Courtesy of TMA Solutions

TMA Tower in Quang Trung Software City in District 12, HCMC

By Quang Tuan

Founded in 1997 when six young software engineers worked in the living room of the founder's house, TMA Solutions has grown steadily to become the second largest software company in Vietnam (based on Vinasa Vietnam's 30 Leading IT Companies 2014). "As our main business is providing software R&D (research and development) services for overseas clients, international market expansion is a key factor to maintain a steady growth rate," said Tran Phuc Hong, vice president of TMA Solutions. Hong added that now that customers are already in 25 countries, the company's market expansion journey has had many interesting stories to tell.

From North America to Europe

In its first four years, TMA Solutions achieved impressive growth by focusing on the U.S. and Canada. There was high demand from these markets for software engineers due to the Internet boom and Y2K problems. Many customers shifted their orders to TMA Solutions from Indian companies, which prompted it to double and then triple its staff every year. Unfortunately, the Internet crisis that followed significantly reduced market demand in 2001. During that year, TMA received only enough orders to support half of the staff. This awkward situation forced the company to recognize the importance of market diversification in long-term stability. TMA decided to start its market expansion journey in order to minimize its dependence on a single market, how big it might be.

TMA initially entered the European market without a local presence or good connections. Starting slowly by leveraging the European branches of TMA's existing North American customers and building a partner network, TMA has successfully expanded to 10 countries after five years, including Ireland, the U.K., Germany, France, Sweden, Denmark, Belgium, Finland, Austria and Switzerland.

TMA - 17 Years International Market Expansion Stories

After 17 years of operation, TMA Solutions is now operating six offices in HCMC and four in the U.S., Canada, Japan and Australia. Its largest facility is the TMA Tower in Quang Trung Software City (QTSC) with 24,000 square meters of floor space that can accommodate 3,000 people. All serve as a springboard for the company to implement its business schemes, especially those relevant to international market expansion.

Challenges in Japan and chances in Australia

When it first expanded to the Japanese market, TMA had early success and won a big contract with NTT-Data in 2001, mostly due to its track record on telecommunication software. With established quality processes and strong technical capabilities, the company was attractive to many Japanese technology companies. However, for several years its growth was limited by its ability to operate in Japanese. As the demand for Japanese-speaking engineers in Vietnam exceeded supply, it was hard for TMA to hire enough bridge system engineers to handle communication between Vietnamese engineers and Japanese customers. "To address this, we decided to invest in Japanese language training for our staff and to send people to Japan under AOTS (the Association for Overseas Technical Scholarship) training programs," Hong said. "After many years, we have built a strong TMA Japan Center with 200 engineers, serving leading Japanese technology companies like NTT-Software, Toshiba, Hitachi, Sharp and Fujitsu."

Until 2009, Australia and New Zealand were not high priority targets for TMA's expansion plan. However, the world financial crisis in 2008-2009 impacted IT spending, limiting growth in the company's main existing markets (North America, Europe and Japan). TMA started to look for new markets in other regions. At that time, as the Australian economy was still growing strongly, the company decided to open an office in Melbourne in 2010. This was the right time because after working with Indian providers for several years, Australian companies wanted a change and were more willing to try other suppliers. TMA Solutions, with its proven capabilities from 12 years providing software services for many large companies in the U.S., Europe and Japan, soon became a viable option. In the following four years, TMA Solutions, which won "The Top Enterprises of the year 2014" Award for enterprises operating in QTSC, has attracted more than 20 customers in Australia and New Zealand, and has turned this region into one of its top three markets.