

# What makes DeepSeek such a sensation?

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Originating from a Chinese technology company, DeepSeek's announcement of V3 and R1 is considered a "Sputnik moment" in the field of artificial intelligence, shocking the world similar to the launch of the first Soviet satellite on October 4, 1957. Business Today also did not hesitate to express that DeepSeek is considered a turning point in the global AI war, which could dethrone the position of the AI ??giants that have become famous in the US in the international technology arena.

## DeepSeek low cost and quality

Back in 2022, the world market was bustling with many AI chatbots, starting with ChatGPT then Gemini and many other technologies only coming from Western countries. With the first explosion in 2025, the trend is gradually changing, China launched DeepSeek with very low development costs, only a fraction of the super expensive AI models of American giants. The model also does not need to use the most powerful chip clusters but still achieves outstanding efficiency.

Accordingly, the R1 model was trained on Nvidia's less advanced H800 chips, 100% open source, 96.4% cheaper than OpenAI o1 but still achieved equivalent efficiency. Production time was also only 2 months and cost about 6 million USD. If compared to OpenAI o1, which costs 60 USD for 1 million output tokens, DeepSeek R1 only needs 2.19 USD.

Thus, the launch of DeepSeek at a cost 20 to 50 times lower than OpenAI's GPTs proves that advanced AI models can be deployed with limited resources.

## Open source

Meta's chief AI scientist Yann LeCun has a different take on DeepSeek, saying that open source models are outperforming proprietary models. LeCun believes that DeepSeek benefits from open research.

According to CNBC, open source makes it easier for people to access intelligent AI models, at a lower cost but with the same efficiency. Mr. Nguyen Hong Phuc, an AI expert in Ho Chi Minh City, assessed that the open source factor is still enough to help DeepSeek make a profit, creating an ecosystem that can bring in money.

# China and the US face off on AI

Many technology experts say that China's launch of DeepSeek shows that its potential for developing AI technology is growing stronger, gradually changing the direction of AI development in the world. Although the polarization of the picture is still unclear, we can still see China's ambition in the AI race.

Besides, the appearance of DeepSeek also inspires many technology companies to innovate and develop to launch new technologies.

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