

Domestic tourism rebounds, but safety remains overriding theme

Update: April, 14/2021 - 09:17



With the Government's effective pandemic containment measures and initiatives to stimulate domestic tourism demand, sentiment towards travel is recovering.

Nguyễn Thị Thu Hằng asks tourism and hospitality experts about likely opportunities to boost domestic tourism, and what the Government should do to accelerate the recovery of the industry post-COVID-19.



Kenneth Atkinson, founder and senior adviser of Grant Thornton Vietnam and vice chairman of the Việt Nam Tourism Advisory Board. Photo courtesy of the board

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In 2019 Việt Nam had over 80 million domestic travellers and 18 million foreign visitors who contributed over 12 per cent to the country's GDP. Total revenues were estimated at over US\$36 billion, more than half of this contributed by foreign visitors.

It has been reported that Vietnamese tourists spent more than US\$15 billion in 2019, over US\$5 billion of this on overseas travel.

After a record 1.9 million foreign visitors in January 2020 and 3.8 million in the first quarter, the number of foreign visitors declined to almost zero from April 2020, while domestic travellers numbers dropped from 85 million in 2019 to 50 million in 2020.

This has left the industry in terrible shape affecting everyone from airlines and operators to hotels and transportation companies and many local businesses, in cities and resort areas, who had relied on tourists for their main business.

In addition many domestic travellers have shifted their preferences from travelling locally by air to destinations within driving distance from home.

With little hope of a resurgence in foreign travel before the year-end, the tourism and hospitality sector needs both Government support and self-help to promote domestic travel. The biggest challenge is how to capture the US\$5 billion that Vietnamese spent on overseas travel in 2019. Therefore, attention needs to be given to promoting luxury destinations and luxury travel to those higher spending Vietnamese.

Việt Nam should try to speed up the vaccination roll-out as this will not only help the country reopen but also give Vietnamese more confidence to travel domestically and to take advantage of reduced prices being offered by airlines and hotels.

The stimulus that the Government offered by way of reduced land lease payments and reduction in taxes, electricity prices etc. should be continued but it should also be recognised that this has done little to help the smaller hotel owners, shops and restaurants, many of whom have closed and some who may never reopen.

Government organisations, both central and local, co-ordinated by the Việt Nam National Administration of Tourism should develop a high-powered advertising campaign to promote domestic travel especially to the more famous destinations in Việt Nam. This also

needs to promote safe travel. Any such campaign needs to be accompanied by private sector participation and hotels working with airlines to offer package prices not only to groups but also to independent travellers, as we see a move to independent travel as a result of Covid-19 concerns.

As many hotels have closed and many workers have been laid off, there needs to be a Government support scheme, which incentivises hotels and other tourism businesses to reopen and re-engage staff. This could be done by for example waiving social and medical insurance contributions for a fixed period of time and waiving VAT.

No one underestimates the challenges but there seems to be an urgent need for the Government and private sector to engage in co-ordinated discussions and for the Government to lead the way by injecting some urgently needed funds, which can be used in programmes to promote domestic travel.



Hoàng Hữu Lộc, chairman of Saigontourist Travel Service Co., Ltd.
Photo courtesy of the company

Hoàng Hữu Lộc, chairman of Saigontourist Travel Service Co., Ltd, a leading tour operator

Saigontourist continues to focus on the domestic travel market with a population of nearly 100 million people to maintain operations and survive the pandemic.

In the first quarter of last year Saigontourist participated in campaigns launched by the Government and the Việt Nam National Administration of Tourism to stimulate domestic tourism, including ‘Vietnamese people travel Việt Nam’ and ‘Việt Nam - Safe and Attractive Destination.’

Saigontourist has launched a wide range of new travel products featuring safe destinations, new experiences and discounted prices for both Vietnamese and expats living in Việt Nam.

Tailored tour packages for small tourist groups, MICE tourism and caravan tourism, city tours, and inter-provincial tours linking HCM City and five regions – the Cửu Long (Mekong Delta), Southeast, Northwest, Northeast, and Central Key Economic Zone -- are a focus to develop to attract locals and foreigners.

International co-operation continues to be maintained to prepare for the resumption of international travel.

The company has increasingly adopted digital transformation to bring customers the most unique products, services and experiences.

The Saigontourist Travel App was launched last year, making it easier for customers to search for travel products and services, make payment online and interact with customer service staff.



Samir Reinhold Wildemann, vice president - operations at Fusion Hotel Group. Photo courtesy of the group

Samir Reinhold Wildemann, vice president - operations at Fusion Hotel Group

Since the beginning of last year our industry quickly learnt to adapt as travel stayed close to home and we were very fortunate in Việt Nam as everyone was able to travel nearly unrestricted throughout this pandemic.

Travel is in everyone's blood and with our hotels being well established in stunning locations all along the coast from the central city of Huế down to Phú Quốc Island, we had one very significant advantage as we are a wellness focused brand and this has been particularly appealing to our customers.

Since we launched Fusion in 2008, we have never stopped growing and over the past 12 months we have continued to expand, opening Fusion Suites Vũng Tàu and Maia Resort Quy Nhơn in 2020.

We are also continuing work on our Fusion Original Saigon Centre project which will open this summer in the heart of HCM City, and along the coast we are excited to soon be adding Ixora Hồ Tràm by Fusion, Glow Scenia Bay Nha Trang, Fusion Resort and Villas Đà Nẵng as well as Fusion Resort Quảng Bình, all due to open in the coming 12 months.

The Vietnamese Government has to date taken a very consistent approach with this pandemic and I am very confident that measured steps will be taken when it comes to the resumption of international travel. While herd immunity in our country is still more than a year away, Covid-19 passports may be one of these solutions although I foresee technical and ethical challenges. But they are likely the best steps in the right direction if standardised protocols are put in place.

One can also imagine the establishment of bilateral travel bubbles between two destinations with strong coronavirus curbs and until all this has been sorted out, we who are fortunate to be 'stuck' within our borders continue to enjoy discovering all that this beautiful country has to offer.



Bùi Thị Ngọc Hiếu, vice director of the HCM City Department of Tourism. Photo tphcm.chinhphu.vn

Bùi Thị Ngọc Hiếu, vice director of the HCM City Department of Tourism

The city's tourism industry this year continues to put its great efforts to boost domestic tourism to revive the pandemic-hit sector and step up digitisation of the industry.

The city's tourism communication campaign in line with the travel stimulus programme has been implemented to promote the city as a safe, vibrant and friendly destination and lure domestic tourists.

The communication campaign aims to promote the tourist destination brand 'Vibrant HCM City' as identified in the city's Tourism Development Strategy to 2025.

The department plans to carry out the '100 exciting things' campaign to promote popular tourist attractions, products and services to locals and foreign visitors.

It will convey the travel stimulus programme at the HCM City Travel Fair from May 3 to 16 and Việt Nam International Tourism Mart in Hà Nội from May 5 to 8.

The city will also strengthen tourism co-operation with the Cửu Long (Mekong Delta), Southeast, Northwest, Northeast, and Central Key Economic Zone and develop new inter-regional tour packages to coax travellers into visiting destinations across the country.



Đặng Mạnh Phước, CEO of Outbox Consulting. Photo courtesy of the firm

Đặng Mạnh Phước, CEO of Outbox Consulting, an independent research and consulting firm

Many new travel trends are forecast to emerge in 2021 to meet travellers' new needs.

Prioritising safety and avoiding crowds will be the leading factors in travellers' decision making this year.

In times of uncertainty, shorter booking time frames via online booking platforms without any form of physical contact will be a prominent trend in travellers' behaviour this year.

Free independent travellers will tend to visit less-crowded destinations, while tour travellers will want to join smaller groups and complete their trip within two or three days to limit the risk of

infection. This is the factor shaping the socially distant travel and small group travel trends in 2021.

Virtual reality and contactless technology will significantly influence the tourism sector.

Local tourism authorities need to renew local travel products to improve the travel experience and adopt data and technology solutions in tourism promotion and marketing activities.

Tourism businesses and destinations need to prioritise health and safety measures to guarantee high safety standards for visitors.

It is the best time for tourism management State agencies and businesses to adopt technology solutions to serve travellers and manage businesses and destinations.

The tourism sector needs to do research on international travel markets and tourists' behaviours to develop appropriate and effective communication programmes to prepare for the resumption of international travel. —VNS

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