Vietnam Tourism Services Development During and after Covid 19 Pandemic: Situation and Solutions

Nguyen Thi Hoa¹; Dinh Tran Ngoc Huy²
¹PhD, Thu Dau Mot University, Binh Duong, Vietnam.
²MBA, Banking University HCMC Ho Chi Minh City Vietnam.
International University of Japan, Niigata, Japan.
¹hoant.khql@tdmu.edu.vn
²dtnhuy2010@gmail.com

Abstract
Vietnam tourism has been affected negatively by Covid 19 pandemic, the number of international and domestic tourists and visitors has been declining sharply, forcing the tourism industry has to figure out new directors for tourism development and change business strategies in coming time. This study mainly use qualitative analysis, synthesis and inductive methods, combined with explanatory and dialectical materialism methods. Research results found out that because loss from civid 19: from statistic of General Statistics Office of Vietnam (GSO), in 2020, international visitors to Vietnam only reached 3.8 million arrivals, down 78.7% compared to 2019 and reached only 3.8 million arrivals. 19 - 22.3% of the target of 17 - 20 million international visitors and total revenue from tourists in 2020 is about 13 billion USD (assessment of damage caused by the Covid-19 pandemic is 23 billion USD). We also suggest proper policies such as Promulgating policies to support tourism businesses such as tax support, loan support, etc. so that businesses can promptly have solutions to develop and find the right direction in the current context from now on.

Key-words: Community Tourism, Vietnam Tourism Sector, Sustainable Development, Covid 19 Pandemic.
JEL: Z3, Z32, Z38.

1. Introduction

In Vietnam tourism sector, Activities in the hotel, motel, restaurant and transportation sectors have mostly been postponed due to the nationwide shutdown order. In addition, the aviation industry was also severely affected when a series of domestic and international flights to and from Vietnam
were cancelled. The number of international visitors is only available in January and February, and from March there are almost no visitors. Domestic tourists also dropped sharply due to the complicated development of the epidemic and Vietnam implemented social distancing. Tourism businesses face difficulties, causing many employees of the tourism industry to lose their jobs, even have no income.

Therefore, it is necessary to do research and propose proper solutions for improving Vietnam tourism sector in post covid 19.

OECD response to coronavirus (2020) mentioned that Many countries are also now developing measures to build a more resilient tourism economy post COVID-19. These include preparing plans to support the sustainable recovery of tourism, promoting the digital transition and move to a greener tourism system, and rethinking tourism for the future.

Quang, T.T. et al (2021) has said that Impact of the Covid-19 epidemic on the income of ethnic minorities in tourism in Sapa as statistics shown, after nearly 10 years of high growth, Sa Pa tourism has suffered great losses. The number of tourists to Sa Pa has dropped dramatically. After reaching over 1 million tourists since 2015, especially more than 5.1 million visitors in 2019, in the first 9 months of 2020, Sapa has only welcomed more than 700 tourists, down 70% compared to the same period in 2019. While the epidemic has not shown signs of being completely overcome and only has more than 3 months to the end of the year, the number of tourists to Sa Pa may not exceed 1 million. (in 2020).

So Sapa will pay attention to quality of services such as: For food service and souvenir business, the registered suppliers are mainly located in the town centers and operated by Kinh people. Catering services in communes are associated with accommodation services and informal service establishments. In addition, medicinal leaf bathing is also one of the popular services in Sa Pa operated mainly by the Dao people, in which concentrated in Ta Phin commune. Ethnic minorities, especially the H'Mong and Dao, are also involved in providing tour guide services and transportation (motorcycle taxi). However, most of them work part-time, informally and there is no official figure of the force involved in this activity in the town.

The paper organized with introduction, literature review, methodology, main results, discussion and conclusion.

Research Questions

Question 1: what are effects from covid 19 pandemic on Vietnam tourism sector?
Question 2: what are proposed solutions for boosting tourism industry in the nation during and after covid 19?

2. Literature Review

Beside, Ugur and Akbiyik (2020) pointed that the tourism sector is easily affected by global crises. It is almost the same day that travelers decide to cancel or delay their trips, with the spread of the news. More in-depth analyses uncovered several topics consisted of comments on benefiting from travel insurance and refund due to the travel cancellations. Travel insurance has become a hot topic, which may be a way of reanimating the industry by offering travel packages, including travel insurance services.

Then, Mariolis et al (2020) estimates the COVID-19 multiplier effects of tourism on gross domestic product (GDP), total employment, and trade balance of the Greek economy. The results indicate that a—not-unexpected—decrease of international travel receipts in the range of 3.5 to 10.5 billion euros would lead to a decrease in GDP of about 2.0% to 6.0%, a decrease in the levels of employment of about 2.1% to 6.4% and an increase in the trade balance deficit of about 2.4 to 7.1 billion euros

| Authors            | Year | Results, contents                                                                                                                                 |
|--------------------|------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| Croes and Semrad   | 2013 | Tourism (cultural) can be developed in concepts of small islands destinations. And various tourists can determine The cultural tourism typology. Then we can quantify the economic impact of cultural tourists. |
| Valeriu and Istoc  | 2007 | Tourism (cultural) will involve a wide range of interdependent activities, connected with other economic branches, which play a major role in the developing tourism industry. The people's increasing amount of leisure time, the tourists' changing interest and the increasing life expectancy help the cultural tourism gain popularity faster than other tourism segments. |
| Richards           | 2018 | There are many aspects of tourism (cultural) such as heritage conservation, cultural tourism economics, anthropology, etc. And we see the shift from tangible to intangible heritage, more attention for indigenous and other minority groups and a geographical expansion in the coverage of cultural tourism research. |

Beside, Do Thu Hang and Le Thi Hiep (2020) stated that In fact, Vietnamese tourism businesses have also been quick to offer attractive products with prices that are considered "unprecedentedly low", committed to quality assurance to attract domestic tourists. Not only airlines, travel agencies, but also have a hand in the system of restaurants, hotels and destinations, so this
stimulus program has deeper discounts and many attractive points. On the side of the Vietnam Tourism Association, right from February 2020, a stimulus program has been implemented and a safe tourism regulation has been introduced. Tourism units and businesses have responded and quickly joined the demand stimulus alliance and tourism promotion program in 4 provinces of Binh Dinh, Phu Yen, Dak Lak and Gia Lai to overcome the consequences of the Covid-19 epidemic.

3. Methodology

Authors mainly use qualitative analysis, synthesis and inductive and explanatory methods, combined with dialectical materialism methods.

Research uses a variety of methods and techniques to answer the questions posed. Statistic data are collected and authors conduct analysis of the impact of Covid-19 and the awareness of the people and local authorities in finding response solutions, the study uses also Group discussion method.

4. Main Results

4.1. Overview of Vietnam Tourism under Covid 19 Effects

Overview of Vietnam's tourism industry in the context of being affected by the Covid-19 epidemic.

Tourism development is really considered as an integrated service economy that has a direct impact on the socio-economic development process in Vietnam. Vietnam's tourism in recent years has grown strongly. In 2016, it attracted 72 million tourists, by 2019 it will be 103 million visitors. And along with the process of international economic integration such as joining the free trade agreement between Vietnam and the European Union (EVFTA), the Regional Comprehensive Economic Partnership (RCEP), the Partnership Agreement between Vietnam and the EU. Comprehensive and Progressive Trans-Pacific Partnership (CPTTP)… recently signed has a great impact on Vietnam's tourism and has many positive contributions to the growth of the economy. However, in the current context when the whole world in general and Vietnam in particular are heavily affected by the Covid-19 epidemic, it is extremely difficult for the tourism industry to maintain its development position as in the past time.

According to the General Statistics Office of Vietnam (GSO), in 2020, international visitors to Vietnam only reached 3.8 million arrivals, down 78.7% compared to 2019 and reached only 3.8
million arrivals. 19 - 22.3% of the target of 17 - 20 million international visitors; domestic tourists only reached 56 million arrivals, down 34.1% compared to 2019 and only 68.29% compared to the target of 82 million domestic visitors; GDP contribution of 9.2% in 2019 only reached 92% compared to the target of contributing over 10% of GDP; total revenue from tourists in 2020 is about 13 billion USD (assessment of damage caused by the Covid-19 pandemic is 23 billion USD) reaching 37.1% of the target of 35 billion USD; creating 2.9 million jobs, reaching 72.5% compared with the target of 4 million jobs and 297 thousand direct employees, reaching 18.5% compared to the target of 1.6 million direct employees set by Resolution No. 08- NQ/TW of the 12th Politburo set out to 2020. Under the impact of the Covid-19 pandemic, most of the goals of Resolution No. 08-NQ/TW of the 12th Politburo up to 2020 are not reach.

However, despite the general difficult situation due to the impact of the pandemic, with effective efforts in epidemic prevention and control, Vietnam is still considered by the international community and the World Tourism Organization as one of the best countries in the world. ten countries with the highest tourism growth rate in the world.

Currently, the world epidemic situation continues to be complicated and it is impossible to predict the end of the pandemic. With the initial results achieved in the prevention and control of the epidemic in the past time, the Party and Government of Vietnam with high determination in effectively implementing the dual goal of "while ensuring the prevention and control of epidemic and economic recovery". However, in order to maintain the growth target of tourism, it is necessary to have really effective solutions in the situation of developments and impacts of the epidemic.

We see in the below figure Ha Long Bay still a beautiful destination

Figure 1 - Ha Long Bay Quang Ninh Vietnam

(Source: internet)
4.2. Solutions for Vietnam Tourism Sector

Solutions to develop Vietnam's tourism industry in the context of the impact of the Covid-19 epidemic.

Solutions for Perfecting the Policy System for Tourism Development

Currently, Vietnam's tourism industry has restructured the tourism market, taking domestic tourism as a spearhead, implementing stimulus programs to develop domestic tourism, ensuring stability and adaptability., taking advantage of the opportunity to bring Vietnam's tourism to a new stage of development. Therefore, in order to make Vietnam's tourism industry develop in a new direction, the State needs to perfect the policy system on tourism development towards:

- Promulgating policies in the direction of regional linkage between localities in order to diversify tourism products, and at the same time exploit the strengths of regions and localities to attract more and more tourists. In addition, the process of regional linkage will certainly strengthen the linkage relationship between levels and sectors, effectively contributing to the implementation of tourism development guidelines and policies. of our Party and State. Since then, gradually perfecting and synchronizing policies related to tourism.
- Promulgating policies to support tourism businesses such as tax support, loan support, etc. so that businesses can promptly have solutions to develop and find the right direction in the current context from now on.
- Simplify administrative procedures for tourism for organizations and individuals in order to minimize "complicated" procedures, helping them to get rid of the problem of procedures to bring the organization and apparatus into operation. transparent movement.

Solutions for Investment in Key Tourist Areas and Attractions in the Localities

Vietnam is a country with many historical relics, many famous scenic spots, resonates with the cultural diversity of 54 ethnic groups living together in the S-shaped geographical territory. Today, Vietnam has created a Vietnam with the strength of multi-ethnic culture - this is the premise for Vietnam to develop the most effective domestic tourism. Therefore, building key tourist areas and attractions in localities with inherent strengths is an urgent and important issue.
Orientation to invest in and upgrade key tourist areas and attractions that are well-known in recent years to create a highlight is a very necessary job for Vietnam's tourism development in the current period. The investment in upgrading contributes to preserving and promoting tourism resources, traditional values of revolutionary history, and national cultural values, actively contributing to the development of Vietnam's tourism in a sustainable way. Therefore, the Party, State and local authorities at all levels need to have specific mechanisms to invest in these key tourist areas and attractions in the localities. Investment in tourist focus areas and points should focus on preserving and preserving to promote their inherent strengths, towards the development of sustainable tourism in the locality, contributing to improving the efficiency of tourism. Vietnam tourism in the near future.

Solutions on Information Technology Application in Tourism Management and Development

Applying information technology in tourism management and development is a very important solution in the current context. Nowadays, the application of information technology in the fields of industry has mostly been carried out in the localities. However, the problem is that the construction of information is still very sketchy, lacking a lot of information on websites, which makes it very difficult for people who need information to access. Therefore, Vietnam's tourism industry in general and localities in particular need to build a Web site in the direction of providing all necessary information such as:

Management and provision of information on tourism: Localities must really proactively collect data and information on the current situation, planning, preferential policies, and investment attraction in order to perform well the work of invitation. investment call. Information on tourism technical facilities such as hotel accommodation services, inns, motels; food and beverage service restaurants, eateries, regional specialties; areas and tourist attractions in the area for travel businesses to build and organize tours and routes, and at the same time help tourists get the information they want to learn and care about.

Management and provision of information on tourism resources: Including the management, conservation and exploitation of local tourism resources. Take advantage of all resources to focus on exploiting local resources well. The process of collecting full information integrated into the GIS system will help to quickly and fully make statistics such as tourist spots, rivers, streams, mountains, caves, pagodas in the area.
Management and provision of information about the tourist environment: Information about weather, climate, geology ... is very useful for travel agencies, organizations and individuals to find out information about tourism in Vietnam, localities. Besides, the management of cultural and safe environment is indispensable, such as the situation of enticing customers, slashing and slashing, shouting at prices, poor quality goods, fraud in trading, etc. for tourists' perceptions.

Management provides supporting information: Relevant supporting information is essential when implementing tourism development such as: bus information, banking and financial services, health care, postal services, telecommunications, maintenance and repair of motor vehicles, etc. to help tourists really feel comfortable and satisfied.

It is very important to provide sufficient information related to tourist spots and resorts in the localities to promote and develop Vietnam’s tourism in general and tourism in localities in general, particularly in the present context.

Below figure show beautiful scenes of Dong Van old town centre Ha Giang province in Vietnam.

Figure 2- Dong Van Old Town Center - A Visiting Site for Tourists in Ha Giang Tours

(Source: internet)

As one of the main tourist attractions of Ha Giang, Dong Van Old Town is located in Dong Van town, Dong Van district, Ha Giang province. The old Dong Van town center area belongs to Dong Quan canton, Nguyen Binh province, Tuong Van district, Tuyen Quang province and has a
5. Discussion

Generally, in the period 2015-2019, the tourism industry achieved a high growth rate of 22.7%. The achievements and efforts of Vietnam's tourism have been highly appreciated by the world, the World Tourism Organization (UNTWO) ranked Vietnam sixth in the 10 countries with the fastest tourism growth in the world. In 2019, Vietnam tourism also won many prestigious awards of continental and world stature.

According to the UNWTO report, the number of international tourists globally in 2020 will decrease by 1.1 billion. Total global tourism revenue lost $1.1 trillion; about 100-120 million workers in the industry lost their jobs.

Determined to restructure the tourism market, taking domestic tourism as a spearhead, quickly deploying domestic tourism stimulus programs including "Vietnamese people travel to Vietnam" in May 2020, "Safe and attractive Vietnam tourism" in September 2020 has been promoted.

Domestic stimulus programs targeting not only Vietnamese people but also foreigners living long-term in Vietnam have attracted the response of travel agencies and tourism businesses. calendar and also of localities across the country.

Therefore, our tourism policy can be from boosting domestic tourists demand.

We see in the below figure Thai Nguyen still a beautiful city with Nui Coc Lake:

![Figure 3 - Nui Coc Lake Thai Nguyen - Vietnam](Source: internet)
6. Conclusion

In summary, to develop tourism in the context of the current serious Covid-19 epidemic, besides the synchronous implementation of the above solutions, it is necessary to have the determination of the whole system, politics, levels of government and the consent of the people.

Despite of difficulties caused by covid 19 pandemic, There are still opportunities for boosting domestic community tourism inside the country, and chances with declining hotel rooms in 4 or 5 star hotels for local tourists.

Hence, we also suggest maintain traditional features of old town centers in Vietnam (for instance, Hoi An old houses in Da Nang city, Dong Van old town center in Dong Van Ha Giang province) combined with modern architecture to encourage tourism industry.

Also, risk management strategies also need to be conducted by medical industry, hospitals and doctors, and security agencies.

Payne et al (2021) stated that the shock from the COVID-19 pandemic can be viewed as permanent in nature. The policy response to restore tourism to its original trend should consider whether such policies proceed as in the past with the promotion of the traditional tourism growth model or support the transformation toward a more sustainable tourism model.

Limitation of Research

We need to expand research model for other types of tourism development in Vietnam and emerging markets.

References

Politburo (2017), Resolution 08-NQ/TW 16/01/2017 on developing tourism into a spearhead economic sector.

Ministry of Information and Communications (2019), "Tourism development contributes to sustainable poverty reduction in the northern mountainous provinces", Information and Communication Publishing House.

Report of the General Statistics Office on tourism development in 2020

Government (2016), Decision No. 2227/QD-TTg dated November 18, 2016 Master plan for tourism development in the Mekong Delta to 2020, vision to 2030.

Government (2017), Resolution No. 103/NQ-CP dated October 6, 2017 on promulgating the Government's action plan to implement Resolution 08-NQ/TW dated January 16, 2017 of the Politburo. XII on developing tourism to become a spearhead economic sector.
Croes, R., & Semrad, K.J. (2019). The Relevance of Cultural Tourism as the Next Frontier for Small Island Destinations, *Journal of Hospitality & Tourism Research*. https://doi.org/10.1177/1096348013491599

Dat, P.M., Mau, N.D., Loan, B.T.T., & Huy, D.T.N. (2020). Comparative China Corporate Governance Standards after Financial Crisis, Corporate Scandals and Manipulation. *Journal of Security and Sustainability Issues*, 9(3). https://doi.org/10.9770/jssi.2020.9.3(18)

Dinh Tran Ngoc Huy. (2015). The Critical Analysis of Limited South Asian Corporate Governance Standards After Financial Crisis, *Journal of Quality Research*, 9(4).

Dinh Tran Ngoc Huy, Dinh TRan Ngoc Hien. (2010). The backbone of European corporate governance standards after financial crisis, corporate scandals and manipulation, *Economic and Business Review*, 12(4).

Hoang Van Thuc, Doan Thi Thanh Hao, Nguyen Ngoc Thach, Vu Trung Dung, Dinh Tran Ngoc Huy, Nguyen Thi Phuong Thanh. (2020). Designing Data Transmission System with Infrared Rays, *Psychology and Education*, 58(2): 3406-3411.

Huy, D.T.N., (2012), Estimating Beta of Viet Nam listed construction companies groups during the crisis, *Journal of Integration and Development*, 15(1).

Hang, D.T., & Hiep, L.T. (2020). Vietnam's Tourism Industry during the Covid-19 Epidemic Season and Problems. https://tapchitaichinh.vn/tai-chinh-kinh-doanh/nganh-du-lich-viet-nam-trong-mua-dich-covid19-va-van-de-dat-ra-329127.html

Huy D.T.N., Nhan V.K., Bich N.T.N., Hong N.T.P., Chung N.T., Huy P.Q. (2021). 'Impacts of Internal and External Macroeconomic Factors on Firm Stock Price in an Expansion Econometric model—A Case in Vietnam Real Estate Industry', *Data Science for Financial Econometrics-Studies in Computational Intelligence*, 898, Springer. http://doi-org-443.webvpn.fjmu.edu.cn/10.1007/978-3-030-48853-6_14

Huy, D.T.N., Loan, B.T., and Anh, P.T. (2020). 'Impact of selected factors on stock price: a case study of Vietcombank in Vietnam'. *Entrepreneurship and Sustainability Issues*, 7, 4, 2715-2730. https://doi.org/10.9770/jesi.2020.7.4(10)

Ha Huu Nga, "A panorama of Bac Son culture", *Journal of Archeology*, 2, 22-34.

Ha Van Tan (1986), Nguom Industry in a Wider Perspective, *Journal of Archeology*, 3, 3-10.

Mariolis, T., Rodousakis, N., & Soklis, G. (2020). The COVID-19 multiplier effects of tourism on the Greek economy, *Tourism Economics*, 3. https://doi.org/10.1177/1354816620946547

Nguyen Thi Thong Nhat (2005). Discuss the issue of rational exploitation of cultural tourism potential. *Quang Nam Cultural Magazine*, No. 51/2005, 27-29.

Nguyen Duc Thang (2015), Stone Age relic in Thai Nguyen after 34 years of discovery and research, *Journal of Culture and Art*, No. 01, 33-35.

Payne, J.E., Alana, L.A., & Mervar, A. (2021). Persistence in Croatian tourism: The impact of COVID-19, *Tourism Economics*, 2. https://doi.org/10.1177/1354816621999969

Quang, T.T., Vinh, N.D., Vuong, H.T., & Loi, N.T. (2021). Impact of the Covid-19 pandemic on ethnic minorities in tourism – The case of Hmong and Dao people in Sapa. https://vass.gov.vn/nghien-cuu-khoa-hoc-xa-hoi-va-nhan-van/Tac-dong-cua-dai-dich-Covid-19-deng-nguoi-dan-toc-thieu-so-lam-du-lich-Truong-hop-nguoi-HMong-va-Dao-o-Sapa-146
Richards, G. (2016). Cultural Tourism: A review of recent research and trends, *Journal of Hospitality and Tourism Management*, 2. DOI:10.1016/j.jhtm.2018.03.005

Truong Quoc Binh, The role of cultural heritages in the development of Vietnam's tourism, *Vietnam Tourism Journal*, 3, 22-23.

Trinh Nang Chung (1991), Nguom Technology and Bac Son Culture, *Journal of Archeology*, 2, 16-21.

Thai Nguyen Department of Culture, Sports and Tourism (2008), *Thai Nguyen tourism development project for the period 2009-2015*, vision to 2020

Thai Nguyen Department of Culture, Sports and Tourism (2014), *Project on Support for the preservation, embellishment and promotion of values of historical and cultural relics, scenic spots, architectural art, has been ranked*. Ranking in Thai Nguyen province, period 2014 - 2020.

Thai Nguyen Statistical Office (2019), *Statistical Yearbook 2019*.

Ugur, N.G., Akbiyik, A. (2020). Impacts of COVID-19 on global tourism industry: A cross-regional comparison, *Tour Manag Perspect.*, 36: 100744. doi: 10.1016/j.tmp.2020.100744

Valeriu, I.F., & Istoc, M. (2007). Cultural tourism and sustainable development, *Romanian Journal of Economic Forecasting* 4(1):89-96.

Vogt, C.A., & Jordan, E. (2016). Community development, tourism, book: *Encyclopedia of Tourism*, Springer. DOI:10.1007/978-3-319-01669-6_498-1

https://www.oecd.org/coronavirus/policy-responses/rebuilding-tourism-for-the-future-covid-19-policy-responses-and-recovery-bced9859/ (access date 2/6/2021)