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TIKI VÀ CUỘC KHỦNG HOẢNG THỊ PHẦN: NGUYÊN NHÂN VÀ GIẢI PHÁP

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Tóm tắt

Tiki là sàn thương mại điện tử quen thuộc với nhiều người tiêu dùng Việt từ những năm 2010 với đa dạng mặt hàng và nổi bật nhất trong đó là sách. Tuy nhiên, sự thay đổi của thị trường và sức cạnh tranh lớn từ nhiều sàn thương mại điện tử nước ngoài đã đẩy thị phần của Tiki gần về 0. Bài viết sử dụng phương pháp nghiên cứu định tính và các dữ liệu thứ cấp, dữ liệu tổng hợp để tìm ra giải pháp giúp Tiki lấy lại vị thế trong tình cảnh cạnh tranh khốc liệt của ngành thương mại điện tử.

Từ khóa: thương mại điện tử, nền tảng

TIKI'S MARKET SHARE DECLINE: THE UNDERLYING REASONS AND PROPOSED SOLUTIONS

Abstract

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Tiki has been a familiar e-commerce platform to many Vietnamese consumers since the early 2010s, offering a wide range of products, with books being its most prominent category. However, market shifts and intense competition from foreign e-commerce platforms have driven Tiki's market share close to zero. This paper employs a qualitative research approach, using secondary and synthetic data to explore potential solutions for Tiki to regain its position in the fiercely competitive e-commerce landscape

Keywords: e-commerce market, platforms

1. Introduction

The rapid advancement of technology has created a highly promising e-commerce market worldwide, including in Vietnam. Alongside this growth is fierce competition among e-commerce platforms, as well as the emergence of new sales formats that attract many consumers - such as live-streaming on social media platforms, heavy use of discount codes during mega-sale days offered by both platforms and sellers. In the early 2010s, Tiki emerged as a pioneering Vietnamese e-commerce platform, offering a wide variety of products, with books being its most notable category. Notably, between 2018 and 2020, Tiki was highly successful in reaching a promising segment of young customers through its marketing campaign “Tiki đi cùng sao Việt” (“Tiki goes with Artists”). However, as the market evolved and global giants like Shopee, Lazada, and TikTok Shop entered Vietnam, Tiki's market share had dwindled to nearly zero by 2024, even in its home country. In this context, the research focuses on exploring the underlying reasons behind Tiki's gradual disappearance from the e-commerce market and proposes strategic solutions to help the company return to the race, using qualitative qualitative research approach, using secondary and synthetic data.

2. The current state of Tiki in internal and external aspects

2.1. Internal aspects

2.1.1. Finance

Table 1: Capital structure information of Tiki

Capital Information

Charter capital: 5,916,352,830.00

0 VND

Source of Capital	Ratio (%)	Amount (in figures, VND)
State budget capital	0.000	0
Foreign capital	100.000	5,916,352,830,000
Others	0.000	0
Total	100.000	5,916,352,830,000
Private capital	0.000	0

Contributed Assets	Ratio (%)	Amount (in figures, VND)
Vietnamese Dong	41.071	2,429,876,330,000
Freely convertible foreign currency	58.929	3,486,476,500,000
Gold	0.000	0
Land use right value	0.000	0
Value of intellectual property rights, technology, technical know-how	0.000	0
Other assets	0.000	0
Total	100.000	5,916,352,830,000

Authorized Representative

Document Type	ID Number	Full Name	Contact Address	Total Amount	Capital Representation Date
Vietnamese Passport	C4854780	TRAN NGOC THAI SON	29/1 Street No. 4, An Khanh Ward, An Phu Ward 3, Thu Duc City,	5,916,352,830,000.00 VND	09/05/2023

Ho Chi
Minh City,
Vietnam

Source: *National Business Registration Portal, 2021*

As of April 2021, Tiki had a charter capital of nearly VND 6,000 billion, fully owned by foreign investors. Between March and June, it issued bonds worth VND 1,000 billion to expand operations but continued incurring losses, leading to the sale of 90.5% of its shares to Tiki Global in August 2021 (VnEconomy, 2024).

Tiki has long been an attractive destination for investors, successfully raising capital through multiple rounds. In its 2021 Series E round, the company secured \$258 million from major funds including AIA Insurance, UBS AG, Mirae Asset-Naver, and Taiwan Mobile. Previously, it had received funding from CyberAgent, Sumitomo, VNG, and JD.com. However, its capital outlook has dimmed recently. VNG - an early strategic investor with a total investment of VND 510 billion (VND 384 billion in 2016 and VND 120 billion in 2018) - officially withdrew from Tiki Global's Board by late 2024, reclassifying Tiki as a long-term financial investment. Notably, VNG had already written off the entire value of its investment in Tiki since the first quarter of 2019 (Markettimes, 2025).

2024	VNG withdraws capital and records the investment as
2022/05	Investment from Shinhan Financial Group.
2021/11	Raised 258 million USD from Series E.
2021/08	Sale of 90.5% of shares to Tiki Global.
2021/03-06	Issuance of bonds worth 1,000 billion VND.
2021/04	Charter capital (6,000 billion VND from foreign

Figure 1: Timeline of Tiki's Capital Raising Events

Source: *Synthesized by Group of authors*

Tiki has made significant investments in what are considered core elements to improve user experience and operational efficiency, such as the "TikiNOW Smart Logistics (TNSL)" logistics system with a commitment to fast delivery and applying new technologies such as AI

to optimize shipping or testing ChatGPT from 2023. However, these initiatives have not yielded corresponding financial returns. Tiki's total revenue in fiscal year 2022 fell by 7% year-on-year to just under \$200 million, while its net loss rose by 39%, reaching \$93 million (VietTimes, 2023).

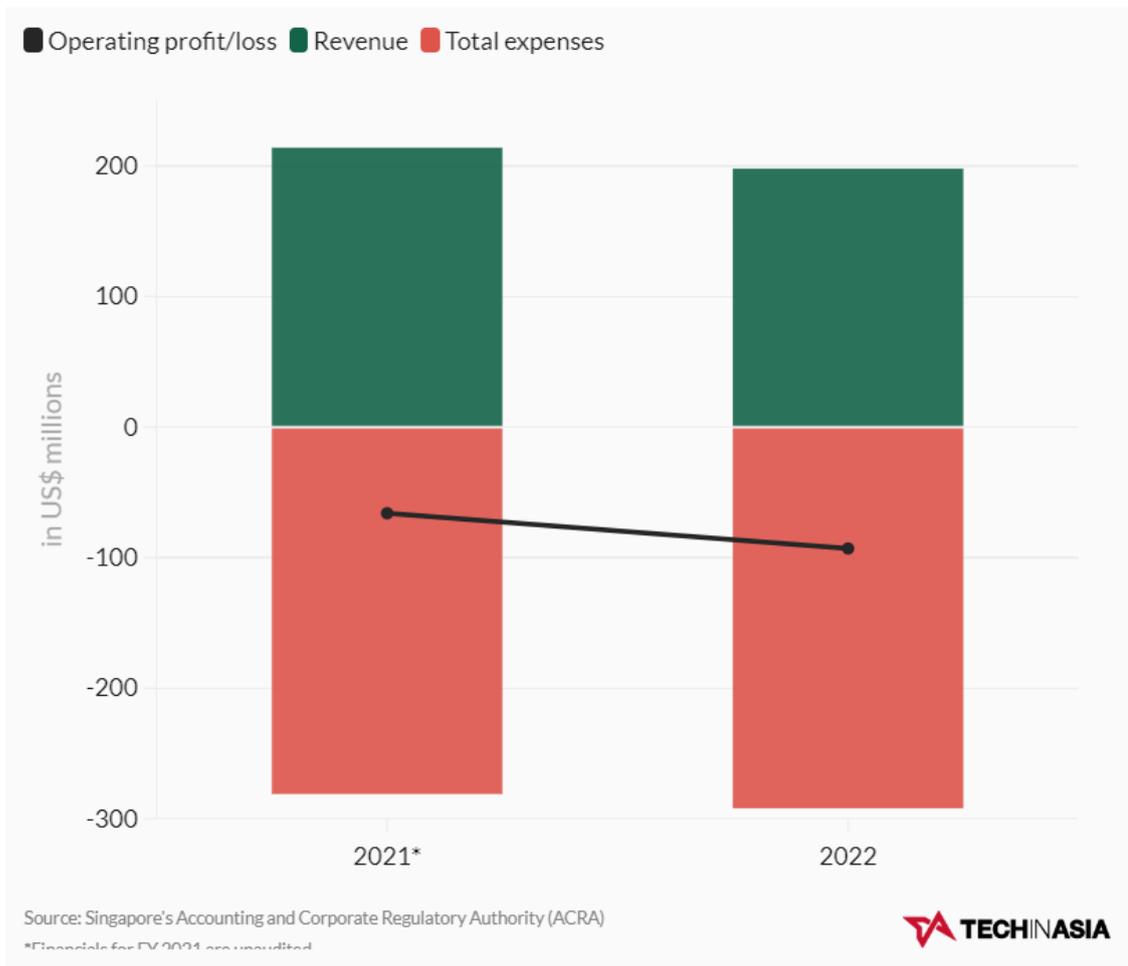
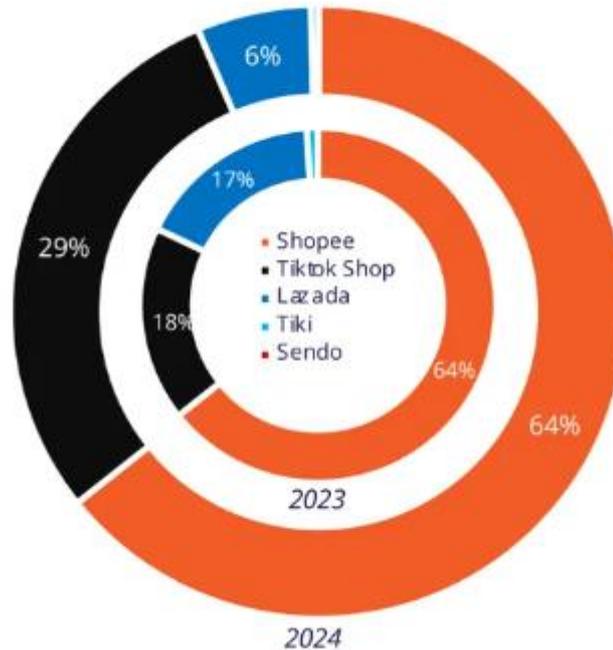


Figure 2: Tiki's Revenue and Net Losses for the Fiscal Year Ending March 2022

Source: ACRA, 2022

Tiki's situation worsened in 2024 as its revenue market share among five major e-commerce platforms dropped to just 1% (The Investor, 2025). This was accompanied by a 19.1% decline in active sellers, leaving only 8,800 by Q2/2024 (YouNet ECI, 2024). By Q1/2025, Tiki's sales had plunged 66.6% year-on-year, sharply contrasting with TikTok Shop's 113.8% growth and Shopee's 29.3% (VNEconomy, 2025), highlighting its deepening competitive disadvantage.



The market share of e-commerce in Vietnam in 2023 and 2024. Photo courtesy of Metric.vn

Figure 3: Market share of major e-commerce platforms' revenue in Vietnam in 2024

Source: Metric, 2024

Tiki appears to be trapped in a negative cycle, where underperformance limits access to funding, and limited funding further hampers performance. A key contributor to these challenges is the company's high-cost structure, which has not been effectively managed. Furthermore, Tiki's leadership has yet to articulate a credible path toward sustainable profitability, especially as competitors continue to demonstrate financial improvement - further discouraging potential investors.

2.1.2. Human resources

Tiki, a leading all-in-one commerce ecosystem in Vietnam, employs over 4,500 professionals drawn to its vibrant, innovative work culture and the abundant career development opportunities fueled by the company's rapid growth.

According to Sakshi Jawa, Tiki's Chief People Officer, she has described her management style that makes Tiki grow as a modern-day corporation. Previously reliant on manual spreadsheets prone to error, Tiki has since adopted advanced technical solutions that streamline daily operations, reduce mistakes, and improve forecasting and calculation processes - supporting the company's scalable, tech-driven growth. With an average employee age of 27-

28, Tiki fosters a youthful, motivating work environment. Under Sakshi Jawa's leadership, the company emphasizes employee engagement through recognition, transparent feedback, and open communication across management levels. A robust performance management system supports continuous dialogue between managers and staff. Additionally, Tiki has implemented Learning & Development (L&D) programs to enhance employee skills and encourage professional growth, reinforcing its people-centric culture (Vietcetera, 2024).

Under founder Tran Ngoc Thai Son, Tiki evolved from a small online bookstore in 2010 to one of Vietnam's leading multi-category e-commerce platforms. A major milestone was pioneering the 2-hour TikiNOW delivery - first in Southeast Asia, boosting customer experience and helping Tiki rank among Vietnam's Top 2 and Southeast Asia's Top 6 e-commerce sites (2018–2019). Its growth stemmed partly from investing in young talent, with over 3,000 employees and recognition as "Best Workplace in Vietnam's E-commerce Industry" (HR Asia, 2019). Leadership strength was also reflected in the successful Series E fundraising round in 2021, where Tiki secured \$258 million from strategic investors like AIA, UBS, and Mirae Asset-Naver (Markettimes, 2025).

Despite having put many efforts to build corporate culture at the operational level and achieved important milestones, it seems not to be enough to compensate for later poor decisions and weaknesses in strategic management from the top leadership level – including founder Tran Ngoc Thai Son (in the role of CEO before August 2023) and the Board of Directors (BOD) of Tiki - which contributed significantly to Tiki's decline. Firstly, its aggressive "cash-burning" growth model led to prolonged losses of millions USD annually, despite successful fundraising. This shows weaknesses in long-term planning and financial management capacity from the top. Furthermore, Tiki also missed a crucial opportunity to strengthen its market position through mergers. The failed merger with Sendo in 2020, due to shareholder disagreements, exemplified internal fragmentation. Tiki's complex shareholder structure and reliance on foreign capital further complicated strategic decision-making, undermining its ability to build market strength (VIR, 2020). Besides, instability within the chief executive position has unmasked profound governance challenges. The resignation of Tran Ngoc Thai Son as CEO in July 2023, amid visible decline, signaled internal tensions or dissatisfaction with performance. Although he transitioned to Chairman of Tiki Global's Board (Nguoi Lao Dong, 2023), such high-level shifts during downturns typically reflect Board pressure resulting from poor results or strategic disagreement.

In short, mistakes in shaping business strategy, financial management, missed M&A opportunities and instability in senior leadership have directly weakened Tiki's competitiveness, leading to a significant loss of market share.

2.1.3. Marketing

2.1.3.1 Tiki's "Tiki Goes with Artists" Strategy

According to Advertising Vietnam, Tiki's "Tiki Goes with Artists" campaign was among its most innovative and effective marketing efforts. By integrating its brand into popular music videos through collaborations with famous artists, Tiki expanded visibility and successfully engaged a younger, more dynamic audience via their fan bases.

The campaign aimed to boost brand recognition by associating Tiki with popular artists, building trust and credibility. It targeted Millennials and Gen Z - avid music and digital media consumers - by embedding Tiki into their entertainment habits, positioning the brand as not just an e-commerce platform but a lifestyle companion.

Tiki partnered with top Vietnamese artists like Sơn Tùng M-TP, Mỹ Tâm, and Trần Thành, featuring its brand in their MVs. Rather than simple product placements, Tiki's logo and mentions were integrated naturally into scenes, often linked to positive experiences, maintaining both subtle promotion and entertainment value.

The strategy was highly effective in increasing Tiki's sales and growing its customer base. It helped solidify Tiki's position as a leading e-commerce platform by appealing to consumers' emotions, creating a deeper connection with the brand. Additionally, it attracted new customers, particularly younger audiences who might not have considered Tiki as a shopping platform before.

However, the campaign was not without its challenges. The cost of collaborating with top artists and sponsoring music videos was significant, and there was a risk that the efforts might not directly translate into sales. Moreover, the highly competitive nature of the e-commerce market in Vietnam means that Tiki had to continue innovating and differentiating itself from competitors like Shopee and Lazada, who also leveraged similar celebrity endorsements.

In conclusion, "Tiki Goes with Artists" was a strategic blend of entertainment and commerce that helped Tiki stand out. By tapping into music and celebrity influence, the brand positioned itself as more than just an e-commerce platform, becoming part of consumers' daily lifestyle.

2.1.3.2. "TiKiNOW Express 2-hour delivery service"

TikiNOW is Tiki's express delivery service, offering 2-hour and 3-hour delivery options, where orders placed before 6:00 PM each day will be delivered within 2 to 3 hours from the time the order is placed. On the other hand, orders placed after 6:00 PM will be delivered the following morning (Tiki, n.d.).

Tiki aimed to lead in speed and convenience by offering ultra-fast delivery, catering to rising consumer demand for immediacy. This strategy also supports the shift from offline to digital shopping, reinforcing Tiki's brand promise of speed, reliability, and innovation.

Tiki's marketing team strategically launched an online campaign across social media platforms including YouTube, TikTok, and Facebook, featuring a key promotional video titled "TIKINOW: CÚ ORDER - 2H LÀ CÓ - KHÓ TIKI LO!". The video garnered around 7,000 views on both YouTube and Facebook and received about 150 reactions on TikTok. In addition, TVC campaigns, especially those with celebrities like Truong Giang and Nha Phuong, also garnered positive feedback, reaching 202,000 views on YouTube.

According to VnExpress (2019), the marketing campaign for TikiNOW 2-Hour Delivery has achieved remarkable success across several key areas:

- Brand positioning & awareness: Bold messages like "2-hour delivery" and "91% off" boosted brand recognition and trust.
- Customer experience & service expansion: 20% of total orders are used by TikiNOW, with over 500,000 products across 35 categories available for same-day delivery and a 99.5% success rate.

Despite its achievements, the TikiNOW 2-Hour Delivery campaign faced several significant challenges. One of the most pressing issues was the high operational cost required to sustain ultra-fast delivery, including investments in fulfillment centers, inventory systems, accompanied with the marketing campaign itself, affecting the profitability after.

2.2. External aspects

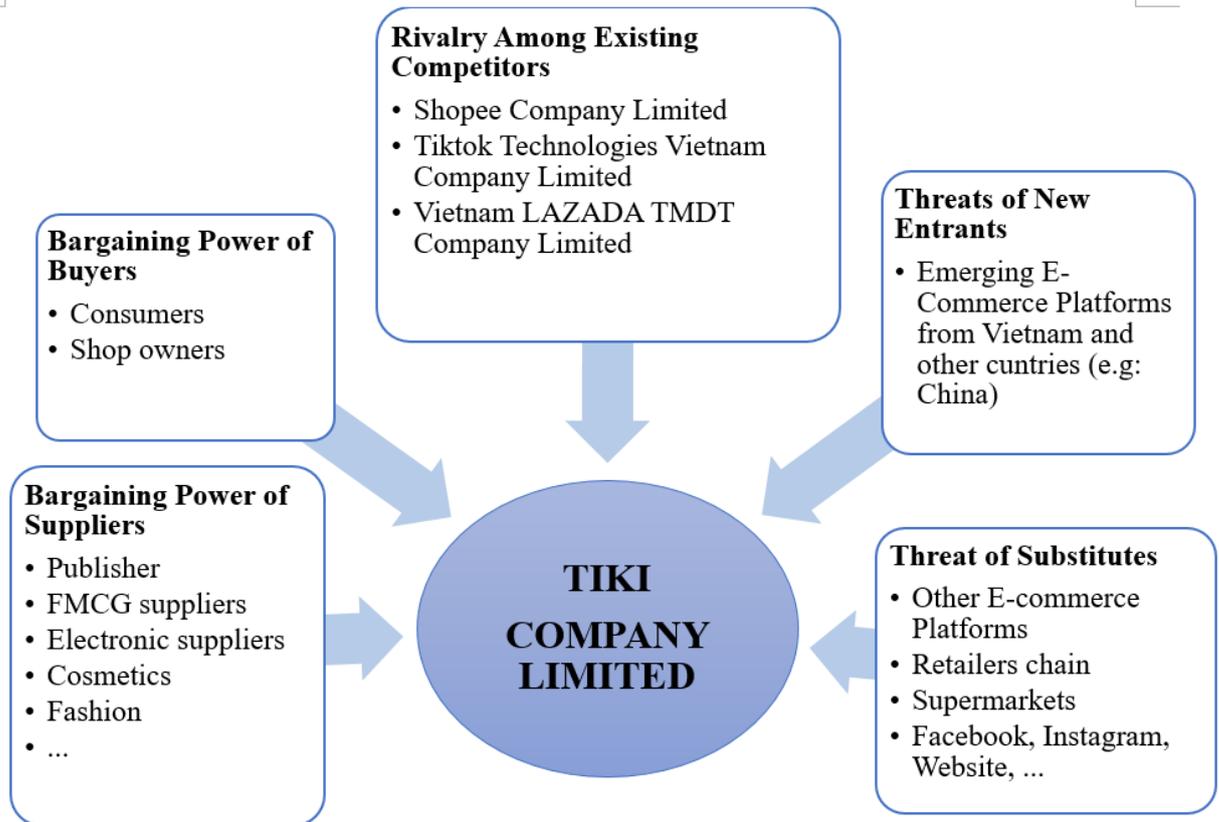


Figure 4: Porter's five forces model analysis of Tiki

Source: Synthesized by Group of authors

2.2.1. Bargaining Power of Buyers

Regarding the worldwide consumer behaviour, according to the NIQ Consumer Outlook 2024 published in January 2024, rising financial challenges are leading consumers to prioritize essential products and reduce spending on non-essentials. According to the report, concerns about job security and economic stability make consumers more cautious. Inflation, or post-pandemic adjustments are also the reasons that make consumers cut down on their daily spending. Dining out, outdoor entertainment, food delivery, clothing, and home decoration are the top 5 most significant activities. To be more specific, instead of dining out, many people choose to cook at home to save money and ensure the quality of the meal, which also leads to a significant drop in food delivery extent.

The report also highlighted that maintaining consumer loyalty will be challenging as financial pressures lead consumers to focus on saving. The desire for lower prices (89%) is the strongest driver, influenced by external factors beyond brands' control.

With regards to the Vietnamese consumer behavior, according to the report from Metric, one of the key highlights of the market in Quarter 3-2024 is that products under 200,000 VND accounted for over half of total market sales, with a 9% increase in market share compared to last year. This growth highlights the strong demand for low-priced products, pushing e-commerce platforms to adopt cost-reduction strategies. This trend occurs because of the ongoing uncertainties of the economy recently. The most noticeable reason is inflation. A survey by Vietnamese Investment Review showed that 63% of Vietnamese consumers are concerned about inflation in the coming year. In the first 7 months of the year 2024, the inflation rate is rising by 2.73% compared with December 2023 (GSO, 2024).

Another prominent online shopping trend in Quarter 3-2024 is the strong growth of shop malls or official stores. Although they account for only 5% of the total number of stores, shop malls contributed nearly one-third of the total market sales, with a 53.11% increase compared to the same period in 2023. This growth reflects a shift in consumer behavior toward online shopping in Vietnam. Vietnamese consumers tend to prioritize genuine, high-quality products, especially those sold at credible shop malls. This trend is reasonable because numerous counterfeit products are openly sold on e-commerce sites (Thanh Nien, 2023). Products like phone chargers, cases, handbags, shoes, and watches are offered at surprisingly low prices but are actually fake. For example, a genuine men's Orient Sun Moon Gen 4 leather strap watch is priced at over 5 million VND, but a store on the Shopee e-commerce platform is selling it for only 680,000 VND. This alarming situation is sounding like a wake-up call for buyers, prompting them to investigate more carefully the origin and authenticity of products

and gradually place their trust in shops with verified badges or official Mall stores on e-commerce platforms.

2.2.2. Bargaining Power of Supplier

According to the website, Tiki recently has 24 categories of commodities being sold on this platform.

Table 2: 24 categories of commodities being sold on Tiki

No.	Product category
1	Tiki Bookstore
2	House Furniture
3	Smartphones
4	Toys - For mom and kids
5	Electronic Devices
6	Household Electronic Appliances
7	Cosmetics
8	Cars - Motorbikes - Bicycles
9	Women's clothing
10	Online retail store
11	Sports - Camping
12	Men's clothing
13	International goods
14	Computers
15	Shoes for men
16	Electronic and Refrigeration appliances
17	Shoes for women
18	Cameras

19	Fashion Items
20	Watches and Jewelry
21	Backpacks and Suitcases
22	Women's fashionable bags
23	Men's fashionable bags
24	House cleansing products

Source: Website Tiki.vn, English translation by Group of authors

Given Tiki's wide range of product categories, spanning books, electronics, home appliances, fashion, cosmetics, groceries, and more - the overall bargaining power of suppliers is moderate to low. Tiki works with thousands of suppliers across 24 different categories, which helps diversify risk and reduce dependence on any single supplier. In highly competitive categories like women's fashion and electronics, suppliers have less power due to Tiki's ability to switch vendors easily. However, in niche categories like imported books or specialized foods, supplier power is higher. Tiki's strong market presence, volume of sales, and private-label initiatives help reduce supplier dependency and improve negotiating leverage.

2.2.3. Threats of Substitutes

Tiki, a prominent e-commerce platform in Vietnam, faces significant threats from substitute products and services that could impact its market share and profitability. Shopee, Tiktok Shop, Sendo, Lazada or even other emerging e-commerce platforms in China such as Taobao have gained a lot of Vietnamese buyers' attention. Consumers have a variety of platforms to choose from, which means that Tiki needs a differentiation strategy to keep customers retention.

A growing preference for purchasing directly from physical stores or supermarkets is another substitute for Tiki. Consumers are increasingly concerned about counterfeit products and prefer authentic goods, which leads them to bypass platforms like Tiki.

Additionally, social media platforms like Facebook and Instagram have become alternative shopping channels, allowing brands to engage directly with consumers through official pages, offering exclusive promotions and personalized services.

2.2.4. Rivalry among existing competitors

In Vietnam's rapidly evolving e-commerce landscape, Tiki faces strong competition from leaders like Shopee and TikTok Shop. According to a report by VnEconomy, in the second quarter of 2024, Shopee led with nearly \$2.49 billion in revenue, capturing 71.4% of the Gross Merchandise Value (GMV) market share. TikTok Shop ranked second with \$767.6 million in revenue, holding 22.0% (VnEconomy, 2024).

In stark contrast, Tiki's position has significantly weakened. Its revenue has plummeted by 66.6% compared to the previous year, reflecting both a shrinking user base and declining seller engagement (Hai Quan Online, 2024). This decline undermines Tiki's market share and competitiveness, especially as its cost-heavy logistics model contrasts with the asset-light approaches of rivals. Shopee's regional dominance and TikTok Shop's viral reach intensify the pressure on Tiki, which struggles to keep pace in a market driven by scale, speed, and adaptability.

In the Vietnamese market, Tiki's two biggest competitors are Shopee and TikTok Shop. Below is a SWOT model analyzing the strengths and weaknesses of these two major rivals.

Table 3: SWOT Analysis of Shopee

Category	Analysis
Strengths	<ul style="list-style-type: none">- Strong brand recognition across Southeast Asia.- Wide product range and large seller base.- Efficient logistics and payment systems (ShopeePay, Shopee Xpress).- Frequent promotional campaigns (e.g., 9.9, 11.11).
Weaknesses	<ul style="list-style-type: none">- Heavy reliance on discounts to retain customers.- Customer service can be inconsistent.- High competition results in thin profit margins.- Oversaturation of low-quality products: Shopee allows many unverified sellers, leading to a high presence of low-quality or counterfeit goods, particularly in electronics and fashion. This undermines customer trust and harms brand perception.
Opportunities	<ul style="list-style-type: none">- Growth in rural and tier-2 markets.- Expansion of Shopee Mall and exclusive brand partnerships.- Further integration of AI for personalization.

Threats

- Rising competition from TikTok Shop and local players.
- Increasing customer acquisition costs.
- Government regulations on e-commerce and data privacy.

Source: *Synthesized by group of authors*

Table 4: SWOT Analysis of Tiktok Shop

Category	Analysis
Strengths	<ul style="list-style-type: none"> - Huge user base from TikTok platform. - Powerful short-video and livestream commerce format. - Strong influencer ecosystem for product promotion.
Weaknesses	<ul style="list-style-type: none"> - Limited product variety compared to Shopee. - Logistics and after-sales support are still developing. - Short-term impulse buying behavior may affect repeat sales. - Unbalanced category development: TikTok Shop is focused on beauty, fashion, and impulse-buy items, with underdeveloped categories like household appliances, electronics, and books. - Lack of structured browsing: TikTok Shop relies on algorithm-driven video feeds, making it difficult for users to search and explore broader product categories.
Opportunities	<ul style="list-style-type: none"> - Leverage creator economy and social commerce trends. - Partner with more Vietnamese SMEs and KOLs. - Improve logistics and integrate payment solutions.
Threats	<ul style="list-style-type: none"> - Regulatory scrutiny of data and content. - Reliance on trends and entertainment may limit sustainability. - Strong counterstrategies from competitors like Shopee and Lazada.

Source: *Synthesized by group of authors*

2.2.5. Threat of new entrants

As a prominent e-commerce player in Vietnam, Tiki has consistently worked to establish itself as a trusted platform for consumers, particularly with a focus on quality products and excellent customer service. However, the entry of new platforms in the past two years has created significant challenges that Tiki must address.

Firstly, new players like Hi1 and VIPO Mall are disrupting the e-commerce landscape with innovative models. Hi1, for example, uses a Factory-to-Consumer (F2C) model, cutting out intermediaries to offer lower prices (VIR, 2024). This directly competes with Tiki's conventional logistics structure, putting pressure on Tiki to adjust its pricing strategies to stay competitive.

In addition, Temu, backed by PDD Holdings, has entered the market with affordable products targeting price-sensitive customers. Despite regulatory challenges, Temu's aggressive pricing strategy presents a significant threat to Tiki, especially in the low-margin, fast-moving consumer goods category, where cost efficiency is key. Furthermore, platforms like Shein, focusing on global fast fashion, are gaining popularity among younger Vietnamese consumers. With a wide range of low-cost, trendy products, Shein is capturing Tiki's market share in fashion and lifestyle. Tiki's brand, built around quality and higher-end products, now faces tough competition as younger consumers prefer more affordable, trend-driven options like Shein (VnExpress, 2024).

Moreover, Tiki faces significant pressure from Taobao, a major Chinese e-commerce platform gaining traction among Vietnamese consumers. Known for its vast product range and competitive pricing, Taobao connects directly with Chinese manufacturers, offering lower prices than local platforms like Tiki. The appeal of affordable international products and efficient shipping options has attracted price-conscious shoppers in Vietnam (CafeF, 2024). To compete, Tiki must enhance its supply chain, expand its product offerings, and manage the pressure on profit margins from global platforms like Taobao.

These new entrants also benefit from strong financial backing, enabling aggressive marketing, heavy discounts, flash sales, and cashback deals. These strategies, which Tiki struggles to match with its traditional funding model, make customer retention more challenging, especially when competing platforms can attract consumers with significant incentives.

In this rapidly changing landscape, Tiki faces the challenge of adapting to new consumer behaviors while maintaining its core values of quality and reliability. To stay relevant, Tiki must innovate its business strategies, explore cost-effective supply chain models, enhance user experience, and adopt modern marketing techniques that align with the evolving expectations of Vietnamese consumers.

3. Solutions for Tiki company limited

3.1. Current solutions from Tiki Company Limited

3.1.1. Internal solutions

As part of its ongoing restructuring efforts, Tiki officially appointed Mr. Richard Triều Phạm as Chief Executive Officer (CEO) and Ms. Vũ Thị Nhật Linh as CEO of TikiNow Logistics (TNSL), effective August 15, 2023 (VNExpress, 2023). This leadership shift reflects Tiki's strategic goal of attracting and retaining visionary and capable individuals to guide the company through its transformation. Mr. Phạm, who joined Tiki in 2019 as CFO and President, is well-regarded for his business acumen and leadership in building a financial infrastructure aligned with international standards. Under his guidance, Tiki expanded into FinTech, InsurTech, and Ticketbox, and successfully closed a Series E funding round in 2021 with major investors such as AIA, UBS, and Mirae Asset-Naver. Ms. Linh, who has been with Tiki since 2015, has a strong background in logistics and operations, having previously served as Deputy CEO of TikiNow Logistics. Her expertise in supply chain management and service delivery will be crucial as Tiki focuses on enhancing customer experience and operational efficiency.

In addition to these internal leadership changes, Tiki also strengthened its commitment to long-term talent development through a strategic partnership with the ISB Institute, established on June 30, 2024 (MBA Talent, 2024). This collaboration aims to cultivate high-quality human resources by offering advanced education opportunities, including MBA training programs tailored for Tiki employees. ISB will deliver premium training courses and nominate outstanding staff for its MBA Talent program, while Tiki will contribute to curriculum development and provide industry insights as a member of ISB's advisory board. This partnership underscores Tiki's vision of building a future-ready workforce and signals a broader effort to prepare for a strong comeback in the competitive e-commerce market.

3.1.2. External solutions

In the face of fierce competition and market challenges, Tiki has entered a “static but not silent” phase—a strategic period of introspection and reorganization aimed at strengthening its foundation for future growth (CafeF, 2025). While the company has consciously reduced its public presence in terms of aggressive marketing and market share expansion, this phase has not been a time of inaction. Instead, Tiki has used this period to focus on its long-term goals, undergoing a significant restructuring process to refine its business model, optimize operations, and enhance technological infrastructure.

A key component of this restructuring is the company's heavy investment in technology and innovation (VNExpress, 2024). Tiki has leveraged artificial intelligence (AI) to streamline

its order processing, improve supply chain efficiency, and elevate the customer experience. These technological advancements have positioned Tiki to better handle high traffic periods, ensuring stable operations even during peak times. Additionally, the company has worked on enhancing its product offerings by focusing on the quality of the products and ensuring the authenticity of their goods, providing a trusted marketplace for consumers in an increasingly competitive landscape.

Beyond technological upgrades, Tiki has also redefined its partnerships with vendors and suppliers. By selectively curating its seller base and ensuring that only verified, quality-driven partners are on its platform, Tiki aims to build a reputation for reliability and consumer trust—two crucial factors in retaining a loyal customer base. In parallel, the company has strengthened its customer service by introducing new policies such as free returns within 30 days and on-time delivery guarantees, enhancing the overall shopping experience.

While Tiki's market visibility has been subdued during this restructuring phase, its strategy is clear: to come back stronger, with a more solid foundation, and better equipped to compete with the likes of Shopee, Lazada, and TikTok Shop. Tiki's commitment to operational excellence and customer-centric service will be the cornerstone of its revival, making it a formidable player in the future of Vietnam's e-commerce landscape.

3.2. Proposed solutions from group of authors

3.2.1. Strategic solution

Both TikTok Shop and Shopee are currently focused on fast-selling essential categories such as fashion, cosmetics, and food, which align with their strengths in visual marketing and impulse buying. However, this leaves a significant gap in other important segments like home appliances, electronics, and especially books—areas that require more consumer trust and after-sales service. This gap presents a strategic opportunity for Tiki to differentiate itself by focusing on quality-driven, knowledge-based products, such as books, electronic devices, where it already has an edge. By strengthening its offerings in these underserved categories, Tiki can reposition itself as a reliable platform for thoughtful, value-oriented shopping.

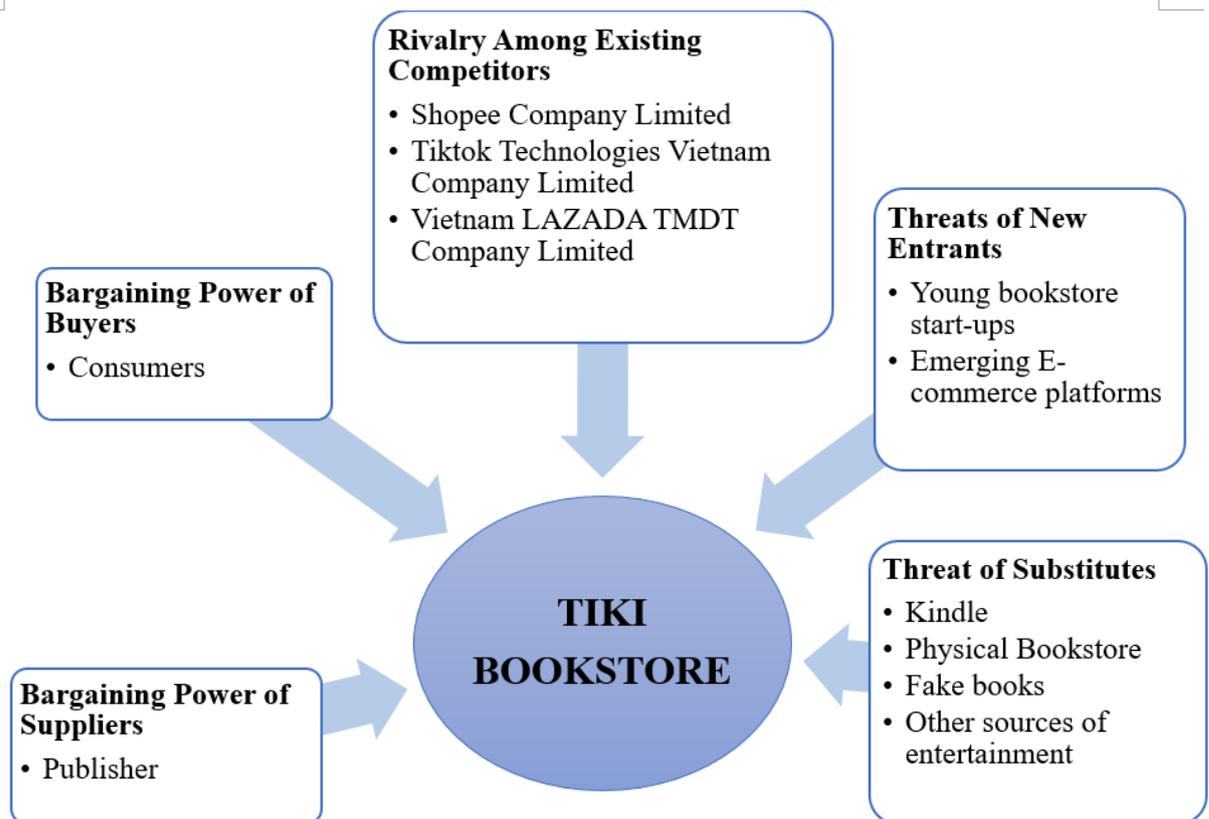


Figure 5: Porter’s Five Forces model for Tiki’s bookstores

Source: Synthesized by Group of authors

One solution is that Tiki could reduce the number of product categories and focus on its original strength at the time of its founding: books, which include both foreign and Vietnamese books. Currently, there are not many e-commerce platforms specializing in books, nor do they have a loyal customer base for this segment like Tiki does. Data from Tiki also shows that there are currently hundreds of businesses distributing publications on the Tiki e-commerce platform. In 2023, Tiki sold over 1.9 million publications (Tạp chí Thông tin đối ngoại, 2024).

An example of strategic restructuring is Sendo. On April 15, 2025, Sendo officially shut down its core e-commerce marketplace and rebranded itself as Sendo Farm, focusing solely on the online grocery segment. This pivot reflects a significant strategic shift to gain a competitive advantage in a niche market estimated to be worth \$2.8 billion in 2024. Sendo Farm now operates a unique model that relies on a distributed network of housewives, remote workers, and small shop owners, who use their own fridge space as pickup and distribution hubs. Since launching, the company has cultivated over 1 million customers, partnered with tens of thousands of delivery agents, and collaborated with hundreds of suppliers, particularly in fresh produce. This approach helps reduce intermediary costs and optimize last-mile logistics. While competition in the online grocery space is intensifying with the entrance of players like Shopee

and TikTok Shop, Sendo Farm positions itself as a lean, community-driven alternative that leverages local resources to meet rising demand (Rest of world, n.d.).

3.2.2. Financial solutions

In order to cut costs, Tiki needs to restructure its cost and operational model by thoroughly reviewing its entire operational system, especially large-scale investments such as TikiNOW Smart Logistics. Only the most efficient logistics centers should be retained, and the number of operational support staff should be optimized. In return, Tiki should further optimize the use of the third-party logistics (3PL) model, i.e. partnering with established logistics providers like GHN, Viettel Post, or J&T Express to reduce capital investment costs.

A significant cost-cutting measures that businesses across all sectors are adopting is the use of AI to reduce staffing expenses. For Tiki, one of the key areas where AI can be integrated is customer service—through the implementation of chatbots to assist users and the application of Natural Language Processing (NLP) to classify customer requests (such as complaints, return inquiries, or delivery delays) and route them to the appropriate support teams, thereby reducing the need for manual handling. In addition, Tiki can utilize tools like UiPath Community Edition or Robocorp to create bots that handle data entry, extract reports, and send scheduled updates—without requiring a specialized IT team.

Tiki also needs to improve its capital base by restructuring its financial strategy and fundraising approach. Instead of relying heavily on venture capital (VC) investors, the company could shift focus toward strategic investors—such as retail chains, logistics firms, or major consumer goods companies seeking to digitize their sales channels. To attract these investors, Tiki must develop and publicly present a clear roadmap plan within 24 months, including specific targets such as quarterly loss reduction and improvements in gross profit margins

3.2.3. Human Resources solutions

First, Tiki needs to comprehensively upgrade its facilities and working environment, ensuring safe, comfortable and inspiring working conditions for all employees. This is especially important for departments directly involved in the supply chain and logistics, where working conditions have a direct impact on the health, spirit and productivity of employees. Investing in improving the working space, equipment and supporting utilities not only demonstrates the concern of the business but also serves as a foundation for building a more professional and effective working environment.

Furthermore, the company needs to extensively reform its compensation, salary and welfare policies to ensure competitiveness, fairness and truly attract and retain talent. Tiki needs to review the entire salary, bonus and welfare package structure, comparing it with the general

market level, especially direct competitors. The new policy must not only be financially attractive but also include non-financial factors such as development opportunities, recognition, comprehensive health care programs (both physical and mental), and work-life balance, thereby creating a strong employee value proposition (EVP).

Finally, Tiki needs to prioritize rebuilding trust and a positive employer brand image for both current employees and potential candidates. After a difficult period and internal fluctuations, restoring trust is a vital factor. This requires transparency from the leadership about the company's strategic direction, clear communication about improvement efforts and development opportunities, which can be supported by effective use of digital media channels and professional social networks such as LinkedIn. At the same time, Tiki needs to proactively build a new, authentic and inspiring employer brand story, emphasizing the values and opportunities that the company can bring, to attract talented employees and be suitable for the new development stage.

The combined implementation of these three key solutions will help Tiki gradually overcome resource weaknesses, rebuild a strong team and create a working environment where everyone feels respected and motivated to contribute, thereby contributing to the recovery and sustainable development of the business.

3.2.4. Marketing solutions

Instead of collaborating with many artists—which can significantly increase marketing costs—Tiki could consider appointing a single, high-profile brand ambassador who resonates well with young consumers and aligns with the brand's core values. A well-chosen ambassador with strong cultural relevance and a loyal fanbase can effectively represent the brand across various campaigns, creating a consistent and recognizable brand identity without the need for multiple celebrity endorsements.

In addition, Tiki should leverage major sales events, similar to what Shopee does with campaigns like 11.11 or 12.12, to build anticipation and drive traffic. These large-scale promotional events, especially when paired with time-limited deals, gamification features, and free shipping, have proven to be highly effective in stimulating purchase behavior. By combining a focused ambassador strategy with recurring sales festivals, Tiki can maximize brand impact while optimizing marketing expenditure.

4. Conclusion

Tiki, once a leading player in Vietnam's e-commerce industry, is now at a critical turning point. Initially focused on books, Tiki rapidly expanded into a platform offering millions of products, supported by strong investor backing. However, in recent years,

weaknesses have emerged, causing the company to lose market share and lag more adaptable competitors. Tiki's current position reveals several challenges. Financially, the company has failed to achieve profitability despite heavy investment. Its reliance on external funding makes it vulnerable. Regarding human resources, Tiki has a young team but lacks stability and has seen frequent leadership changes. While Tiki has invested in infrastructure and logistics, it has not kept up with more agile platforms like TikTok Shop. Additionally, customer satisfaction has been inconsistent, with issues around delivery speed, responsiveness, and user experience. To address these, Tiki must optimize operational costs and restructure resources for better financial health. It should also narrow its focus on core categories, particularly books, to rebuild its brand and stand out from competitors. Greater investment in technology, particularly in logistics and customer service, is essential. Lastly, Tiki should revitalize its brand and adopt innovative, consumer-driven marketing strategies. In conclusion, while Tiki faces significant challenges, it still holds valuable assets like brand recognition, infrastructure, and a loyal customer base. With the right strategic adjustments, Tiki can recover and grow sustainably.

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