

Vietnamese Enterprise Digital Transformation Success Story

Case Study: TechViet Manufacturing Company

Company Background: TechViet Manufacturing, a leading Vietnamese electronics manufacturer based in Ho Chi Minh City, employs 2,500 workers and generates \$150 million annual revenue. Established in 1995, the company faced increasing competition from regional manufacturers and needed to modernize operations to maintain market leadership position in Vietnam's electronics sector.

Challenges Before Digital Transformation

Operational Inefficiencies: Manual production planning resulted in 15% material waste and frequent production delays. Inventory management relied on spreadsheets, causing stockouts and excess inventory carrying costs exceeding \$2 million annually.

Quality Control Issues: Paper-based quality inspection processes led to inconsistent product quality and customer complaints.

Limited Customer Visibility: Lack of real-time order tracking frustrated business customers and affected repeat orders.

Data Silos: Departments operated independently with isolated systems, preventing data-driven decision making across the organization and limiting strategic planning capabilities.

Digital Transformation Strategy Implementation

Phase 1: Infrastructure Foundation (6 months)

TechViet partnered with local IT providers to implement cloud-based ERP system specifically designed for Vietnamese manufacturing companies. The system integrated production planning, inventory management, and financial reporting in Vietnamese language.

Investment: \$800,000 in software licensing and implementation.

Phase 2: Process Automation (8 months)

Deployed IoT sensors throughout production lines to monitor equipment performance and predict maintenance needs. Implemented automated quality control systems using computer vision to detect defects in real-time, reducing inspection time by 60%.

Investment: \$1.2 million in IoT infrastructure and automation.

Phase 3: Customer Experience Enhancement (4 months)

Launched customer portal providing real-time order tracking, delivery notifications, and digital invoice management. Integrated CRM system to improve customer relationship management and support personalized service delivery to key accounts.

Investment: \$300,000 in customer portal development.

Results and Business Impact

Operational Improvements:

- Material waste reduced from 15% to 5%, saving \$1.8M annually
- Production efficiency increased by 25% through optimized planning