

CURRENT TOURISM DEVELOPMENT IN VIETNAM: ACHIEVEMENTS, CHALLENGES, AND POLICY IMPLICATIONS

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ABSTRACT:

Vietnam's tourism sector has achieved certain accomplishments in recent years. However, to meet the objectives outlined in Decision No. 147/QĐ-TTg on the development of Vietnamese tourism until 2030, Vietnam still faces numerous challenges. In this article, the author analyzes the current state of Vietnamese tourism in the past period, the existing shortcomings, and the implications of several policies to develop sustainable tourism.

Keywords: Vietnamese Tourism, Tourism Strategy 2030, Sustainable Tourism Development.

1. Introduction

Sustainable tourism development is an inevitable and necessary trend in the context of the global economy moving towards a balance between economic growth, environmental protection, and cultural preservation. Sustainable tourism not only ensures the reasonable exploitation of resources but also contributes to improving people's livelihoods, maintaining local cultural identities, and preserving ecosystems. In recent years, tourism has become one of the leading economic sectors of many countries, generating significant revenue and creating jobs for millions of people worldwide. However, if not managed properly, tourism can have negative impacts on the natural environment, social culture, and the lives of local communities.

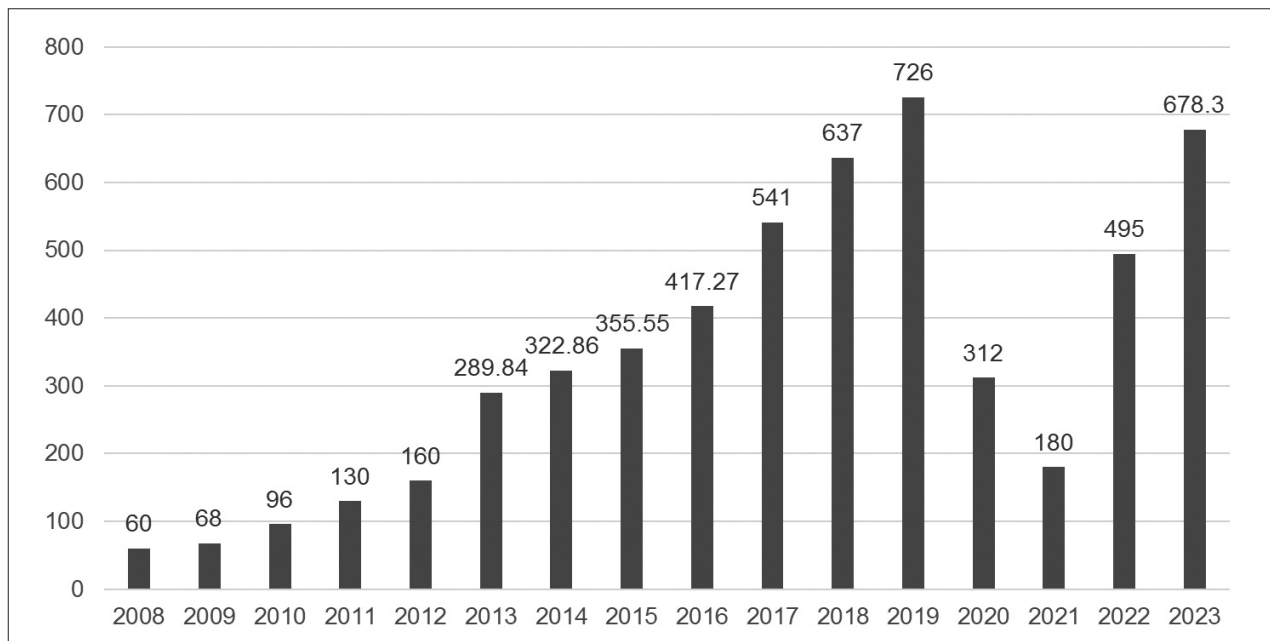
Vietnam, with its rich tourism potential from beautiful natural landscapes, diverse cultural heritage, and distinctive cuisine, has witnessed strong growth in the tourism sector in recent years. However, the rapid development rate also poses many challenges, including overcrowding at tourist sites, impacts on ecological environments, and the risk of losing local cultural identities. To address

these issues, promoting sustainable tourism is necessary to ensure a balance between economic exploitation and resource conservation, maintaining long-term and harmonious development.

Developing sustainable tourism is not only a new approach but also a decisive factor for the long-term success of the tourism industry. This is an opportunity for Vietnam to affirm its position on the global tourism map, while protecting and promoting the core values of the nation. Tourism development policies and strategies need to focus on raising community awareness, encouraging tourism businesses to invest in environmentally friendly projects, and building tourism models linked to cultural heritage conservation.

2. The role of tourism in Vietnam's economy

Vietnam aims to welcome 25 - 28 million international visitors and 130 million domestic visitors by 2025, maintaining an annual domestic visitor growth rate of 8 - 9%. By 2030, the target is to welcome 35 million international visitors, with an annual growth rate of 13 - 15%, and 160 million domestic visitors, with an annual domestic visitor growth rate of 4 - 5%. (Prime Minister, 2022).

Vietnam's Tourism Revenue from 2008 to 2023

Source: Vietnam National Administration of Tourism, 2023

Based on the total revenue data from tourists in Vietnam during the period 2008-2023, a positive growth trend can be observed lasting over a decade. The period from 2008 to 2019 showed stable and strong development of the tourism industry, with significant annual growth rates. Notably, in 2019, the total revenue from tourism reached VND 726 trillion, an increase of 14% compared to the previous year, marking a successful year as Vietnam's tourism sector recorded an increase in both international and domestic visitors thanks to effective tourism promotion, infrastructure improvements, and the development of diverse tourism products.

However, starting in 2020, Vietnam's tourism was hit hard by the COVID-19 pandemic, causing a stagnation in tourism activities. In 2020, tourism revenue sharply decreased by -57% due to travel restrictions, social distancing, and border closures. In 2021, the situation continued to worsen with revenue reaching only VND 180 trillion, a further decrease of -42.3% compared to the previous year, indicating the severe impact of the pandemic on the entire tourism sector. This was the most difficult period in the history of the tourism industry as most tourism, travel, and accommodation services were paralyzed.

By 2022, as the pandemic was controlled and gradual reopening measures were implemented, Vietnam's tourism began to recover strongly. Total tourism revenue surged to VND 495 trillion, an increase of 175% compared to 2021, showing the return of the tourism industry after a prolonged period of impact. By 2023, the growth momentum continued with total revenue reaching VND 678.3 trillion, an increase of 37% compared to the previous year. This reflects the rapid recovery and strong development potential of Vietnam's tourism sector, thanks to border reopening, enhanced tourism promotion, and policies encouraging domestic tourism.

Overall, after the major shock from the COVID-19 pandemic, Vietnam's tourism industry has demonstrated a quick recovery ability, continuing to assert its position as one of the important economic sectors, significantly contributing to the Gross Domestic Product (GDP), and creating millions of jobs for domestic workers.

In 2023, Vietnam witnessed a strong boom in international tourism with a total of 12,602,434 visitors, an increase of 344.2% compared to the previous year. The majority of international visitors arrived by air, accounting for 10,550,549 arrivals,

reflecting the crucial role of the airport system and airlines in the post-pandemic tourism recovery. Asia continued to be the region sending the most tourists, with 9,781,188 visitors, nearly 80% of the total international arrivals, thanks to the robust recovery from major markets such as China with 1,743,204 visitors (a 1,395.7% increase), South Korea with 1,595,062 visitors, and Japan with 589,522 visitors (Vietnam National Administration of Tourism, 2023). China led in the number of visitors to Vietnam, showing remarkable growth due to post-pandemic reopening policies and high international tourism demand. South Korea also remained a key market for Vietnam's tourism. In contrast, Africa had the fewest visitors with only 30,108 arrivals, although it still recorded a growth of 262.8% compared to the previous year (Vietnam National Administration of Tourism, 2023). This indicates that while Vietnam has been diversifying its tourism markets, traditional Asian markets still dominate, whereas regions like Africa and the Americas still hold potential for development. These results reflect the effectiveness of tourism promotion and marketing strategies, as well as the economic recovery following the COVID-19 pandemic. However, continuing to expand and tap into potential markets from Europe, the Americas, and Africa could help Vietnam diversify its tourist base and achieve more sustainable development in the future.

However, the development of Vietnamese tourism currently faces many challenges such as:

Firstly, Overloaded Tourism Infrastructure: The sudden increase in the number of tourists can put pressure on infrastructure, especially airports, hotels, and famous tourist attractions, leading to overcrowding and a decline in service quality.

Secondly, Environmental and Heritage Conservation: Sustainable tourism requires a balance between economic development and environmental protection. Over-exploitation of tourism in sensitive areas can result in environmental degradation and negatively impact natural and cultural heritage.

Thirdly, Service Quality and Human Resources: Although Vietnam has made progress in tourism development, the quality of services at some tourist destinations remains limited. A lack of skilled and

highly trained human resources is a major obstacle to maintaining and improving service quality.

Fourthly, Regional Competition: Neighboring countries such as Thailand, Malaysia, and Indonesia are also actively promoting tourism and developing new tourism products, creating fierce competition. To maintain its position, Vietnam needs to enhance its attractiveness through unique tourism products and professional services.

Fifthly, Climate Change: Vietnam is facing challenges from climate change, such as rising sea levels and increasing natural disasters, which affect coastal and ecological tourism areas. This can negatively impact the country's natural tourism potential.

Lastly, Market Diversification: Currently, Vietnam still relies heavily on tourists from Asian markets. Expanding and diversifying tourist markets from Europe, America, and Africa will help reduce risks and create greater stability for the tourism industry.

3. Policy implications

To achieve the objectives outlined in the strategy set forth by the Prime Minister in Decision No. 147/QĐ-TTg, which approves the Strategy for the Development of Vietnamese Tourism until 2030, Vietnam must implement the following coordinated measures. The strategy outlines the directions and goals for developing Vietnamese tourism over the next ten years. Specifically:

- By 2025: Total revenue from tourists to reach VND 1,700 - 1,800 trillion (equivalent to USD 77 - 80 billion), with an average annual growth of 13% - 14%. Direct contribution to GDP of 12% - 14%. Creation of approximately 5.5 - 6 million jobs, including around 2 million direct jobs, with an average annual growth of 12% - 14%. Strive to welcome at least 35 million international visitors and 120 million domestic visitors, maintaining an average annual growth rate of 12% - 14% for international tourists and 6% - 7% for domestic tourists.

- By 2030: Total revenue from tourists to reach VND 3,100 - 3,200 trillion (equivalent to USD 130 - 135 billion), with an average annual growth of 11% - 12%. Contribution to GDP of 15% - 17%. Creation of approximately 8.5 million jobs, including around 3

million direct jobs, with an average annual growth of 8% - 9%. Strive to welcome at least 50 million international visitors and 160 million domestic visitors, maintaining an average annual growth rate of 8% - 10% for international tourists and 5% - 6% for domestic tourists (Prime Minister, 2020).

Tourism is truly a leading and sustainably developing economic sector. Vietnam aims to become a particularly attractive destination, belonging to the group of the top 30 countries with leading tourism competitiveness in the world, fully meeting the requirements and goals of sustainable development. To achieve this, Vietnam needs to implement the following coordinated measures:

Firstly, to address the issue of overloaded tourism infrastructure, Vietnam needs to implement plans to expand and modernize tourism infrastructure such as airports, seaports, and public transportation. Additionally, developing new tourist destinations in still-potential areas like the northern mountains, the Central Highlands, and the Mekong Delta will help disperse tourist flows, reduce pressure on famous tourist spots, and enhance the tourism experience. Moreover, digitizing tourism service infrastructure, such as providing online booking systems and intelligent tourist information management, will help control visitor numbers and prevent overcrowding at specific tourist sites.

Secondly, to ensure environmental and heritage conservation, the government needs to establish strict policies and regulations for protecting natural resources and cultural heritage at tourist sites. This includes limiting the number of visitors in sensitive areas, promoting sustainable ecological tourism models, and requiring tourism businesses to comply with environmental protection standards. Additionally, investing in sustainable tourism education programs to raise awareness among local communities and tourists about the importance of environmental protection is essential. Tourism models linked to heritage conservation, such as community cultural tours or rural tourism, will not only bring economic benefits but also help preserve cultural and natural values.

Thirdly, to improve service quality and human resources in the tourism sector, Vietnam needs to intensify investment in professional tourism

vocational training programs. Developing short-term and long-term courses on communication skills, hotel and restaurant management, and soft skills for industry employees is necessary. The government should also encourage cooperation between universities and colleges specializing in tourism with large tourism enterprises to provide students with internships and practical work experiences. This will enhance labor skills, ensuring that they possess the necessary skills and knowledge to meet the increasing demands of international tourists. Additionally, establishing service quality assessment systems and certifying tourism businesses that meet standards will motivate them to improve their services.

Fourthly, to cope with regional competition, Vietnam needs to develop unique and distinctive tourism products to create a competitive advantage over neighboring countries like Thailand and Malaysia. Tourism products can focus on cultural, historical, and culinary tourism or develop new tourism forms such as health tourism, sports tourism, and nature exploration tourism. The government should also invest in large-scale tourism promotion campaigns in key markets while expanding cooperation with international media companies, social media platforms, and influencers to attract tourists from around the world.

Fifthly, to respond to climate change, Vietnam needs to build policies that encourage the development of sustainable tourism and minimize the environmental impact of tourism activities. Promoting the use of renewable energy in accommodation facilities, constructing green infrastructure projects, and implementing carbon emission reduction measures will help mitigate the effects of climate change on tourism areas. Simultaneously, investing in research on the impact of climate change on tourist sites, especially coastal and ecological areas, will allow for timely protection and adaptation solutions.

Lastly, to diversify the tourist market, Vietnam needs to focus on expanding and tapping into new markets such as Europe, North America, and Africa. This can be achieved by organizing international tourism events, participating in major global tourism fairs, and developing tourism products that cater to

the needs and preferences of tourists from these regions. Additionally, strengthening cooperation with international travel agencies, airlines, and conducting online tourism marketing campaigns will enhance the image and position of Vietnamese

tourism on the global map. This approach will not only reduce dependence on traditional Asian markets but also create greater stability for the tourism industry in the event of economic or political fluctuations ■

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SỰ PHÁT TRIỂN CỦA DU LỊCH VIỆT NAM HIỆN NAY: THÀNH TỰU, THÁCH THỨC, VÀ HÀM Ý CHÍNH SÁCH

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TÓM TẮT:

Ngành Du lịch của Việt Nam đã đạt được những thành tựu nhất định trong những năm gần đây. Tuy nhiên, để đạt được các mục tiêu được đề ra trong Quyết định số 147/QĐ-TTg về phát triển du lịch Việt Nam đến năm 2030, Việt Nam vẫn còn đối mặt với nhiều thách thức. Trong bài viết này, tác giả phân tích thực trạng du lịch Việt Nam trong giai đoạn vừa qua, những bất cập còn tồn tại và hàm ý của một số chính sách nhằm phát triển du lịch bền vững.

Từ khoá: du lịch Việt Nam, chiến lược du lịch đến năm 2030, phát triển du lịch bền vững.