

Western Union onboards Vietnam's leading super app to drive digital growth

Article

The news: Western Union will let customers in Vietnam receive remittances through local super app MoMo, per a press release.

Why it matters: Working with MoMo gives Western Union increased access to a major remittance market.

- **Remittance inflow in Vietnam is expected to hit \$19.56 billion in 2023, [according to](#)** Insider Intelligence forecasts. That's 2.5% of worldwide remittance inflow.
- **Personal remittances in Vietnam contributed to 4.9% of the country's gross domestic product (GDP) in 2021, [per](#)** the World Bank—compared with 0.4% of GDP [across](#) the broader East Asia and Pacific region.

Growing mobile penetration makes digital wallets a viable growth avenue for remittances and other financial services in Vietnam. **We expect 63.8 million people will use a smartphone this year—1 million more users than in 2022, per [our Smartphone Users forecast](#).**

- This may be a big reason why 75% of internet users in Vietnam prefer mobile wallets to cards, [per](#) Visa.
- This demand is giving way to players like MoMo—Vietnam's [most popular wallet](#). It lets users do things like make retail payments, pay their bills, and book travel.

Western Union's opportunity: MoMo can help bolster Western Union's digital remittance volume in Asia and make the firm more competitive.

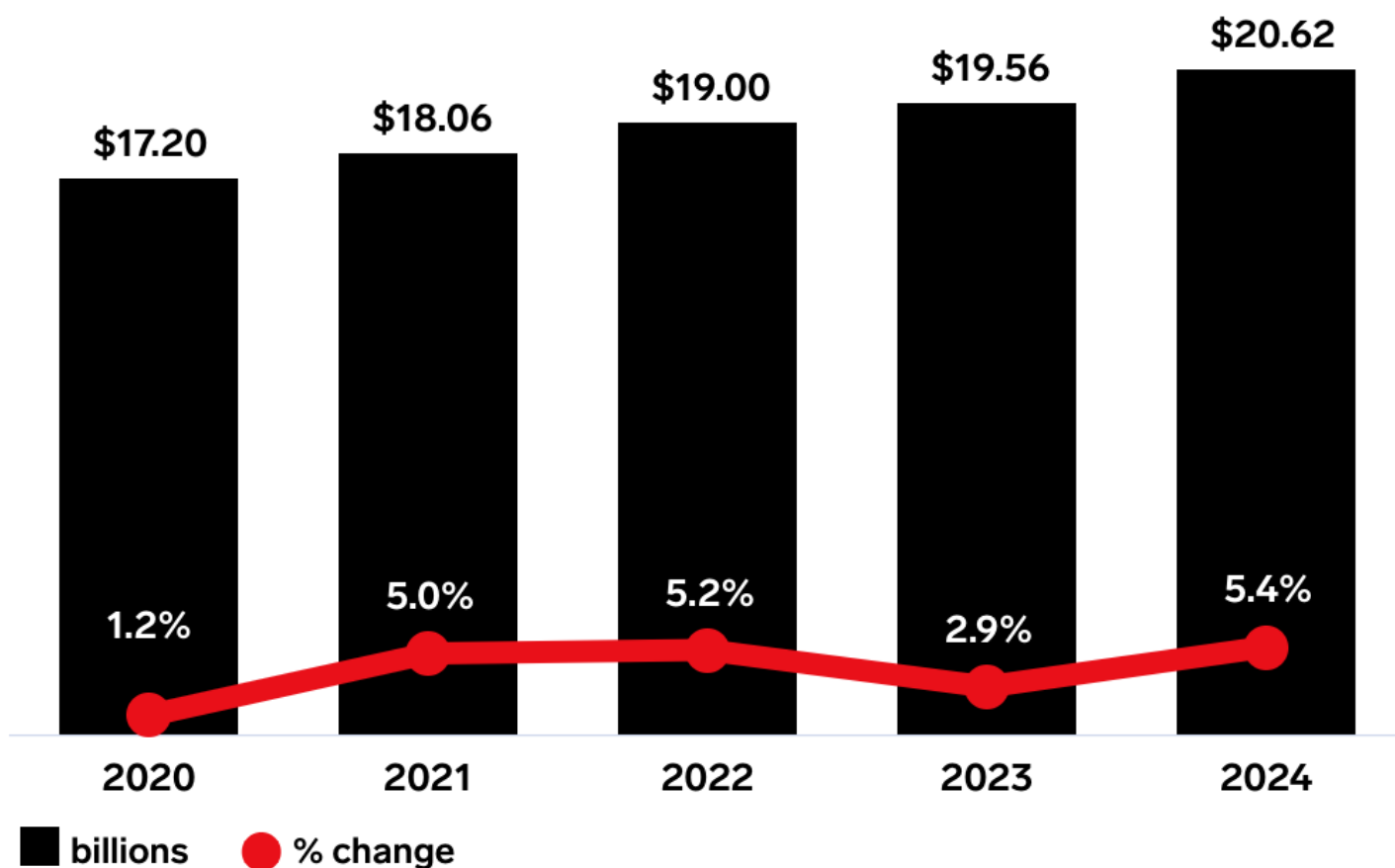
- Western Union's **branded digital transactions [increased](#) 2%** year over year (YoY) in Q4—even as **total transactions slid 12% YoY. [Accelerating digital growth](#)** was one of Western Union's core goals for the Evolve 2025 strategy it outlined during investor day last fall.
- Partnering with MoMo can help the firm compete in a region that digital rivals like [Wise](#) have also targeted. We expect [remittance inflow in Asia-Pacific](#) will reach **\$289.23 billion** this year, per our forecast.
- The tie-up can also help Western Union compete with rival **MoneyGram**, which is [supporting more mobile wallets](#) as well.

MoMo's benefit: Working with a legacy remittance provider to make receiving money transfers easier can help MoMo increase its value proposition. This feature can also drive engagement and solidify MoMo's leadership standing within Vietnam's mobile wallet sector.

Related content: Check out our [Southeast Asia Proximity Mobile Payments Forecast 2022 spotlight report](#) to learn more about mobile payment penetration in Vietnam.

Remittance Inflow

Vietnam, 2020-2024



Note: Exchange Rate; the value of money sent by citizens working abroad to their country of origin; examples include a citizen of this country working in another country and sending money home through a financial institution or money transfer service (e.g., Western Union)

Source: eMarketer, December 2022

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