franchises are gaining momentum as eco-conscious consumers seek brands that prioritize sustainability, from eco-friendly packaging and renewable energy use to ethical sourcing and community impact. Together, these two trends signal a shift away from purely traditional brick-and-mortar expansion toward hybrid, values-driven franchise models that not only generate profit but also build long-term brand loyalty and social relevance in Vietnam's dynamic market.

6.3 Vietnam as Southeast Asia's top 3 franchise hubs by 2030

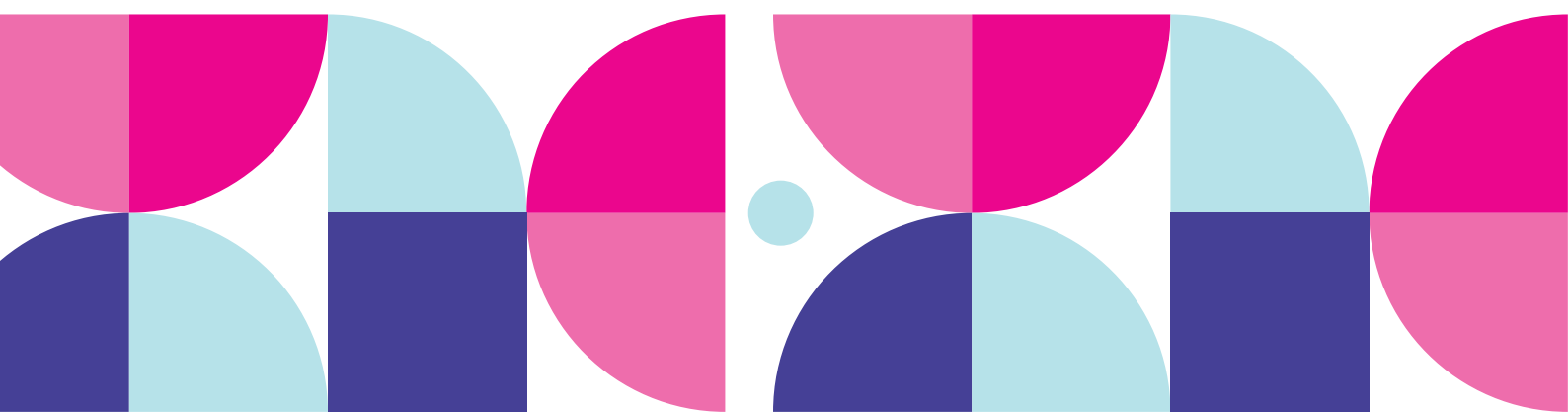
Gen Z franchisors and franchise investors in Vietnam represent a new wave of entrepreneurial energy, shaped by digital fluency, global exposure, and a strong desire for independence. Unlike previous generations, they are quick to embrace innovative business models, prioritize lifestyle-driven brands, and leverage social media as a core tool for marketing and customer engagement. Many are drawn to franchises that align with their values, such as sustainability, creativity, or community impact while also seeking scalable opportunities that provide both financial return and personal fulfillment. Tech-savvy and trend-conscious, Vietnam's Gen Z investors are not only revitalizing traditional sectors like food and beverage but are also expanding into niche markets, wellness, and lifestyle services, signaling a dynamic shift in the future of franchising.





IN CONCLUSION

Vietnam is firmly establishing itself as Southeast Asia's fast-growth franchise hotspot, with a young, dynamic consumer base and a market eager for innovative brands and concepts. For franchisors and investors alike, the opportunities to scale, diversify, and thrive in this vibrant landscape have never been greater. Now is the time to connect, explore, and take action to secure your place in one of the region's most exciting franchise frontiers. Contact us today to explore opportunities at VIETRF 2025 and be part of Vietnam's franchise growth story.



ABOUT VIETRF

Vietnam International Retailtech & Franchise Show (VIETRF) is Vietnam's leading and only international exhibition dedicated to the franchise and retail technology industries. Organized by COEX and VFLN, the exhibition has become a key platform connecting global brands, investors, and technology providers seeking opportunities in Vietnam and the wider Southeast Asian market.

Since its establishment, VIETRF has built a strong reputation as a professional B2B event that brings together franchise networks, retail innovators, and industry experts. The show features a diverse range of sectors—from F&B, health & beauty, fashion, and education franchises to retail equipment, store design, and smart technology solutions.

Over the years, VIETRF has attracted participation from leading international franchise associations, including the International Franchise Association (IFA), the World Franchise Association (WFA), and the Franchise & License Association (FLA). With thousands of trade visitors and strong buyer networks, VIETRF continues to play an essential role in shaping the growth of Vietnam's franchise and retail landscape.



VIETRF

LEARN MORE ABOUT VIETRF



[WEBSITE](#)



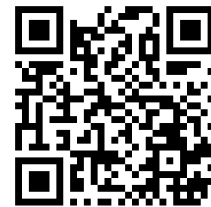
[FACEBOOK](#)



[LINKEDIN](#)



[INSTAGRAM](#)



[TIKTOK](#)

CONTACT US



(+84) 901 534 565

MS. MINH KHUE



minhkhue@coex.vn