VIETNAM TOURISM MARKETING STRATEGY TO 2020 & ACTION PLAN: 2013-2015 (PROPOSED)

Executive Summary

Developed by:

European Union funded Environmentally & Socially Responsible Tourism (ESRT) Capacity Development Programme
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INTRODUCTION

Background

In 2012 the Vietnam National Administration of Tourism (VNAT) initiated with the EU-funded Environmentally and Socially Responsible Tourism (ESRT) Capacity Development Programme a tourism marketing development process that resulted in the development of an action-oriented and practical strategic marketing plan that defines direction, priorities and details for Vietnam’s tourism marketing activities over the medium- to long-term.

This Executive Summary of the Tourism Marketing Strategy and Action Plan takes a holistic view of tourism sector development and specifically integrates the goals, objectives and recommendations of a number of key documents:

- The Vietnam Government’s Strategy for Tourism Development in Vietnam to 2020, Vision to 2030
- The ESRT Vietnam Tourism Marketing Strategy to 2020 (proposed)
- The ESRT Vietnam Destination Branding Technical Report

The development process included a range of stakeholder workshops in North, Central and South Vietnam and culminated in a presentation of the Strategy at the National Conference on Tourism Marketing in Hanoi in 2013. The Tourism Marketing Strategy and Action Plan also incorporate comments received from the Tourism Marketing Working Group within the Tourism Advisory Board to VNAT.

The European Union funded Environmentally and Socially Responsible Tourism (ESRT) Capacity Development Programme aims to build the capacity of stakeholders in the Vietnamese tourism sector in order to fully realise the substantial socio-economic benefits available within tourism while protecting the natural and cultural resources on which the sector depends. The ESRT Programme works in three key areas: policy support and institutional strengthening, product competitiveness and public-private dialogue, and vocational training and education.
Tourism brings many benefits

Vietnam provides some exceptional landscapes and natural assets, valuable cultural heritage and vivid traditions and cultural habits of its friendly people. With such a strong base for tourism it is no surprise to find that tourism forms an important part of Vietnam’s economy, contributing 5.8% of the country’s gross domestic production (GDP), supporting almost half a million jobs (or 2.4% of the total workforce), and more than 50% all of service sector exports.

According to UNWTO, during the past ten years, international tourist arrivals to Vietnam increased at an average rate of 8.9% annually and domestic tourism increased at an even faster rate of 10.2%.

But there are also challenges

However, countless overseas destinations have shown that uncontrolled growth and development of tourism causes negative impacts on the environment and local communities.

The Government of Vietnam recognizes these challenges and threats along with the potential opportunities, and with the assistance of the Environmentally and Socially Responsible Tourism Programme (ESRT), has developed this Vietnam Tourism Marketing Strategy to 2020 and Action Plan 2013 – 2015 (Proposed) as one way in which to guide the development and marketing of tourism in a controlled and sustainable manner.

Strategy for Tourism Development in Vietnam

Grounded in the Government’s Strategy for Tourism Development in Vietnam to 2020, Vision 2030, this tourism marketing strategy has been developed to work towards the same overarching aspirations:

Products

Develop quality products based on the natural strengths of Vietnam’s seven tourism zones (Zone 1: Midlands & North; Zone 2: Red River Delta & Coastal Northeast; Zone 3: North Central; Zone 4: South Central Coast; Zone 5: Central Highlands; Zone 6: South East; and Zone 7: the Cuu Long River (Mekong) Delta), with a focus on marine/beach tourism, cultural tourism, and nature-based tourism.

Objectives

- **Economic** – attract 10-10.5 million international visitors by 2020 (7.6% annual increase), and serve 48 million domestic tourists (5.3% annual increase). Increase tourism revenue to US$ 18-19 billion by 2020 (13.8% increase to 2015, 12% annual increase thereafter). Contribute 6.5-7% of GDP by 2020. Attract $42.5 billion in investment, increasing room supply to 580,000 rooms by 2020

- **Social** – increase numbers employed in tourism to over 3 million, of which 870,000 are direct jobs. Ensure tourism development contributes to the preservation and promotion of Vietnam’s cultural values, improving the lives of its people

- **Environmental** – Develop green tourism activities associated with preserving and promoting the value of natural resources and environmental protection, ensuring that tourism development complies with environmental law.
Global outlook

The UN World Tourism Organisation’s *Tourism 2020 Vision* forecasts the following for global travel and tourism:

- International arrivals will reach over 1.56 billion by the year 2020 of which 1.18 billion will be intraregional and 0.38 billion will be long-haul travellers.
- By 2020 East Asia and the Pacific, South Asia, the Middle East and Africa are forecasted to record growth at rates of over 5 percent per year, compared to the world average of 4.1 per cent.
- Long-haul travel will grow faster, at 5.4 per cent per year over the period 1995-2020, than intraregional travel, at 3.8 per cent.

Regional outlook

The World Travel and Tourism Council identifies the following key statistics for tourism in the Asia region:1

- Travel and tourism direct industry GDP in Asia reached $554 billion in 2011. This is greater than the GDP of Asia’s auto manufacturing and education sectors.
- With 63 million direct employees in Asia, travel and tourism directly employs nearly as many people as the region’s entire education sector.
- Travel and tourism GDP is forecast to grow 5.8% per annum (compound annual growth) over the next decade – greater than growth in the automotive and communications sectors as well as the total Asian economy.

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Tourism mega-trends in the Asia-Pacific

A follow up to 2006-2008 Asia Pacific Tourism Mega-Trends Report prepared by UNWTO and The Hong Kong Polytechnic University identifies the following Top 10 tourism mega-trends in the Asia-Pacific:

1. Demand for ecologically and culturally sensitive travel products and meaningful activities tied to nature, history or culture
2. Increasing intra-regional and short-haul travel
3. Growing demand for: self-drive rentals, serviced residences (competing with high end hotels), adventure niche market (that integrates travellers’ hobbies and lifestyles), and individualization and personalisation for luxury market
4. Rise of responsible tourism and corporate social responsibility from consumers and businesses due to greater awareness of impacts of climate change and global warming
5. Low-cost carriers and the extension of open sky policies leading to a boost intra-regional travel
6. More sophisticated online marketing and distribution strategies being adopted by travel industry and suppliers with marketing budgets increasingly moving online
7. More aggressive marketing strategies and strategic alliances being adopted by destinations and National Tourism Organisations with a shift from long-haul to short-haul and regional markets to keep businesses afloat
8. Safety and security issues due to political unrest, severe weather conditions, and global pandemics will continue to be a significant factor that may restrict and prevent travel
9. Continued growth and aggressive promotion to access the lucrative medical and wellness tourism market
10. Increasing role of China to fill gaps in the global slowdown

Local outlook

Tourism provides a significant contribution to the Vietnamese economy bringing jobs and exports. In 2010, there were 800 international-market tour operators, more than 10,000 domestic-market tour operators, and 17,000 registered tour guides in Vietnam. Whilst in the accommodation sector approximately 12,000 hotel and other accommodation units were available in 2010 – an average increase in room supply of 15.9% over the past decade.
International market

The international tourism market to Vietnam shows the following characteristics:

- International tourists arrivals increased at an average rate of 8.9% annually compared to UNWTO figures of 3.4% for world tourism over the same period.
- Ten source markets accounted for more than 75% of the total number of international arrivals to Vietnam in 2011.
- North Asia (China, South Korea, Japan and Taiwan) provide 46% of Vietnam’s international arrivals.
- Whilst China is clearly Vietnam’s largest market, their overall value is debatable (indications are that many arrivals are by land from across the border – often from regional cities and towns, that visitors stay only a short time, and have a relatively low daily spend).
- Whilst inter-regional tourists from China, Cambodia, Lao PDR, and Indonesia are significant, it can be expected that a significant portion are in fact trade and labour movements.
- Low cost airline carriers (LCC) are fuelling tourism growth in the region in particular from the Philippines, Indonesia and Malaysia.
- Arrivals from Russia are rapidly increasing and Australia has performed strongly.
- European markets are showing upward growth but at slower rates. Top performers include France (211,444 arrivals in 2011) and the United Kingdom (156,290 arrivals). Germany (113,938 arrivals) and the Netherlands (45,000 arrivals) are Vietnam’s next largest markets.

Domestic market

An analysis of the domestic tourism market shows the following characteristics:

- Domestic tourism is the overall industry’s biggest market segment and increased by more than 10.2% over the last decade.
- Although domestic tourism is highly peaked in the summer months, it contributes substantially to accommodation viability across all grades and will continue to grow as the economy (and disposable income) grows.
- The market is expanding both amongst city-dwellers and rural populations.
- Increasing motor bike and car ownership, and subsidised domestic flights that keep air travel costs low are assisting mobility.
- The average length of a domestic trip has increased from 2.6 nights in 2001, to 2.84 nights in 2005, and 3.0 nights in 2010.
- Young tourists seeking exploration and discovery (known as phuot) will play an increasingly significant role in tourism development in new destinations, especially in remote areas.
Tourism regions

Key findings relating to Vietnam’s tourism regions include:

- Domestic tourists are particularly attracted to Hanoi (Zone 2), Hue-Hoi An-Da Nang (Zone 4) and Ho Chi Minh City (Zone 6).

- Regional distribution of tourism (domestic and international) is mostly limited to Hanoi (Zone 2), Hue-Hoi An-Da Nang (Zone 4) and Ho Chi Minh City (Zone 6).

- Rapid growth in foreign tourist numbers to the Northern Mountainous Area (Zone 1) & Central Highlands (Zone 5) – more than 3 times in 5 years, followed by Northern Central (Zone 3) – about 2.5 times in 5 years.

Competition

Finally, a competitor analysis reveals the following:

- By global sub-regions, South-East Asia experienced the highest growth in international arrivals (+10%), mostly due to intraregional demand.

- Myanmar, Cambodia, Thailand and Vietnam (+19%) showed the highest growth in arrivals in the Asia-Pacific region, but in real terms Thailand recorded the largest increase (+3 million more tourist arrivals), followed by Singapore (+1 million).

- Vietnam faces fierce competition in the promotion of its core tourism products (coastal and beach tourism, cultural tourism, and nature-based tourism) with Thailand, Malaysia and Cambodia.

- Competition for international outbound tourism to the Mekong region is expected to intensify with greater Government investment anticipated.

- Competition for Vietnam’s current domestic tourism market will intensify with more people expected to take holidays and do business overseas.
## SWOT Analysis

### Strengths

**Product**
- Destination offers a wide variety of products to meet market needs
- Rich cultural traditions, heritage, temples, festivals, ethnic groups
- Vibrant main cities, young energetic population
- New destination for holidays and exploring
- Extensive (and dramatic) natural attractions
- Unique history of overcoming adversity, contemporary interest in war sites
- Iconic attractions: Halong Bay, Hue, Hoi An, Ho Chi Minh City
- New high quality resorts and hotels
- Boutique hotels in main cities
- Safe destination (but some perception issues)
- Generally not expensive
- Very strong domestic market underpinning destination viability and economic sustainability

**Market**
- High name recognition
- Steady growth exceeding world average and Asia still very buoyant
- Proximity to mass markets of NE and SE Asia
- LCC boom and improving scheduled access
- Proximity to major gateway hubs of SIN and BKK
- Some innovative tour operators with good market connections
- Familiar and unthreatening destination for Asian tourists, food compatibility
- Exotic destination for Western markets, interest in Vietnamese food and culture
- Interest in war (veterans, memorials, and younger visitors)
- Committed staff within VNAT
- Research abilities in ITDR
- Vietnam Airlines marketing
- Tour operator marketing (some leading players)
- Growing worldwide demand for beach holidays (but also increasing supply)
- Very strong domestic market underpinning industry viability

### Weaknesses

**Product**
- Limited market research to guide development
- Provinces competing for tourists and investment, limited national coordination
- Destination management, especially regarding mass tourism
- Variable to poor standards (for example Ha Long Bay), limited luxury product
- Limited real commitment to responsible tourism
- Quantity of adequately trained human resources may not keep pace with expansion and limit business capacity
- Danger of ‘over-development’ at certain sites (e.g. Sa Pa)
- Cost of access compared to BKK, KUL, SIN
- Visa processes
- Local public transportation can be problematic
- Limited variety of market-led product to hold visitors longer at sub-destinations
- Over supply of ethnic village tourism and CBT.
- Limited product development ideas in the public sector: need to stimulate the private sector.
- Significant quality issues (lack of trained staff, inconsistent service levels, volatile pricing, unreliable accommodation grading, cleanliness, traffic, poor quality attractions, Ha Long Bay boat standards, etc).
- Inexperienced investors in tourism due to perceived future success, some dependent on loans - very susceptible to crises

**Market**
- Very limited state investment in tourism marketing
- Limited co-ordination of tourism promotion activities across MCST and different VNAT departments
- Limited coordination with private sector
- Limited ongoing market research, in particular regarding visitor satisfaction
- No destination marketing website
- No current formal overseas representation
- Slow decision-making processes regarding VNAT marketing – cannot capture short term opportunities
- Probable limited awareness of Vietnam’s regional and product diversity
- Probable lack of awareness of Vietnam as a holiday destination in certain source markets (e.g. North America)
- Danger of over-reliance on a few source markets
- Unprepared for friction between different tourist nationalities, and (in particular) friction between tourists and locals
- Miss-selling product & services by operators leading to misled, dissatisfied customers
- Reluctance to disseminate information – private sector unaware of plans or where they fit in
- Difficulties co-ordinating regional and provincial marketing
- Limited understanding of ‘marketing’ vs. ‘promotion’
- Limited understanding of ‘branding’ being about consistent product quality

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**OPPORTUNITIES**

**Product**
- Improved ground transportation (road, rail) encouraging more exploration and increased length of stay
- New products to meet needs of specific segments (Casino tourism, Mekong cruises, city walking tours etc)
- Range of underutilised but potentially marketable attractions, itineraries and resources around the country which could develop/expand the product offer
- Destination Management Organisations to bring public and private sector together to address issues (responsible tourism)
- Vietnamese IT skills and private sector IT companies

**Market**
- Tourism Advisory Board (TAB)
- Popularity of Mekong Region and likely interest in Vietnam as ‘new’ destination
- Rapidly growing Chinese and Russian outbound markets, buoyant Australian market
- Can capitalise on current stability compared to Thailand, Middle East
- Attracting more scheduled carriers, LCCs and charter traffic
- New markets with air access
- Cooperation with new airlines serving Vietnam destinations (e.g. Etihad)
- Reduce reliance on major source market – spread risk
- Number of niche markets with potential including MICE
- Attracting more cruise liners
- Domestic tourism marketing to fill dips in occupancy
- Targeting international tour operators currently featuring Thailand, Malaysia, but not Vietnam
- E-marketing
- Predicted future dominance of unpackaged, online bookings
- Overseas representation
- Marketing partnerships
- Diaspora
- Simplify visa on arrival (also Association of South East Asian Nations [ASEAN] integration, common visa)

**THREATS**

**Product**
- Continued degradation and pollution will make some products more difficult to market profitably
- Lack of coordination between government agencies threatens the achievement of the Tourism Strategy to 2020
- Lack of coordination between national and regional/provincial organizations in tourism marketing, especially in the domestic market.

**Market**
- Under-developed capacities of staff for Vietnam tourism marketing, especially provincial local staff.
- Massive investment in marketing by competitors
- Unpredictable restrictions on Chinese outbound tourism
- Long haul leisure markets have been hit hardest by the economic slowdown. Rising fuel prices continue to bite into airfares.
- Environmental concerns about long haul travel are starting to re-emerge as the global economic crisis is resolved
- Volatility of tourism (SARS, Avian flu, etc.)
- Political disputes in region (East Sea, Thailand-Cambodia, China-Taiwan)
- Natural disasters (Tsunamis, earthquakes, flooding, etc.)
- Loss of skilled labour to other (better paid) destinations
- Loss of domestic market to nearby destinations (LCC opportunities)
Objectives

2013 – 2016

Considering the issues that have been raised thus far, the following marketing objectives are recommended for the period 2013-2016:

- **Marketing objective 1:** To position Vietnam as a must-visit tourism destination in South East Asia based on its key brand values and products (culture, cities, coast and mountains) in Asian and selected Western markets, and to ensure it remains the preferred holiday destination for Vietnamese residents.

- **Marketing objective 2:** To effectively communicate the diversity of Vietnam’s product offerings and its main tourism regions; to increase visitor length of stay and local expenditure, and to attract return visitors (‘taste more of Vietnam’).

- **Marketing objective 3:** To effectively manage cooperation with the private sector, to target growth segments and new markets that can be cost-effectively reached.

2017 – 2020

For the period 2017-2020, progress should be reviewed and marketing objectives refined.

The marketing objectives aim to realize the following targets:

- Launching an internationally recognised Vietnam brand with consistent application of brand values through all VNAT marketing by 2015.

- Market growth in target markets as projected by the National Tourism Master Plan draft targets

- Enhance industry cooperation and confidence in VNAT marketing through professionalizing activity and securing an increased contribution to VNAT-led marketing initiatives through the Tourism Advisory Board
Positioning & branding

Key findings from a 2011 Vietnam Tourism Image and Competitiveness Survey reveal that previous visitors from all markets see culture as a very important aspect of Vietnam’s image. Nature is also important, especially for European visitors, whilst Vietnamese cuisine is important to Australian and Asian visitors. Of particular importance are the attitudes of those who have visited Vietnam more than once and therefore have a realistic view of the country. For this group of people, the following characteristics are associated with Vietnam:

- Culture
- People
- Cuisine
- Adventure
- Hospitality

For returning visitors, nature is less strongly associated with Vietnam than for first time visitors.

Selling proposition

Whilst Vietnam’s unique selling proposition has not been clearly defined, those who are familiar with the destination know that it is:

- Very different to Thailand (a soft, smooth, luxurious image)
- Very different to Malaysia (prosperous, Islam-dominated yet also ‘truly Asia’)
- Different to Singapore with its developed and prosperous urban and contemporary image.

The uniqueness of Vietnam lies in its rich and varied culture, its delicious cuisine, strong spirit of independence and its continuing vibrancy and energy in rebuilding itself.

Vietnam’s core assets include its coast, culture, cities and eco-based tourism. The Vietnam tourism position aims to transform the key emotional angles and assets of its core competencies into strong and credible images. The core elements of the Vietnam tourism brand position are:

- **Time.** Vietnam is a destination that “enables spare time” but also where “time can stand still”. Here, the traveller can regenerate and experience unforgettable moments - whether it is watching a cultural performance or relaxing on a white sand beach.

- **Intensity.** Vietnam is a place of intense travel experiences – from its natural wonders and cultural delights through to its bustling cities. Vietnam is adventurous, authentic, untouched and still to be explored.

- **Mystery.** Vietnam’s possesses a mixture of exotic and yet authentic cultures, ethnic groups, religions and traditions set within a spectacular backdrop of misty mountains, green fields and endless ocean horizons. Here, travellers can collect unforgettable stories and tales to pass on to their family and friends.

- **Commitment.** The Vietnamese people provide visitors with a service that is rooted in cultural traditions and qualities of loyalty, friendliness and charm – and prerequisites for good service.

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2 Vietnam Tourism Consultant Co. Sample size was 1,010 interviews.
“Vietnam Timeless Charm” brings the above core assets and key emotional qualities together under a single umbrella or slogan. Vietnam offers travellers authentic holiday experiences filled with natural and cultural intensity, mystery, and commitment that are remarkable and memorable and live on endlessly in the traveller’s mind.

Challenges

Vietnam’s branding challenge is to shift the sometimes vague or shifting perceptions of the country as a tourism destination to a more positive reality. This ‘positive reality’ should apply to all aspects with the exception of nature where there is evidence that visitors are less satisfied than expected. In branding terms, this aspect of the product will require better management if the image is to measure up to reality.

In 2011, VNAT developed a new logo and tagline for Vietnam: 

**Việt Nam: Về đẹp bất tận.**

This translates, literally, as ‘Vietnam: Never-ending beauty’; in English:

**Vietnam: Timeless charm.**

To address the marketing objective of promoting Vietnam’s product diversity, initial advertising in English should be themed around ‘endless’ as a strap line for English language promotion:

- Vietnam: Timeless charm  *Endless discovery*
- Vietnam: Timeless charm  *Endless nature*
- Vietnam: Timeless charm  *Endless mystery*
Additionally, there is an opportunity to highlight Vietnamese cuisine as a key selling point in positioning Vietnam.

With future UNWTO tourism growth projections indicating that Vietnam’s future tourism markets are likely be overwhelmingly Asian (with a very strong domestic tourism element), the Asian image of Vietnam, and Vietnam’s ability to deliver on this image, needs to be the prime consideration of future brand development.

In accordance with the branding strategy, four product groups have been identified to present to relevant market segments. These groups, all of which include the core products of people and food, are as follows:

- **Brand group 1**: Culture
- **Brand group 2**: Coast
- **Brand group 3**: Eco-based
- **Brand group 4**: City breaks

**Matching markets & products**

If the product is not right for the higher spending visitor, which Vietnam’s National Tourism Strategy seeks, no marketing strategy will succeed in the long term. An integrated approach to product development and marketing is therefore essential, both to ensure visitor satisfaction and to deliver on brand promises. VNAT’s marketing approach will be to work more closely with the travel trade to strengthen the following:

1. **High spending elements of the current product offer**, by addressing specific segments within established markets for culture, city breaks, coastal and mountain tourism (North Asia, Europe, North America), and by helping the trade to identify new segments in new markets (India, South America, Middle East).

2. **Improving high volume coastal, cultural, city and mountain product**, by concentrating on better destination management and product quality, so that there can be sustainable growth from larger ASEAN economies, North Asia and Russia as well as the domestic market.

VNAT will concentrate most effort on those geographical markets with a high propensity to travel to Vietnam in terms of visitor numbers, air access and the market-product match. Given budgetary realities, most focus will be on nearer markets. In future possible markets the creation of awareness and developing travel trade links will be the priorities during this planning period.

**Target markets**

The Government strategy for Tourism Development mandates targeting higher-spending, longer staying tourists in target markets relevant to Vietnam’s product offer, with specific recommendations to focus on the following target markets:

- **Asia-Pacific** — The nearby markets of North East Asia (China, Japan, South Korea), South East Asia (Singapore Malaysia, Indonesia, Thailand), and
Australia

- **Western markets** – Western Europe (France, Germany, Great Britain, the Netherlands, Spain and Scandinavia); North America (United States and Canada), and Eastern Europe (Russian Federation, Ukraine)

- **New markets** – The Middle East and India

The Vietnam Tourism Marketing Strategy to 2020 remains consistent with the priority target markets identified within the Government strategy for tourism development. Furthermore, the Vietnam Tourism Marketing Strategy to 2020 proposes specifically aligning key products to identified markets. Critical to success will be improving the products to meet market expectations and stronger destination management mechanisms. A detailed analysis of tourism marketing objectives and activities for Vietnam’s key tourism markets / market groupings is provided in the following section.

**Vietnam’s key products according to identified markets**

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<th>North Asia</th>
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<td>Ethnic culture: CBT</td>
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*Note:* ● Strong products for the target market, ○ Less strong products for the target market.

**Branding activities**

The overarching implementation of the branding strategy will require cross-linking branding to marketing and other relevant strategies, gaining commitment and ownership of ‘Vietnam – Timeless Charm’ within VNAT, obtaining agreement on the brand identity, core values and attributes, and further developing the brand strategy to foster continuing brand development processes.
| **Structure** | Key activities pertaining to branding structure shall include reviewing the organisational structure of VNAT based on a value-chain approach, the capacity building of stakeholders on the theory and methodology behind branding a tourism destination, the establishment of an internal brand working group within VNAT, initiating a co-operation process with the tourism industry, and finalising tourism brand product groups (role and function). |
| **Legalities** | Outstanding legal issues with regard to use of the logo, tagline and pictures will be clarified and solidified. |
| **Financing** | Assurance of sufficient financial resources for brand management by VNAT based on a proposed and evaluated working plan outlining objectives, success indicators and respective activities will take place. |
| **Research & analysis** | An evaluation of the existing brand image will be conducted with key findings looping back into the brand development and product management process. A qualitative assessment of information needs will be undertaken and appropriate market research conducted on the image of Vietnam among consumers for on-going inputs on the brand architecture and communication. |
| **Images / visuals** | Core images of sites, sub-destinations, tourism experiences and attractions will be identified and high-resolution, high-quality images sourced (e.g. from media partners). A commercial image use guide will be published to inform use of the images. A web-based image database will be set up that offers brand-consistent images to national and international stakeholders. |
| **Text** | Story-telling will be integrated into existing and future marketing campaigns (especially below-the-line / social media) and sample stories will be provided to audiences to assure brand-consistent communication. |
| **Campaigns** | Central to all branding campaigns will be a focus on highlights of the brand specifically targeted to different target segments, and innovative and creative communication of tourism products within experience zones. Specific campaign activities will include:  
  - **Operational** – Contracting of a national advertising / creative agency or person to design campaigns, promotion materials, Point of Information and Point of Sale elements  
  - **Print** – Implementation guidelines on the use of the logo and slogan in both corporate and consumer oriented messages  
  - **Web** – Initiation of a strong central web platform for B2C and B2B audiences  
  - **Social media** – Research on current social media activities promoting Vietnam as a tourism destination and implementation of targeted social media campaign  
  - **Newsletter** – Development of a tourism industry newsletter for covering most relevant issues with regard to VNATS’ core activities.  
  - **Video** – Production of a video clip incorporating the key-findings of the brand (proposition). |
## Product management implementation activities

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prioritising city breaks</td>
<td>‘City breaks’ will be identified as another core product line in order to specifically point out the importance of both Hanoi and Ho Chi Minh City as key tourism experiences in Vietnam.</td>
</tr>
<tr>
<td>Structure</td>
<td>Product management working groups with regions will be formed (VNAT, DMO, regional stakeholders and private sector), support will be provided to develop professional DMOs, and priority areas will be identified by sub-destinations and thematic needs.</td>
</tr>
<tr>
<td>Communication</td>
<td>Products that incorporate brand essence ‘Vietnam – Timeless Charm’ will be communicated in marketing campaigns, skills training for product development will be conducted at the regional level (e.g. value chain, value capture, packaging, pricing, storytelling, branding), and product innovation workshops will be conducted in sub-destinations (e.g. “Creating products with a unique identity”).</td>
</tr>
<tr>
<td>Quality</td>
<td>Priority areas for quality improvement will be identified relating to key tourism experiences within the destination (e.g. Ha Long Bay). The need for quality improvement in product, process and management will be assessed in order to achieve a holistic picture, and a short-, mid- and long-term national tourism quality program will be developed. An action plan for VNAT related to strategic leadership of the quality program will be designed and implemented.</td>
</tr>
</tbody>
</table>
Achieving Vietnam’s tourism objectives

JAPAN, KOREA & TAIWAN

Objectives

- To position Vietnam as an interesting and culturally rich tourism destination within easy reach for short breaks and longer holidays
- To effectively communicate the diversity of Vietnam’s product offer and its main tourism regions; to increase visitor length of stay and local expenditure, and to attract return visitors.
- To effectively manage cooperation with the private sector, to target growth segments and market segments which can be cost-effectively reached.

The marketing strategy targets on average six percent annual growth from these markets.

<table>
<thead>
<tr>
<th>Targets</th>
<th>Brand tools needed</th>
<th>Promotional mix</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel trade; Travel press; General press</td>
<td>Brand video; Brand website; Branded exhibition stands; Brand brochures</td>
<td>Road shows with partners; Travel trade exhibitions; Consumer exhibitions; Representation; PR agency</td>
</tr>
<tr>
<td>Special interest (golf, MICE)</td>
<td>Brand website (Chinese, Japanese, Korean)</td>
<td>Joint campaigns with Vietnam partners; Representation (back office); Sponsored events (golf)</td>
</tr>
<tr>
<td>Internet users</td>
<td>Brand website (Chinese, Japanese, Korean)</td>
<td>e-marketing campaign with partners</td>
</tr>
<tr>
<td>Consumers in main cities with air access</td>
<td>Branded advertising; Brand website (Chinese, Japanese, Korean)</td>
<td>Consumer advertising campaign with partners</td>
</tr>
</tbody>
</table>

CHINA

Objectives

- To position Vietnam as an easy, compatible and culturally rich tourism destination within easy reach for short breaks and longer holidays (including for beach holidays for land-locked provinces)
- To effectively communicate the diversity of Vietnam’s product offer and its main tourism regions; to increase visitor length of stay and local expenditure, and to attract higher spending Chinese visitors.
- To effectively manage cooperation with the private sector, to target higher spending segments which can be cost-effectively reached.

Because overall growth from China is currently 40 percent per annum (a rate which cannot be effectively managed environmentally or socially), marketing needs to be highly selective and focused on higher spending tourists to avoid dominance and dependence on one source market.

<table>
<thead>
<tr>
<th>Targets</th>
<th>Brand tools needed</th>
<th>Promotional mix</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel trade; Travel press; General press; Travel clubs</td>
<td>Brand video; Brand website (Chinese); Branded exhibition stands; Brand brochures (Chinese)</td>
<td>Road shows with partners; Travel trade exhibitions; Consumer exhibitions; Representation</td>
</tr>
<tr>
<td>Special interest (golf, MICE)</td>
<td>Brand website (Chinese)</td>
<td>Joint campaigns with Vietnam partners; Representation (back office); Sponsored events (golf)</td>
</tr>
<tr>
<td>Internet users</td>
<td>Brand website (Chinese)</td>
<td>e-marketing campaign with partners</td>
</tr>
<tr>
<td>Consumers in main cities with airport access; Consumers in main inland cities with airport access</td>
<td>Branded advertising; Brand website (Chinese)</td>
<td>Consumer advertising campaign with partners</td>
</tr>
</tbody>
</table>

ASEAN

Objectives

- To position Vietnam as an interesting and culturally rich tourism destination within very easy reach for short breaks (in particular city breaks)
- To effectively communicate the diversity of Vietnam’s product offer and its main tourism region; to increase visitor length of stay and local expenditure, and to attract return visitors.
To effectively manage cooperation with the private sector, to target higher spending segments which can be cost-effectively reached.

Ten percent annual growth from Malaysia and Singapore can be targeted with increased resources. Ten per cent growth is also expected from near neighbours (Lao PDR, Cambodia). Thailand will be a more difficult market to attract in the short term. For Thailand and other ASEAN markets an underlying rate of growth of 6 percent per annum is envisaged to 2020.

<table>
<thead>
<tr>
<th>Targets</th>
<th>Brand tools needed</th>
<th>Promotional mix</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel trade; Travel press; General press; Caravan tours Consumers in border countries</td>
<td>Brand video; Brand website; Branded exhibition stands; Brand brochures</td>
<td>Road shows with partners; Travel trade exhibitions; Consumer exhibitions; Representation; PR agency</td>
</tr>
<tr>
<td>Special interest (golf, MICE)</td>
<td>Brand website; Brand incentive webpage</td>
<td>Joint campaigns with Vietnam partners; Representation (back office); Sponsored events (golf)</td>
</tr>
<tr>
<td>Internet users</td>
<td>Brand website; Facebook campaign</td>
<td>e-marketing campaign with partners; Website in regional languages (Thai, Malay)</td>
</tr>
<tr>
<td>Consumers in main cities with air access</td>
<td>Branded advertising; Brand website</td>
<td>Consumer advertising campaign with partners; Representation (shop front and back office)</td>
</tr>
</tbody>
</table>

NORTH AMERICA

Objectives

- To create awareness of Vietnam as a welcoming and culturally rich tourism destination within South East Asia
- To effectively communicate the diversity of Vietnam’s product offer and its main tourism regions; to increase visitor length of stay and local expenditure.
- To effectively manage cooperation with the private sector, to target segments which can be cost-effectively reached.

With increased resources the annual rate of growth from North America could be increased from two percent per annum currently to three percent.

<table>
<thead>
<tr>
<th>Targets</th>
<th>Brand tools needed</th>
<th>Promotional mix</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel trade; Travel press; General press</td>
<td>Brand website</td>
<td>ATTA membership and liaison; Servicing trade &amp; press enquiries; PR agency to generate positive press coverage; Fam. visits in partnership with airlines</td>
</tr>
<tr>
<td>Special interest (veterans)</td>
<td>Brand website; Brand ‘welcome to veterans’ webpage</td>
<td>Joint campaigns with Vietnam partners</td>
</tr>
<tr>
<td>Special interest (cruise line companies)</td>
<td>Brand webpage (technical information on ports, attractions); Branded exhibition stand; Branded general brochure</td>
<td>Seatrade Asia (Singapore, September); Joint campaign with partners (ports, shipping agents, specialist tour operators); Seatrade Miami (March)</td>
</tr>
<tr>
<td>Diaspora</td>
<td>Brand website (Vietnamese, English)</td>
<td>Joint campaigns with Diaspora organisations in USA, Canada</td>
</tr>
<tr>
<td>Internet users</td>
<td>Brand website</td>
<td>e-marketing campaign with partners</td>
</tr>
<tr>
<td>Consumers in East Coast cities with air access</td>
<td>Brand website</td>
<td>Airline partnership</td>
</tr>
</tbody>
</table>

AUSTRALIA

Objectives

- To create awareness of Vietnam as a welcoming and culturally rich tourism destination within South East Asia
- To effectively communicate the diversity of Vietnam’s product offer and its main tourism regions; to increase visitor length of stay and local expenditure, and to encourage repeat visits to explore more of Vietnam,
- To effectively manage cooperation with the private sector, to target segments which can be cost-effectively reached.

With increased resources a higher annual growth rate (ten percent per annum) can be targeted from Australia, which has a strong economy and an outbound tourism market interested in exploring more of the Asia-Pacific region.

<table>
<thead>
<tr>
<th>Targets</th>
<th>Brand tools needed</th>
<th>Promotional mix</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel trade; Travel press; General press</td>
<td>Brand website; General branded brochure; Brand stories; Brand photo library</td>
<td>Fam. visits in partnership with airlines; Attending exhibitions; Road show with partners; PR agency to generate positive press coverage; Representation (back office); Expanded road show</td>
</tr>
</tbody>
</table>
RUSSIA

Objectives

- To create awareness of Vietnam an Asian destination offering beach, culture, cities and nature.
- To effectively communicate the diversity of Vietnam’s product offer and its main tourism region; to increase visitor length of stay and local expenditure, and to attract return visitors.
- To effectively manage cooperation with the private sector, to target higher spending segments which can be cost-effectively reached.

*The target is to sustain current growth rates to help fill expanding hotel capacity.*

<table>
<thead>
<tr>
<th>Targets</th>
<th>Brand tools needed</th>
<th>Promotional mix</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel trade; Travel press; General press</td>
<td>Brand website (Russian); Brand stories; Brand photo library</td>
<td>Fam. visits in partnership with travel trade; Market intelligence to guide travel trade</td>
</tr>
<tr>
<td>Consumers in cities with air access/charter tour operators</td>
<td>Brand website (Russian); Brand advertising (Russian); Branded exhibition stands</td>
<td>Airline &amp; travel trade partnership campaigns; PR agency; Representation (back office); Trade &amp; consumer shows (if partners join)</td>
</tr>
</tbody>
</table>

EUROPE

Objectives

- To create greater awareness of Vietnam a Southeast Asian destination offering culture, coast, historic cities and nature.
- To effectively communicate the diversity of Vietnam’s product offer and its main tourism region; to increase visitor length of stay and local expenditure, and to attract return visitors to Vietnam as a stand-alone destination.
- To effectively manage cooperation with the private sector, to target higher spending segments which can be cost-effectively reached.

*It will be difficult to sustain current growth rates from Europe due to continuing recession, the weakness of the Euro and high fuel costs, despite Vietnam’s historical links with France and broad interest in Indo-China holidays The United Kingdom market is showing more resilience however. Very close cooperation with the travel trade is essential in these markets and VNAT needs to partner more strongly with the private sector to support its initiatives.*

<table>
<thead>
<tr>
<th>Targets</th>
<th>Brand tools needed</th>
<th>Promotional mix</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel trade; Travel press; General press</td>
<td>Brand website; Brand stories; Brand photo library</td>
<td>Fam. visits in partnership with travel trade; Market intelligence to guide travel trade</td>
</tr>
<tr>
<td>Consumers in cities with air access/charter tour operators</td>
<td>Brand website (in selected language); Brand advertising (in selected language); Branded exhibition stands</td>
<td>Airline &amp; travel trade partnership campaigns; PR agency; Representation (back office); Trade &amp; consumer shows (if partners join)</td>
</tr>
</tbody>
</table>

OTHER INTERNATIONAL MARKETS

Objectives

- To create awareness of Vietnam as a welcoming and culturally rich tourism destination within South East Asia.
- To effectively communicate the diversity of Vietnam’s product offer and its main tourism regions; to increase visitor length of stay and local expenditure.
- To effectively manage cooperation with the private sector, to target segments which can be cost-effectively reached.

The Government Tourism Strategy identifies India and the Middle East as potential new markets. Large and complex markets, the focus needs to be on regions with good air access.

Key products will include general touring, culture and city breaks, together with sightseeing. Classic introductory tours with customised itineraries are likely to be the main products demanded.

The promotional mix will need to be based upon intensive market research (communicated to the Vietnamese travel trade). PR and some travel trade activity are recommended to help create greater awareness of Vietnam.
DOMESTIC MARKET

VNAT’s marketing to the domestic market will include:

- **Place:** Promoting domestic tourism at a national level, in particular through the regions and provinces. Professionally designed, strongly funded sub-regional brands will be encouraged.
- **Price:** The price of domestic tourism holidays will be determined by the market and sold by the private sector. VNAT will seek to minimise leakage from the economy to other destinations in particular through enhanced cooperation in tourism promotion between airlines, transport, and hospitality and service industries.
- **Partnerships:** Marketing and competitiveness groups in the nine tourism regions will be encouraged. Partnerships will be built with related sectors for tourism promotion and responsible destination management.
- **People:** The capabilities of those responsible for destination marketing at the regional level will be built.
- **Promotion:** Refer to table below.

<table>
<thead>
<tr>
<th>Promotional mix</th>
<th>Contents &amp; implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mass media advertising (TV, radio)</td>
<td>Demand pushing: “Discover the charms of your country”; Brand familiarization; Product lines awareness; Specific product (region) campaign (in cooperation with regions); High frequency</td>
</tr>
<tr>
<td>Selected trade and tourism fairs</td>
<td>Promotion of campaign themes</td>
</tr>
<tr>
<td>New product familiarization</td>
<td>Frequently by provinces/regions</td>
</tr>
<tr>
<td>Press trips</td>
<td>Frequently by provinces/regions</td>
</tr>
<tr>
<td>Public relations</td>
<td>Press trips for media: Television (culture, nature related programmes: VTV1,2,3; HTV...); Key newspapers; Magazines with specific audience (e.g. Heritage); Stock articles and photographs to be supplied.</td>
</tr>
<tr>
<td>Events</td>
<td>As appropriate</td>
</tr>
<tr>
<td>E-marketing</td>
<td>Campaign website for domestic tourists, hosted by VNAT; e-marketing to mobile phone users, Facebook users, etc</td>
</tr>
<tr>
<td>Publications</td>
<td>Campaign brochure and other marketing material in Vietnamese</td>
</tr>
<tr>
<td>Advertising</td>
<td>Poster sites in big cities, main roads; Newspaper, radio and TV</td>
</tr>
<tr>
<td>Meetings &amp; conferences</td>
<td>Campaign to attract resources and attention from stakeholders about tourism marketing in Vietnam; Coordination within regions and provinces in marketing.</td>
</tr>
</tbody>
</table>

CORPORATE MARKET

Objectives

- To raise awareness of VNAT-led initiatives and their effectiveness
- To disseminate research and information about the targets of Vietnam’s tourism marketing
- To build pride in Vietnam’s tourism brand and branded approach
- To strengthen cooperation between all stakeholders and encourage buy-in to strategic marketing initiatives
- To raise awareness about the importance and efficiency of VNAT-led marketing as an investment that gives a strong return

The main tools and campaign for corporate marketing and co-operation will be:

<table>
<thead>
<tr>
<th>Tool</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public relations</td>
<td>Communicate VNAT’s marketing strategy and annual plan, and cooperate with the Vietnam tourism sector for joint planning and implementation. Combine with the promotion of branding and brand values in the domestic market.</td>
</tr>
<tr>
<td>Conferences</td>
<td>Annual nationwide marketing conferences to gather input and disseminate the marketing plans with stakeholders in Vietnam to encourage cooperation (especially public-private cooperation) and central-provincial cooperation.</td>
</tr>
<tr>
<td>Workshops</td>
<td>Technical workshops and training workshops to draw up country marketing plans with the TAB and other tour operators and Vietnam Airlines. Provide training in marketing skills and activities in specific target markets.</td>
</tr>
</tbody>
</table>
Promotional mix

Internet & e-marketing

Whilst internet marketing is highly effective if well designed (probably better value for money than traditional marketing), it is by no means cheap and is dependent on having servicing methods to deal with enquiries, such as a well-designed destination website that will track results.

Internet marketing strategies that will be considered include:

- **Internet display advertising**: Use web banners or banner ads placed on a third-party website to drive traffic to a tourist board’s own website and increase destination awareness or campaign response.

- **Search engine marketing**: Promote websites by increasing their visibility in search engine result pages through the use of either paid placement, contextual advertising, and paid inclusion, or search engine optimization.

- **Search engine optimization**: Improve the visibility of a website or a web page in search engines via the “natural” or unpaid search results.

- **Social media marketing**: Gain traffic or attention through social media websites such as Facebook and Twitter.

- **Email marketing**: Directly market a commercial message to specific groups of people using electronic mail (i.e. electronic direct mail).

- **Referral marketing**: Promote products or services to new customers through referrals, usually word of mouth (e.g. through TripAdvisor).

- **Affiliate marketing**: Where a business rewards affiliates for each visitor or customer brought about by the affiliate’s own marketing efforts.

- **Inbound marketing**: Create and freely share informative content as a means of converting prospects into customers, and customers into repeat buyers (e.g. through a regulated blog).

- **Video marketing**: Create videos that engage the viewer into a buying state by presenting information in video form and guiding them to a product or service (e.g. YouTube clips)

- **Guerrilla marketing**: Unconventional marketing such as placing posters on hoardings, PR stunts etc. Create an engaging and thought-provoking concept on the Internet to generate buzz, and consequently turn viral (e.g. The Vietnamese food clip ‘Viewfinder: A Taste of Vietnam’)

- **Online booking**: e-marketing with online agencies (e.g. Agoda, Lastminute.com) as well as the provision of direct booking opportunities.

- **Destination website**: Develop a top quality multi-language destination website with sophisticated B2B and B2C design based brand values.
Public relations & familiarisations

- Specific public relations campaigns will be initiated in each main market featuring the main brand themes and market-appropriate product and new product, particularly beach tourism.
- A local public relations agency will be appointed to support domestic tourism marketing with a detailed agency brief highlighting specific areas and issues to be addressed drawn up each year.
- Syndicated press updates from VNAT about new developments in Vietnam tourism will be issued to market representatives and the travel trade.
- A review and update of entries in all major travel guides by market will be undertaken by VNAT (e.g. Rough Guide, Insight guide, Blue Guide etc). A review system for TripAdvisor and other e-reviews will be initiated.
- Press visits will be hosted from main markets where it is cost effective to do so, and where there is airline or private sector support.

Exhibitions & travel trade

The key activities for exhibitions include:

- Focus on travel trade in all markets except Vietnam and ASEAN, where there is also a consumer focus. Build partnerships so that all exhibitions are part-funded by the travel trade.
- Mount a stronger branded presence at main travel shows (e.g. ITB, World Travel Market), potentially reducing the domestic and near Asian markets in order to create a greater impact at shows attended.
- Prioritise trade fairs that link in with other marketing campaign activities (advertising, public relations or travel trade support).

The key activities for travel trade include:

- Strengthen joint activities (e.g. in organising familiarisation trips and PR visits) with Vietnam Airlines, the national carrier whilst at the same time strengthening relationships with other leading long haul carriers from existing and new destinations.
- In partnership with the private sector (and facilitated by VNAT), focus on travel trade and charter operators currently featuring competing destinations but not yet featuring Vietnam.
- Directly target cruise liner itinerary planners in partnership with ports and shipping agents.
- Work closely with leading Vietnamese inbound operators, overseas travel trade, overseas representatives, and PR agencies to promote Vietnam.
- Work closely with local ground handlers
- Refine a range of specialist familiarisation visit itineraries (e.g. a ‘taste Vietnam’ itinerary) and presentations for different industry groups
Publications

- To both market the destination and encourage visitors to stay longer and travel further, branded, highly visual and marketing-orientated tourism publications designed by a specialist design company will be produced reflecting the chosen brand and product lines (existing publications to be withdrawn or quickly phased out). The following will be produced:
  
  o **Print pieces**: Produced in appropriate languages including Vietnamese and English in Year 1, print pieces will also extend to specific language versions for specific pilot campaign activities. The literature will be lightweight and suitable for supporting tour operator promotions. Older literature will be used up or withdrawn.
  
  o **Online publications**: A range of additional online publications will be produced based on detailed terms of reference including: Vietnam mini-guide; Vietnam main guide; Vietnam tourism maps by region; Vietnam branded products lines and posters (culture, city breaks, nature, coast); and Vietnam special interest publications. Foreign language editions will also be produced based around specific campaign requirements (e.g. a Russian “Vietnam: Timeless Charm: Endless Vacation” tactical marketing print piece) but all in conformity with new brand guidelines.

- A distribution plan and budget will be drawn up by VNAT including costs and quantities for servicing each market and each planned exhibition. Volumes used by month and market will be recorded.

- Regions, provinces and destination marketing organisations will be responsible for providing tourist information literature to service visitors already in country with VNAT providing guidance on best practice.

Advertising

- Commission a portfolio of branded advertisements according to product line through a public tender process. The branded advertisements (print, Internet, etc) will include: Domestic campaign advertisement; Vietnam general purpose *Endless Discovery* brand advertisement (culture, beaches, cities, nature); City break advertisements for use in near markets; Vietnam beach-based advertisement, and; Other special interest as campaigns are devised. (e.g. golf, MICE in English and Asian languages).

- A TV and radio advertisement for the domestic market based on brand guidelines and themed Việt Nam: Vẻ đẹp bất tận - Do la cua ban. A branded TV advertising in near Asian cities with direct air access should also be considered (funding dependant).
Human resources

- Fixed responsibilities to working groups of staff by market, by product and by promotional activity so that specialist skills can be built up.
- A training needs analysis should be conducted with investment made.
- The best available Vietnamese and other specialists need to be acquired to advise the VNAT marketing department on such issues as the e-marketing strategy, website upgrades, public relations, advertising and publications design.

Financial resources

Political commitment and a major injection of financial resources is required to deliver this marketing strategy which will involve major changes in both the way VNAT is funded and the way in which it operates. The budget should be gradually increased as VNAT’s capacities and private sector partnership improves (see tables below).

Indicative marketing budget by market area 2013-2016

<table>
<thead>
<tr>
<th>Market</th>
<th>2013 US$ 000</th>
<th>2014 US$ 000</th>
<th>2015 US$ 000</th>
<th>2016 US$ 000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand development &amp; research</td>
<td>350</td>
<td>500</td>
<td>1,000</td>
<td>1,500</td>
</tr>
<tr>
<td>North Asia</td>
<td>200</td>
<td>500</td>
<td>1,100</td>
<td>1,700</td>
</tr>
<tr>
<td>China</td>
<td>100</td>
<td>500</td>
<td>800</td>
<td>1,000</td>
</tr>
<tr>
<td>ASEAN</td>
<td>200</td>
<td>500</td>
<td>1,200</td>
<td>1,500</td>
</tr>
<tr>
<td>Australia</td>
<td>20</td>
<td>100</td>
<td>800</td>
<td>1,000</td>
</tr>
<tr>
<td>North America</td>
<td>20</td>
<td>100</td>
<td>550</td>
<td>800</td>
</tr>
<tr>
<td>Europe</td>
<td>60</td>
<td>250</td>
<td>1,200</td>
<td>1,500</td>
</tr>
<tr>
<td>Other</td>
<td>50</td>
<td>350</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>Domestic marketing</td>
<td>1,500</td>
<td>1,500</td>
<td>2,000</td>
<td>3,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td>2,500</td>
<td>4,000</td>
<td>7,000</td>
<td>10,000</td>
</tr>
</tbody>
</table>

* Includes website development, publications, other collateral design
**Indicative marketing budget for VNAT 2016 by promotional mix***

<table>
<thead>
<tr>
<th>Promotional activity</th>
<th>International US$ 000</th>
<th>Domestic US$ 000</th>
<th>Total US$ 000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet &amp; e-marketing</td>
<td>1,000</td>
<td>500</td>
<td>1,500</td>
</tr>
<tr>
<td>Public relations</td>
<td>1,500</td>
<td>500</td>
<td>2,000</td>
</tr>
<tr>
<td>Exhibitions &amp; travel trade</td>
<td>1,000</td>
<td>500</td>
<td>1,500</td>
</tr>
<tr>
<td>Publications</td>
<td>700</td>
<td>500</td>
<td>1,200</td>
</tr>
<tr>
<td>Advertising</td>
<td>1,500</td>
<td>800</td>
<td>2,300</td>
</tr>
<tr>
<td>Overseas representation</td>
<td>800</td>
<td>-</td>
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* Excluding administrative costs

**Return on investment**

Assuming the marketing strategy is funded and implemented in full, the increased investment in marketing Vietnam can conservatively increase visitor numbers by an additional 2.2 million to 7.7 million visitors in 2015 and 8.2 million in 2016.

According to the National Tourism Master Plan (draft), international visitors in 2015 will have an average expenditure of $115 per day in 2015. When applied to the 2016 projection, this will mean that an investment in international marketing of $7 million in 2016 will generate an additional $253 million in international visitor expenditure (2.2 million visitors x $115).

With approximately 20% of visitor expenditure coming back to the Government through taxation on visitor expenditure in Vietnam and tourism industry profits, the direct return on a $7 million investment in professional international tourism marketing will be an additional $50.6 million, or $7.23 for every $1 invested in international marketing.
Phase 1: 2013 – 2015

Action 1: Brand use guidelines
Development of brand guidelines (a Brand Manual) to be consistently applied through VNAT communications professionally developed by a graphic design agency. The guidelines will cover not just how publications should look, but the key messages and kinds of image to be promoted.

Action 2: National tourism marketing workshop
To facilitate partnership-building, VNAT with the Ministry of Culture, Tourism and Sport (MCTS), will organise a two day conference to launch the National Tourism Marketing Strategy 2013-2012, outline VNAT’s Tourism Action Plan for 2013, agree on a national and regional domestic tourism campaign in 2013, discuss tourism marketing initiatives for 2014, and commitments to responsible tourism.

Action 3: Photographic library to communicate brand values
A high quality electronic photograph library is essential to communicate brand values. Housed online, the library will contain at least 1,000 top quality images, free of all copyright, and themed around key product and marketing messages.

Action 4: e-marketing strategy
With the support of ESRT, VNAT will develop an e-marketing strategy including a review of existing VNAT databases available for marketing purposes and e-marketing channels available in Vietnam and its target markets. It will examine VNAT’s IT capability and recommend training needs.

Action 5: Key marketing tools – branded website
A credible and branded destination marketing website developed by the best web-design talents available in Vietnam is required. The website must be user-friendly, professionally designed, multi-lingual, up-to-the-minute, and able to compete with the best international tourist board web portals.
**Action 6: Strategic domestic tourism campaign**

A domestic tourism campaign in partnership with provinces to increase the volume, value and wider distribution of home holidays and encourage Vietnamese tourists to (i) explore more of their home country, (ii) see Vietnam as a good holiday destination, and (iii) have a desire to preserve its environment.

**Action 7: Market research**

The needs and wants of potential tourists in specific markets or related to specific products, satisfaction levels and the effectiveness of marketing campaigns will be examined through commissioning professionally run focus groups and other occasional research. Topics to be explored in year 1 include: likes and dislikes of domestic tourism visitors; awareness of environmental issues and responsible tourism; effectiveness of domestic tourism marketing undertaken; research on promotional campaigns (2014); and tracking of competitor tourist board activity.

**Action 8: Continuation of existing VNAT promotional activity**

A number of existing VNAT promotional activities will continue including: (i) Attending cultural tourism events, exhibitions and conferences in major markets; (ii) Attending international tourism fairs (including Internationale Tourismus Börse in Berlin and Asia, and World Travel Market London); (iii) Servicing requests for PR support, publications, promotional items etc.

**Action 9: Training of VNAT staff**

Capacity development of VNAT staff in: (i) Understanding of branding; (ii) Developing public-private partnership and sales negotiating skills; (iii) e-marketing, consumer expectations and website management; (iv) Market research techniques.

**Year 2 Action 10: Key marketing tools – branded suite of marketing publications**

A new, consistent higher quality suite of publications will be introduced, including: (i) General main guide for use at trade exhibitions; (ii) Mini guide for use at consumer exhibitions and in visitor servicing; (iii) Branded map; (iv) Product promotional brochures to reflect brand themes; (v) Other special interest brochures; (vi) Regional brochures as product develops; (vii) VNAT newsletter.

**Action 11: Key marketing tools – destination promotion video**

Production of promotional videos including: (i) Vietnam's great cultural heritage and cultural diversity; (ii) Superb beaches & islands; (iii) Vibrant city life of Hanoi and Ho Chi Minh City; (iv) Eco-tourism experiences.

**Action 12: Workshop & domestic market campaign**

Continuation of Year 1 activities, expanding travel trade partnership.

**Action 13: Communications & PR**

PR activities shall include: (i) Targeting and briefing of appropriate travel writers and special interest journalists about ‘tasting more of Vietnam’; (ii) Organisation and funding of familiarization visits to Vietnam by selected travel and general journalists; (iii) Road shows and other promotions targeting the travel trade or other selected groups. Corporate communications will focus on managing the way in which VNAT communicates to ensure a good image of the organisation.
Action 14: Review of overseas representation options

An in-market presence is required in addition to market-relevant websites. This may include: (i) VNAT setting up dedicated market offices, either front office (open to the public), or back office (dedicated to the travel trade); (ii) Using Vietnamese embassies and working through trade development officers in these embassies (where they exist); (iii) Appointing in-market representatives.

Action 15: Continuation of existing VNAT promotional activity, research, etc

A number of existing VNAT promotional activities will continue including: (i) Attending cultural tourism events, exhibitions and conferences in major markets; (ii) Attending international tourism fairs (including Internationale Tourismus Börse in Berlin and Asia, and World Travel Market London); (iii) Servicing requests for PR support, publications, promotional items and reacting to various requests.

Action 16: Training of VNAT staff

Training of VNAT staff should continue and cover: (i) Best practice in production of tourism literature and video material; (ii) Best practice in professional exhibition display and monitoring performance; (iii) Managing tenders, advertising agencies and PR consultants; (iv) Managing marketing campaigns; (v) Presentation skills

Year 3

Action Area 17: Targeted marketing campaigns

Highly targeted marketing campaigns in partnership with the travel trade that draw on professional agency advice and current market research will be implemented. Focus markets identified will be based on the economic prosperity of the outbound destination, the degree of connectivity and market research.

Action Area 18: Domestic campaign 2015

Building on lessons learned in 2013, the campaign will shift from awareness-raising amongst consumers to action through developing online booking options such as through the system currently being developed by VNAT in Da Nang.

Action Area 19: Pilot regional campaigns 2015

Pilot regional marketing campaigns will be implemented that target: (i) Japan – to improve the professional presentation of Vietnam; (ii) Korea, Taiwan – business + promotion (‘stay an extra day) and MICE campaign; (iii) China - launch of Chinese language website and e-marketing campaign targeting cities with air access to Vietnam; (iv) ASEAN – Research to better understand Thai attitudes to holidaying in Vietnam and identify opportunities, and research on Malaysia and Singapore.

Action Area 20: Pilot international campaigns 2015

Pilot international marketing campaigns that target: (i) Russia - to promote the Vietnam brand messages targeting additional charter flights with tour operators in selected cities; (ii) Europe - to design a detailed, professional PR and exhibition-related campaign targeting the travel press at ITB Berlin and the World Travel Market, London; (iii) North America - a series of breakfast briefings for travel agents and tour operators on the West Coast in advance of the launch of Vietnam Airline’s new North American route; (iv) New markets - target frequent fliers and purchasers of airline leisure breaks packages, and research into the Indian market.
Phase 2: 2016 – 2020

Phase 2 activities will be determined with an update of the Marketing Strategy in order to review implementation progress in the first five years, and take account of changes in the market situation.
### Action plan timeline with responsibilities & indicative costs

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<th>Year</th>
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