

Research Proposal

joint research on Tourism sector in Vietnam

Shoko Arai

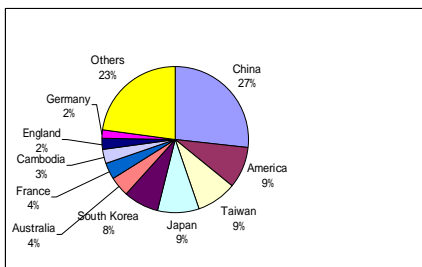
master student in University of Tokyo

ADYF (Asian Development Youth Forum) secretary (www.adyf.org)

Background

Tourism sector in Vietnam is highly important in economic term as its contribution to GDP growth is as high as 11% earning about 30 trillion VND (2 billion US\$.) Also, this sector involves both Vietnam and other country such as Japan, from which a lot of tourists move to Vietnam. The target is those who come from North-South Asia and North America, as shown in the chart below.

the share of the countries which tourists come from



Briefing of the research done

This preliminary research started from the interview to Japanese tour operators and paper research on FDI in tourism sector, and presented in Video Conference connecting Hanoi and Tokyo, gathering many university students and experts in both sides. We conducted an interview research to Japanese general tour company and Vietnam-specific operators on their general view point to Vietnam as a country. Major outcome is that the current target is 20~30 years old women for mainly shopping purpose, and the attractive points according to their analysis are historical background such as Vietnam war, interesting and unique culture, variety across the country, and its beautiful goods for shopping. Some analytical paper also shows Vietnam has a large potential in its tourism sector, having 3 world heritage sites. The interviewee expressed their main difficulties such as lack of facilities, separately existing sites, lack of direct flight, and most strongly the lack of highly qualified guide both in terms of Japanese language ability and historical knowledge. According to the government comments by Head of VNAT (Vietnam National Administration of Tourism), Vietnam is targeting high-class tourists for further growth in Tourism sector. However, it is difficult in

current situation as analyzed both the interviewee and the government due in part to the lack of public hygiene facilities and guides' low quality.

Before 1990s, investment for tourism sector, regarded as directly related to national security, was discouraged with insufficient information disclosure. FDI has been increasingly encouraged in early 90s when Vietnam opened its market to international capital market and when a lot of foreign tour agencies saw Vietnam as a new market after "done" market such as Singapore or Hong Kong. FDI for tourism was first encouraged in infrastructure building, but not for service contents itself with the dominant force of VNAT.

The estimate for 2005 is to have 3.2 million foreigners, and 30 trillion VND (2 billion US\$) earned as mentioned. Tourism sector will have the growth rate of 10~15%, contributing 11% of GDP growth. As mentioned in Official Master Plan 2002-2005, policy lay importance on 3 points: 1) Infrastructure building, 2) Marketing and Promotion, 3) Strengthening the efficiency of the National tourism administration pushing up cross - sectoral coordination, improving policies and mechanisms and tourism human resource development. The third point here is the most important part and the issue of Human Resource Development is consistent with the major obstacle expressed by our Japanese interviewees.

Future Research Proposal

The research on Tourism sector has been conducted by students in Hanoi University of International Studies, and some other universities in Hanoi area. Joint research with these students and Japanese students (ADYF members) are ongoing at the moment. We had a video conference connecting Hanoi and Tokyo, which we could have a fruitful discussion on the issues mentioned in the presentation. Hanoi students were eager to know the view point of Japan side on Vietnam as a country and its tourism sector. Our research with Vietnamese students will continue as follows.

- 1) specifying the location where tourism sector is growing, or transforming
 - A) Comparison between Hanoi and Ho Chi Minh city
- 2) deepening our understanding for the research; identifying the main issue in the specific area mentioned above, and analyzing in Japanese view (foreign) and Vietnamese view (domestic)
- 3) assessing the contribution of tourism sector to the whole economic growth
- 4) assessing the future direction of the tourism sector in Vietnam from both sides' perspective, such as its form, size, and key points

The research can be conducted by a group of Japanese students from various universities and Hanoi students separately in different perspectives, and then it will be discussed through video conference or hopefully by our trip to Vietnam. By doing so, we can build up fruitful joint research incorporating both views and some major analytical methods.

Time schedule

June to July : Basic studies, specifying the location

July: Video Conference, discussion on Hanoi and HCMC in tourism perspective

Summer: Field Research all across Vietnam

September : Video Conference for research mid-term report

Spring 2006: have a report event (final target)

all comments and suggestions are welcome at info@adyf.org