



# **MASTER THESIS**

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# **A CASE STUDY ON PHU QUOC ISLAND, VIETNAM: IS TOURISM AN USEFUL TOOL TOWARDS SUSTAINABILITY?**

## **Abstract**

Tourism sector has been evidenced and demonstrated in a lot of academic research studies and journals that how significant its potential is for stimulating growth and promoting development. Yet, the contrary of tourism development and its negative impacts on the environment has also been raised and criticized by a number of researchers (Getz, 1983; O'Reilly, 1986; McCool & Lime, 2001). In response to this, the term sustainable tourism development has become popular worldwide for these last decades. As a developing country in Southeast Asia, the main focus of Vietnam government is to promote tourism into a “spearhead” economic sector with “sustainable development” which can create momentum for other sectors. Phu Quoc Island is one the most visited places in Vietnam. The island had almost 4 million tourist arrivals for the first nine months in 2019. Currently, a large number of large-scale projects and major high-end developments with high quality are implemented to make Phu Quoc one of the most attractive destinations in the tourism world map. Thus, the aim of this paper is to analyze the complexity of impacts that tourism development has brought to Phu Quoc and thereby consider its contributions on sustainable development of Phu Quoc in long-term perspective. In addition, this paper also seeks to address the challenges that Phu Quoc is facing whilst implementing tourism development plans towards sustainability.

**Key words:** Tourism, sustainable tourism development, tourism impacts, challenges and opportunities.

## Introduction

For the latest decades, together with the economic growth and technology development, people have now more opportunities to travel and explore the world. Consequently, tourism has become one of the most crucial industries stimulating the economic growth in many countries around the world. According to the World Travel & Tourism Council's (WTTC), tourism sector contributed 10.4% of global GDP and 319 million jobs equivalent to 10% of total employment in 2018. Particularly, Southeast Asia has contributed 373 billion USD, approximately 12.6% of the whole economy GDP and remained as one of the strongest regions in Asia.<sup>1</sup> Among many different countries in Southeast Asia, Vietnam has been known for its tourism growth for these latest years. In 2019, the total number of international arrivals was up to more than 18 million and was 16.2% higher comparing to 2018.

Among with many destinations in Vietnam, Phu Quoc Island, is one the most visited places, which had almost 4 million arrivals for the first nine months in 2019.<sup>2</sup> Phu Quoc is also be known as the pearl island, which is the largest island in Vietnam. Together with 22 nearby islands, Phu Quoc is part of Kien Giang Province. Phu Quoc is famous for its long coastline, beautiful beaches with crystal blue water, coral reefs, white smooth sand as well as diverse ecosystem. At first glance, tourism development has many positive impacts on economic growth in Phu Quoc such as job creations, life quality improvement as well as income increase for the host community. Based on the recently approved tourism strategy, the main focus of Vietnam government is to promote tourism into a “spearhead” economic sector with “sustainable development” which can create momentum for other sectors. Currently, a large number of large-scale projects and major high-end developments with high quality are implemented to make

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<sup>1</sup> <https://www.wttc.org/-/media/files/reports/economic-impact-research/regions-2019/world2019.pdf>

<sup>2</sup> <http://vietnamtourism.gov.vn/english/index.php/statistic/international?txtkey=&year=2019&period=t12>

Phu Quoc one of the most attractive destinations in the tourism world map, according to the former director general of Vietnam National Administration of Tourism (VNAT) Mr. Nguyen Van Tuan. Yet, the contrary side of tourism development and its negative impacts on the environment have been demonstrated and criticized by a number of researchers (Getz, 1983; O'Reilly, 1986; McCool & Lime, 2001).

According to UNWTO, sustainability in tourism development is urgent and essential for our future generations. The main principles of sustainability are environmental, economic and social-cultural aspects of tourism development in which a strategic plan must be implemented in order to balance these three dimensions in long-term sustainability.<sup>3</sup> Nevertheless, the priority of stimulating economic growth of Vietnam government raises the uncertainty of achieving sustainability of tourism in long-term development in Phu Quoc. Hence, the aim of this study is to analyze the complex impacts of tourism development on the host community. Thereby, outlining the current and potential challenges towards sustainable tourism development. Moreover, this study also seeks to discuss major factors that the local community need to take into consideration while implementing development action plans in order to overcome challenges and strengthen positive impacts so that Phu Quoc can successfully achieve sustainable development goals in long-term development.

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<sup>3</sup> <https://www.unwto.org/sustainable-development>

## Research Question/Aim

***Research Question: Is Tourism an useful tool towards sustainability on Phu Quoc island?***

This project sets out to explore the impacts that tourism has created on Phu Quoc island in the current context of rapidly fast growth of this sector. Furthermore, this paper aims to address challenges that the host community of Phu Quoc have to encounter while approaching sustainable tourism in long-term perspective.

## Objectives

***Sub-question 1: What are impacts of tourism development in Phu Quoc Island, Vietnam?***

In order to approach the research question, this sub-question aims to outline the complexities of impacts from tourism on the environment, sociocultural development and economic growth in the host community of Phu Quoc island. Thereby identifying strengths and weaknesses that the local community is facing with regarding sustainable development.

***Sub-question 2: What are the challenges that Phu Quoc is facing with towards sustainable tourism development?***

After determining impacts as well as strengths and weaknesses existing in Phu Quoc, it is important to explore how the host community can eliminate the current weaknesses and what factors the local government need to consider while implementing action plans towards sustainable tourism development in Phu Quoc.

## Methodology

### Research design

A research design can be understood as a framework helping a researcher to answer the research question. In other words, a research design is the procedure in which a set of methods in collecting and analyzing the data is carried out in order to approach the research problem. In order to prepare for this study, the researcher had found relevant journals and studies about tourism development and specifically sustainable tourism development in Phu Quoc through desk research before going to the fieldtrip so that the researcher was able to get an idea of collecting data and targeted population. Designing a research study blueprint is a needed step to ensure the smooth of the research as well as increase its reliability. According to the main aim of this research study as well as data collection experiences of the researcher, qualitative method was

Thesis Process	Research Objectives	Data source
Before the project writing process (Preparing stage)	Researching and understanding the context of the studied object - Phu Quoc (tourism development, facts,...)	Secondary data (relevant research studies, governmental websites, ...)
During the project writing process	What are the impacts of tourism development in Phu Quoc? * Environmental * Social-Cultural * Economical	Secondary data & Primary data: Observation, semi-structured interviews journals,... (relevant research studies, governmental websites, ...)
	What are challenges towards sustainable tourism development? How to overcome its weaknesses in order to achieve sustainability?	Secondary data & Primary data: Observation, semi-structured interviews journals,... (relevant research studies, governmental websites, ...)
	What are opportunities towards sustainable tourism development?	Secondary data & Primary data: Observation, semi-structured interviews journals,... (relevant research studies, governmental websites, ...)

chosen and thereby a case study design was adopted to approach the study research question.

A case study is a systematic qualitative procedure related to social phenomena. The term of case study was defined by Miles and Huberman (1994) as “*a phenomenon of some sort occurring in a bounded context*”. By using a case study design, it allows the researcher to gain in-depth knowledge about individuals, organizations, communities and social phenomenon (Yin,2003). Moreover, by using a case study approach, the researcher is able to gather data from various sources, converging the data in order to illuminate the study aim. Particularly, this paper aims to explore the challenges and opportunities towards sustainable tourism development in the current context of tourism status in Phu Quoc, exploratory case study research design was conducted in order to help the researcher to develop a better understanding of sustainable tourism development. In other words, the objective of this research study was not to seek solutions to the drawbacks from tourism development, but to address potential challenges and opportunities towards sustainable tourism development in Phu Quoc. Triangulation of data, including both primary data collected from direct observation, semi-structured interviews; and secondary data achieved from other studies related to sustainable tourism development in Phu Quoc, was adopted in order to approach the research question.

In response to the established research question and sub-questions, this section will outline the undertaken research method to study the sustainable tourism development in Phu Quoc island. In order to address the research objectives, the researcher used qualitative method and combination of both primary and secondary data from other academic related studies, interviews and the researcher’s participant observation. The research area, data sources, reliability & validity as well as the limitation of the study will therefore be discussed below.



## Research area

Selecting research area is the first step in a research writing process. A research area orientates the aim of a research study. As a student in master's degree of Tourism and specialized in Sustainable Development and Tourism, the researcher has always been curious about how tourism impacts the economic growth, social-cultural development and the environment in a “sustainable” manner. The choice of research topic for this study was influenced and primarily motivated by tourism development in Vietnam. As a developing country in Southeast Asia, the main focus of Vietnam government is to promote the economic growth. Tourism sector has been evidenced and demonstrated in a lot of academic research studies and journals that how significant its potential is for stimulating growth and promoting development. Yet, the contrary of tourism development and its negative impacts on the environment has also been raised and criticized by a number of researchers (Getz, 1983; O'Reilly, 1986; McCool & Lime, 2001). According to Vietnam national administration of tourism, a recently-approved strategy of tourism development that turns tourism into a “spearhead” economic sector with “sustainable development” which can create momentum for other sectors<sup>4</sup>. This raises the curiosity of the researcher to determine the challenges as well as opportunities for Vietnam in general and particularly in Phu Quoc towards sustainability in tourism development.

## Qualitative method

In general, there are two different types of research approaches which are qualitative and quantitative procedures. According to Aliaga and Gunderson (2005), empirical data is collected and analyzed in order to explain a phenomenon in quantitative research. Quantitative method is usually used in term of large samples and therefore is

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<sup>4</sup> <http://vietnamtourism.gov.vn/english/index.php/items/14800>

suitable for a researcher to confirm and reject a hypothesis (Johnson & Christensen, 2012). In contrast, qualitative approach is reliant on a combination of data such as words, pictures and etc. In another words, qualitative method allows the researcher to gather descriptive data of social studies through observation and structured-interviews (Collis & Hussey, 2009). Each of the research methods has their own advantages and disadvantages and depending on the research question, researcher's preference and skills so that the researcher can make decision whether it is a suitable research method for the study. As the main aim of this study is to examine the current status of tourism development and what might be challenges and opportunities towards sustainable tourism development on Phu Quoc island, Vietnam, the researcher decided therefore to choose qualitative method to approach the research question. As part of the qualitative method, the researcher was able to conduct participant observation, informal interviews with studied groups in order to obtain relevant and essential data for the study.

### Inductive approach

Likewise, in research methods, there are two different research method approaches which are inductive and deductive approach. The main difference between these two approaches is that inductive approach is often used while developing a theory from relevant data, while deductive approach aims at testing an existing theory. Particularly, a deductive approach often starts with a hypothesis, whilst an inductive approach usually uses a research question and research objectives to narrow down the study's scope. Based on the essence of these approaches, inductive approach is normally associated with qualitative research method, meanwhile deductive approach is related to quantitative research method. However, there are no certain rules of choosing research methods and research method approaches, but more likely the purpose of the study. Thus, in order to determine the current status of tourism development and it

impacts on Phu Quoc island as well as how to achieve sustainable tourism development and its challenges on the largest island of Vietnam, inductive research was conducted in which the researcher started to observe the studied objects in order to obtain necessary data and information for the study aim.

### Data collection

In order to approach the research aim, both primary and secondary data were collected from diverse sources. Direct participant, interviews, informal conversations were utilized as main means of collecting primary data. Moreover, desk research was used to collect secondary data through Vietnam governmental tourism statistics website, UNWTO annual reports, journals and other relevant research papers for this study.

#### Primary data

As mentioned above, the researcher used different methods to obtain primary data such as participant observation and informal interviews with local residents as well as hotels and tourism agencies in Phu Quoc. Particularly, participant observation is a qualitative research method which allows the researcher not only to observe the studied objects, but also actively engage with different activities of the research environment. Therefore, to be able to gather important primary data for this study, the researcher conducted 2 week-fieldtrip, from 13<sup>th</sup> February to 27<sup>th</sup> February 2020, on Phu Quoc island and joined different tourism activities in order to assemble crucial data of tourism development on Phu Quoc island. For instance, the researcher participated in touristic activities operated by two different tourism agencies which are Red River Tours Phu Quoc and John's Tours Phu Quoc. The purpose of these participations was creating access for the researcher to conduct informal conversations with tour guides, observe tourists' activities and the agencies' operations. Specifically, the researcher anticipated in one day- package activities including visiting pearl farm- Ngoc Hien

which is one of most well-known pearl company in Vietnam; cano-trips to 4 islands called Mong Tay- Hon Thom- May Rut- Gam Ghi; snorkeling in which tourists can see natural corals and feed fishes; and lastly cable cars-sightseeing ride back to Phu Quoc.

Throughout these activities, the researcher could accessibly conduct semi-structured interviews for tour guides to find out if their organizations were aware of sustainable tourism development and the current exploitation of tourism development on the environment in Phu Quoc. Moreover, the researcher was able to have informal conversations with local residents, restaurant owners, restaurants employees, taxi drivers, and tourists in order to study their opinions about tourism development and how it has affected their life as well as the island. Beside informal talks with the indigenous residents, the researcher also had a chance to observe a range of daily activities of the hotel where she stayed - Phu Quoc Ocean Pearl Hotel. Lastly the researcher was able to gain practical knowledge of the current status of the environment, a bustle of tourism activities and etc. in Phu Quoc. During these processes, the researcher took advantage of being able to communicate with the studied groups in local language – Vietnamese, hence the language barrier was eliminated and simultaneously increased trust level since the researcher has the same cultural background and it helped the studied groups to feel more comfortable to start conversating.

### Secondary data

In this study, desk research was used as main mean of collecting secondary data including Vietnam governmental tourism department's reports and statistics, UNWTO records and statistics, journals, and other research studies and paper related to tourism development in Phu Quoc as well as sustainability of tourism development in Phu Quoc included data which was collected from previous purposes and researches. In addition,

Google Scholar, Research Gate, Academia and AAU library were utilized as main databases by the researcher in order to find reliable data sources and academic articles for this study.

## Data analysis

According to Saldaña (2009), a code in qualitative research is *“most often a word or short phrase that symbolically assigns a summative, salient, essence-capturing, and/or evocative attribute for a portion of language-based or visual data.”* The data sources can contain participant observation notes, relevant journals, documents, literatures, websites, interview transcripts and etc. In codifying process of qualitative data, these data are separated, grouped and linked together in order to strengthen the meanings and explanation of gather information (Grbich, 2007, p.21; cited in Saldaña, 2009). In other words, coding is method that allows the researcher to group similar data into different categories that are relevant to the aim of the research study. Likewise, qualitative data analysis is circular process which contains three major parts such as observing, collecting and lastly analyzing data. In this research study, initial or open coding method was conducted to help the researcher to group and analyze interview transcripts collected from participant observation and field trip in Phu Quoc.

Initial or Open coding is suitable for qualitative studies, especially for beginning qualitative researchers to learn how to code data with a diverse range of data forms including interview transcripts, fieldnotes, journals, documents and etc. The advantage of open coding is high level of validity, since it is built directly from raw data, however, open coding is a time-consuming process as it requires line-by-line coding. In particular, the first step in the open coding process of this study, was to go through the texts from interview transcripts and compare the similarities between different respondents through line-by-line reading process. The next step is to group similar

codes into categories based on their common properties such as economic growth, sociocultural concerns and environmental preservation.

### Open coding of interviews transcripts

Category	Properties	Quotes from the interviewees
Environmental aspect	<ul style="list-style-type: none"> <li>Air pollution</li> <li>Waste management issue</li> </ul>	<p><i>Many hotels and restaurants are being built. As tourism develops, public facilities have been improved a lot such as roads quality, but it is quite dusty. (interview 1)</i></p> <p><i>Not really, but I know that all the household waste is dumped at empty land fields. (interview 2)</i></p> <p><i>Yes, it is. There is no waste factory here on the island, that's why all the trash just go directly to the land fields. (interview 2)</i></p> <p><i>We don't have any waste factory on the island. That's why household waste is dumped in land fields in the middle of the forest. (interview 4)</i></p> <p><i>Yes, I have. Well, you know... more tourists, more waste. (interview 5)</i></p>
Social- Cultural aspect	<ul style="list-style-type: none"> <li>Low level of education</li> </ul>	<p><i>Unfortunately, not at all. I cannot speak any foreign language. I graduated only</i></p>

	<ul style="list-style-type: none"> <li>• Lack of education and knowledge about protecting the environment</li> </ul>	<p><i>high school and then started working since then. We just made menus in English, Russian and Korean and gave them to the guests. Our guests just need to point at the items that they want to order. (interview 2)</i></p> <p><i>But it also comes from household garbage. The local residents don't know about preserving the environment or anything alike. It is because they are not educated the importance of the environment to our future. In peak season of tourism, many hotels and restaurants by the beach send their employees to remove garbage and clean the beach. However, during low season the beach is almost covered in trash because there are just a few or even no tourists at all, so it is not necessary to clean the beach. (interview 4)</i></p> <p><i>As I told you, they don't know about the importance of protecting the environment. And they don't get any education or knowledge about it. (interview 4)</i></p> <p><i>We have heard about it before. But we don't really know how to approach it. (interview 4)</i></p> <p><i>Yes, kind of. But I don't really know what that means. (interview 3)</i></p>
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	<ul style="list-style-type: none"> <li>• Lack of knowledge and understanding about sustainable tourism development</li> <li>• Lack of support and guidance from local authority</li> <li>• Increase life quality</li> </ul>	<p><i>Do you know if they get any support from the local authority for cleaning the beach?</i>  <b>I:</b> <i>I don't think they do (interview 5)</i></p> <p><i>I am not sure. But in our company, we don't get any information about it. (interview 4)</i></p> <p><i>Yes, it has. Now I can make more money and my family is really happy about it. (interview 5)</i></p>
Economic aspect	<ul style="list-style-type: none"> <li>• Generating more jobs</li> <li>• Improve income</li> </ul>	<p><i>Since there are more and more tourists coming to Phu Quoc, there are more available jobs to do. Like my job, when it is peak season, I will get really busy. (interview 1)</i></p> <p><i>Definitely yes. It has created more jobs and income. There are even people from other places coming to Phu Quoc for working opportunities. (interview 1)</i></p> <p><i>Fortunately, we have this piece of land where we could build this restaurant which generating income for my family and even some of my relatives as well. (interview 3)</i></p> <p><i>Definitely yes. That's also a reason why I came to Phu</i></p>



		<p><i>Quoc 6 years ago to start my career as a tour guide. Many big hotel chains have bought many lands and built their hotels and living buildings for their employees who can get free accommodation while they are staying and working in Phu Quoc. (interview 4)</i></p> <p><i>... I have so much more to do, almost every day, all day during this period of the year... (interview 5)</i></p>
	<ul style="list-style-type: none"> <li>• Unstable income due to seasonal characteristic of tourism</li> </ul>	<p><i>That's why I have to make the best of it during peak seasons so that my family and I can make it through low seasons. (interview 1)</i></p>
	<ul style="list-style-type: none"> <li>• Dependency on tourism development</li> </ul>	<p><i>Well, it depends pretty much on how many customers we have. For example, when it is high season, I can get some bonus. However, we have very few customers during low season, so the salary won't be as much as high season. Therefore, we also offer motorbike rental service to generate more income when there are a lot of international tourists. It is likely spending more when I earn more, and spend less when I earn less, you know... (interview 2)</i></p> <p><i>Since tourism develops here in Phu Quoc, it is easier to generate income for me and</i></p>

		<p><i>my family, even though the income is not stable throughout the year. (interview 3)</i></p> <p><i>During peak season, then yes. But in low season, it is not quite stable. It depends on the number of guests we have and the number of tours I can take per week. The more tour I guide, the more money I get paid. (interview 4)</i></p> <p><i>Not really, but I earn more now than I did before (interview 5)</i></p>
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## Reliability and Validity

Reliability and validity are two popular terms to evaluate the quality of a research study. When reliability measures the level of trust on the outcomes of a research, validity refers to the accuracy of the study comparing to the reality (Neuman, 2000). Therefore, there is a lot of research studies found to be reliable, but not valid anymore due to diverse reasons such as change of timescale, society and etc. Moreover, a research study can be considered as reliable as it shows the same results conducted by other researchers using the same research methods with the same conditions. Babbie (2010) claimed that, the reliability of data and the observer himself can be subjective when the collection of data source is conducted by only one observer. In another words, the observation of the researcher can be affected by his personality and perception. Different people can give different results even if they observed the same thing. Thus, the level of reliability of the research might be affected by the researcher's subjectivity (Wilson, 2010). Meanwhile, a research's validity can be considered decent enough when it measures what is supposed to. Similar to the term of reliability, validity is an

important necessity whilst conducting a research (Oliver, 2010). For instance, the validity can be measured through the choice of methodology, timescale of the study and etc. A study can be considered as invalid when it is not possibly applicable to the current timescale.

In this study, both primary data and secondary were conducted and utilized. The researcher conducted participant observation to collect primary data, and therefore the reliability of the study might be impacted by the personality as well as the knowledge limitation and perception of the researcher. However, in order to come up with the final findings, this study was also referred from other academic journals and researches which show the same results of tourism development studies in Phu Quoc, and thus the consistency of the study can be demonstrated. Additionally, the collection of primary data in this study was conducted recently (March 2020), therefore the validity of primary data in this study can be considered valid in term of timescale. As one of the main sources of secondary data was from Vietnam governmental tourism department's website and UNWTO annual reports, the reliability of the secondary data can be considered reliable. Moreover, academic research studies and journals referred in this paper, were conducted between the period from 2017 to 2019, and therefore the validity of these secondary data source can be considered relevant for this study regarding timescale.

## Limitations

During the process of conducting this study, some limitations and shortcomings were unavoidable. Particularly, the researcher did not have access to local authorities and other tourism stakeholders in Phu Quoc such as different hotels, other tourism organizations, NGOs, and etc. due to the current situation of the global pandemic – COVID 19 which affected vastly to the process of data collection for this study since

many organizations were closed in Vietnam generally and particularly in Phu Quoc. Therefore, there was definitely limitations of primary data since those interviewed and observed by the researcher could not represent the whole community. Moreover, as mentioned above, the reliability of the study might be affected by the way the researcher perceiving the data as well as her knowledge limitations, thus the reliability might possibly be subjective. Additionally, this study analysis was also based on secondary data including data from previous research studies about sustainable tourism development in Phu Quoc, and hence there might be some invalid empirical data regarding the present timescale.

## Theoretical Framework

### Stakeholders theory

A stakeholder can be identified as “any group or individual who can affect or affected by tourism development in a specific area” (Freeman, 1984, p 46, cited in Byrd 2007). Support of stakeholders is the major key in implementing sustainable tourism development of the host community (Gunn, 1994). The level of stakeholder participation reflects the ability to handle problems occurred from multiple level. Usually, in developing process of tourism sector, decisions are often made from top-down structure occupied by high power such as national government and then followed by regional municipality. Such structure does not always reflect needs and interests of local community (Beierle & Konisky, 2000, cited in Byrd, 2007). As Healey (1998), stakeholder participation can help avoiding major conflicts between different groups of tourism stakeholders. On the other hand, in the research study of Akmas – Cyprus (Ioannides, 1995), failure of involving local community in the tourism development plan led to the resistance and rebel of indigenous people as the government failed to address their needs. This emphasizes that, in order to achieve success in sustainable

tourism development, stakeholder participation is a crucial element (Briassoulis, 2002; Robson & Robson, 1996; cited in Byrd, 2007). The concept of stakeholder participation is found in the literature- Strategic Management by Freeman (1984). He claims that an organizational characteristic is formed by the relationship with its stakeholders. This concept was later refined by Donaldson and Preston (1995), who address three major components in stakeholder theory such as the descriptive/empirical, the instruments, and the normative, which are concretely interconnected to each other. In particular, the descriptive/empirical includes different elements related to tourism development of a community such as facts including past and present status of tourism, its impacts and etc...., whilst the instruments represents the correlation between action plans and its result, or in other words, it can be seen as tools to identify proper management and action plans to satisfy the needs of the host community and its stakeholders. For example, lack of proper waste management in tourism can lead to environmental issues. Likewise, lack of stakeholder participation in tourism development planning process can lead to resistance of change (see e.g. in Ioannides, 1995). The normative aspect shows the importance of stakeholders participation in determining the direction of tourism development in which they have influence and are being influenced (Donaldson & Preston, 1995). Thus, the involvement of stakeholders is begun with the process of identifying diverse groups or individuals in the local community. As Crosby, Kelley and Schaefer (1986), stakeholder participation is “an effort to put a representative group of the public in dialogue with public officials so that the officials get the reactions of the public themselves on a particular subject” (p 171, cited in Byrd, 2007). The advantages of proper stakeholder involvement have been demonstrated by many authors, such as:

- Informing and educating emergent needs and issues of the community (Beierle, 1998; Simrell King & Feltey, 1998; cited in Byrd 2007).

- General opinions and values from multiple stakeholders are gathered and combined in the process of making development plans (Beierle, 1998; Carmin, Darnall & Milhomens, 2003; cited in Byrd, 2007)
- Better quality and legitimacy of decision taken (Fiorino, 1990; Beierle, 1998; cited in Byrd, 2007)
- More innovative and new ideas generated (Carmin, Darnall & Milhomens, 2003; Fiorino, 1990; Steelman, 2001; cited in Byrd, 2007)
- Increasing trust between multiple stakeholders community (Beierle, 1998; Simrell King & Feltey, 1998; Carmin, Darnall & Milhomens, 2003; cited in Byrd 2007).
- Reducing conflict (Beierle, 1998; Simrell King & Feltey, 1998; Carmin, Darnall & Milhomens, 2003; cited in Byrd 2007).
- A cost effective process (Beierle, 1998; cited in Byrd 2007)
- Promoting shared values and responsibilities among multiple stakeholders (Carmin, Darnall & Milhomens, 2003; cited in Byrd 2007).

Hence, identifying and involving stakeholders are two important steps in achieving success of community partnerships and collaboration towards sustainable tourism development. Though, a collaborative plan might take a lot of time and quite challenging, it could reduce potential conflicts in long-term development among tourism stakeholders (Bramwell & Yuksel, 1999). In this study, stakeholder theory is a relevant tool to determine tourism stakeholders in Phu Quoc as well as their contribution to tourism development on the island.

## SWOT analysis

SWOT method was created by Albert Humphrey in the 1960s. This method can be seen as an useful tool to ensure the efficiency of a business operation by determining its strengths, weaknesses, opportunities and threats. By conducting a SWOT analysis in a planning process, it allows a business to raise the awareness of multiple factors that might affect the future development. In particular, SWOT analysis can be applied to evaluate the current situation of a business, thereby shows major elements that are performing properly, and in contrast, what needed to be improved. The main aim of SWOT analysis is to concentrate on identifying forces that affecting strategy, action or initiative of an organization. There are internal and external factors needed to consider. Strengths and weaknesses are typically internal factors such as:

- Physical resources including location, facilities and etc.
- Human resources including employees, their skill base, education level and etc.
- Financial resources including sources of income, investment opportunities, etc.
- Natural resources including quality of the environment, diversity of ecosystem and etc.

After being able to outline strengths and weaknesses, an organization can thereby identify opportunities and threats which are external factors such as:

- Market trend including customers' needs and expectations, new products, technology development, and etc.
- Policy and regulation

SWOT analysis is time-consuming process and a comprehensive strategy that allows an organization to conduct an action plan to eliminate threats, minimize weaknesses, enhance strengths and opportunities through identifying the current state. SWOT analysis is a simple tool, yet its design is not suitable for tradeoffs among the principle

factors. As a simple framework, SWOT is easily subject to misuse. The main weakness of this analysis is not because of the fundamental theoretical concept, but to what extent it is applicable into practice. In particular, it is hard and complex to decide what factors can either be considered as strengths or weaknesses, since these factors can be interchangeably based on different contexts and perspectives. Regarding sustainable tourism development, the fundamental nature of this concept is to reconcile environmental, sociocultural and economic aspects to some extent that these factors don't dominate each other's values (Saarinen, 2015; Hall, Gössling & Scott, 2015). However, numerous authors have demonstrated negative impacts of stimulating economic growth on the environment (Bramwell & Lane, 2011; Buckley, 2012). The boundary between positive and negative influence is complex to clarify, as tourism development might contribute efficiently to economic growth, but it might be potentially harmful to the quality of the natural values. Hence, SWOT analysis is a tool that only allows the researcher to conduct an overview of current situation of tourism development in Phu Quoc. Further arguments of limitations of SWOT won't be discussed in this study.

### PESTEL analysis

PESTEL analysis is a marketing theory that applicable for market planners to evaluate macro-environmental factors that have impacts on an organization. This PESTEL analysis is an supportive tool to SWOT analysis to determine major factors that influencing operation of a business or sector. PESTEL stands for political, economic, social, technological, environmental and legal factors.

**Political factors** consists of governmental policies and regulations such as tax policy, labor law, environmental law and etc. In other words, political factors can be



considered as governmental intervention in the economy growth of nations in general, and in organizations in particular.

**Economic factors** include economic growth, consumers income, inflation, exchange rates and etc. These factors can be divided into macro and micro-economic factors. Macro-economic factors are often interconnected with governmental policy and regulations to manage demand of national economy, whilst micro-economic factors focus on narrower aspects such as how consumers spend money, their buying behaviors and etc.

**Social factors** are also known as sociocultural factors such as population growth, education level, labor age, and etc. These factors impact directly to how business planers learn potential market labor forces and what motivate them.

**Technological factors** are basically concerns over technology development which influences marketing method, producing goods and services processes.

**Environmental factors** have become urgently concerned for these last decades in response to vastly exploitation on the environment. These factors can be eco-system, natural resources, climate change and etc. The raising awareness of environmental conservation has certain impacts on how organizations produce goods as well as buying behaviors of consumers.

**Legal factors** include labor health and safety, working environments, equality, and etc. Governmental policies and regulations are major driving forces to legal rules in each nation in which international and domestic organizations have to adapt and follow as such.

In general, PESTEL analysis allows the researcher to explore main factors that might affect tourism and its sustainable development in Phu Quoc. In particular, by conducting an PESTEL analysis, it gives an holistic overview and understanding of market growth or decline, tourism position, its potential and direction for operations and other practical concerns. Thereby outlining challenges and opportunities that the host community of Phu Quoc is facing while implementing sustainable development plans into practice.

## Literature Review

### Sustainable development

The concept of sustainable development was developed in the 1980s in order to discover the correspondent between development and the environment. The concept of sustainable development goals was based on Brundtland Commission Report “Our Common Future” (1987), at the United Nations Conference in 2012 and adopted by United Nations Members States in 2015. The term “sustainability” is defined as *“satisfying the needs of the present generation without compromising the ability of future generations to meet their needs”* (WCED, 1987)<sup>5</sup>. The focus of “sustainability” or “sustainable development” is to reconcile environmental protection, economic growth and sociocultural development. This concept contains two major components that are “development” and necessary conditions to attain sustainability (Miltin, 1992; cited in Tosun, 2001). According to Bartelmus (1986), development implies a process of improving living conditions of people. In addition, Dudley (1993, p.165; cited in Tosun, 2001) emphasizes that development focuses not only in increasing wealth, but it also means change. Development involves life quality, education achievement, well-being, freedom and spiritual welfare (Pearce, Barbier & Markandya, 1990; cited in

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<sup>5</sup> <https://sustainabledevelopment.un.org/content/documents/5987our-common-future.pdf>

Tosun, 2001). In general, the concentration of development should be on historical, sociocultural, economic and political realities (Stiefel & Wolfe, 1994). Based on the reflection of Repetto (1986:15, cited in Pearce et al, 1990, p.4) on the definition of sustainable development which is *“a development strategy that manages all assets, natural resources and human resources, as well as financial and physical assets for increasing long-term wealth and well-being. Sustainable development, as a goal rejects policies and practices that support current living standards by depleting the productive base, including natural resources, and that leaves future generations with poorer prospects and greater risks than our own.”* (cited in Tosun, 2001). Hence, the main consideration of sustainable development is long-term strategy including the present and future environmental conservation, the balanced division of welfare for the present and future generations, and lastly valid solution which is supposedly applicable to all nations without consideration of their development level, sociocultural and political conditions (Tosun, 2001).

However, there are numerous criticisms on the definition of sustainable development. Redcliff (1987) indicates that sustainability means different things to different people. Monbiot (2012) claimed that the world leaders have constantly transformed the message of “sustainability” from “sustainable development” to “sustainable growth” and now “sustained growth”. Obviously, the concept of sustainable development can easily be bent and prioritized regarding the interests of benefiting groups. The principal characteristic of sustained growth on a limited-resources planet is the nature of unsustainability (Higgins-Desbiolles, 2017). Thus, the main problem is the current inability to clarify the level of satisfaction of everyone, mostly the stakeholders involved in tourism (Butler, 1999). As Higgins-Desbiolles (2017), the essence of “sustainable” and “development” is quite opposite. She emphasized that, while the term “sustainable” means being able to maintain at a certain level,

“development” implies the increase of human use of natural resources without concerns for other species and the ecological system.

In the tourism agenda towards 2030 of UNWTO, the Sustainable Development Goals address the most urgent challenges that the world is facing such as poverty, inequality, climate change and especially environmental degradation so that we can achieve a better and more sustainable future by 2030. For the last decade, climate change and the exploitation to the environment have become one of the most urgent issues of the world due to the constant growths of different industries in which tourism sector involved. According to the United Nations World Tourism Organization (UNWTO), the definition of sustainable tourism development is ‘*tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities*’<sup>6</sup>.

As UNWTO, tourism sector contributes both directly and indirectly to all 17 sustainable development goals<sup>7</sup>. For instance, tourism has positive impacts on goal 8, 12 and 14 which are sustainable economic growth, sustainable consumption & production and sustainable use of oceans and marine resources.

### Tourism and Sustainable tourism development

The definition of tourism development has been changed throughout time principally from expanding of the economic growth to a more holistic description including not only economic, but also social, cultural, political and environmental aspects (Richard Sharpley & David J. Telfer, 2014). Importantly, as Burns (1999) suggests that, the ideology behind the strategy driving tourism development must be clear, meaning that

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<sup>6</sup> <https://www.unwto.org/sustainable-development>

<sup>7</sup> <https://sustainabledevelopment.un.org/?menu=1300>

whether the tourism policy is taken regarding priorities of tourism sector first or the development framed by the needs of the nation. Several research studies have demonstrated the contribution of tourism centering on economic growth (Milne, 1990; Rajotte, 1980; Archer, 1982; Britto, 1980; cited in Milne, 1992) , however, it is quite complicated to identify the role of tourism in the development of social- cultural and environmental processes (Tosun, 2001).

According to Richards and Hall (2000, page.36), tourism can be defined as ‘*the temporary movement of people to destinations outside their normal places of work and residence, activities undertaken during their stay in those destinations, and the facilities created to cater to their needs*’. Likewise, Gunn & Var (2002), emphasized that the causes of travelling activities to destinations are based on local resources. In other words, the development of tourism is dependent on the quality of local natural resources and location (Gunn & Var, 2002). Additionally, Liu (2003) has stated that tourism development is created and determined by visitors demand and thus leads to the increase of tourist facilities and services as a response to the growing demand. The author also argues that development of tourism is very dependent on natural and environmental assets of local communities and therefore the preservation and conservation of nature and the environment is the major emphasis of sustainable tourism.

Various research studies conceptualizing the definition of sustainable tourism development. For instance, Bramwell & Lane (2000) have said that sustainable tourism development is a progression of addressing and associating the needs of both tourists, tourist businesses, the host community as well as the need of preserving the environment. In addition, Inskeep (1988) emphasized that it is necessary to meet the needs of tourists and the local communities whilst keeping and enriching opportunities for future generations. The definition of sustainable tourism development developed

by Butler (1999), is considered as the most precise and holistic. According to Butler (1999), the term of sustainable tourism can be defined as:

*“tourism which is developed and maintained in the area (community, environment) in such a manner and at such a scale that it remains viable over an indefinite period and does not degrade or alter the environment (human and physical) in which it exists to such a degree that it prohibits the successful development and wellbeing of other activities and process”* (Butler,1999).

Apparently, tourism should only be seen as a contributing factor to economic growth, but not a weapon to the sustainability of the whole community. However, as Higgins (2017), there is a fact that, a lot of icon- visited destinations such as Venice, Barcelona and Bali are being busted out by over-tourism, and especially the severe dependency of their communities on tourism and its drawbacks such as cheap labor forces, seasonal and poor working conditions, pollution, local resources degradation and etc. These places are examples of how tourism has influenced wellbeing of local communities including both tourism-related and non-tourism-related stakeholders. The similarity between diverse definitions of sustainable tourism development is that, it is important to emphasize the involvement and participation of multiple stakeholders from multiple levels in planning strategies towards sustainable tourism development. According to Kent Schroeder (2015), sustainable tourism has become a key element in decision making of national sustainability policies and strategies. In addition to this, he has said that governance plays crucial role in decision making to promote sustainable policies. Likewise, Hens (1998), indicates that sustainable tourism development requires participation of multiple stakeholders with considerations of proper management of local resources economically, social-culturally and most importantly environmental-viably.

Sustainability has become a crucial policy framework in tourism sector. This concept can be understood as finding an appropriate balance between economic, sociocultural and environmental aspects in long-term development (Saarinen, 2015; Hall, Gössling & Scott, 2015). Many indicators have been used to measure the success of sustainable tourism development including profit generation, environmental improvement and benefits dispersion for the host community (Becken & Simmons, 2008; Zeppel, 2015). Though extensively adopted in policies and management process, the effectiveness of the notion of sustainable tourism has been doubted, as numerous of tourism destinations fail to meet the threshold of long-term sustainability (Bramwell & Lane, 2011; Buckley, 2012). The priority of maintaining the economic viability on short-term basis is often highlighted by tourism organizations. The major questions criticize the concept of sustainable tourism are often who sustains whose development which is very difficult to clarify (Mowforth & Munt, 2015; Hall et al, 2015; McCool, Butler, Buckley, Weaver, Wheeler, 2013). In particular, what is considered as sustainable from a global perspective might be unsustainable from a local perspective. Hall (2009) points out the difficulties in establishing knowledge and understanding of sustainable tourism into practice, since there is no unified definition of sustainable tourism development. Sustainability contains of holistic strategy for tourism sector including sociocultural, environmental and economic aspects, therefore, tourism operators are often struggling with incorporating sustainability into reality due to lack of tools and methods. Moreover, the public sector often tends to misuse the term by applying the term of sustainability into short-term tourism plans prioritizing and promoting economic growth (Ruhanen, 2008; cited in Sandell, 2018). The raising demand on a limited resources destination, the dilemmas between environmental preservation and economic growth, are obstacles to implement sustainable tourism in practice. Various factors such as climate change, technological development, government policies and etc. all have impacts on the future tourism demand. Hence, it is hard to predict if sustainable solutions taken today will still be applicable in the future.

Throughout those above viewpoints and definitions of diverse researchers and their research studies, sustainable tourism development can be seen as a significant factor in decision-making process of tourism policies and strategies due to its contribution to economic growth. However, tourism development should not be perceived as a main tool to achieve sustainability of the whole community as the nature of development is to expand. In other words, sustainable tourism development is supposed to ensure to develop tourism to some extent that it does not have any kind of negative impacts physically and mentally to every elements of local community including human and non-human factors. Furthermore, it requires the attention and participation of stakeholders from different levels in decision-making and planning process towards sustainable tourism development.

### Destination Management

There is a fact that attractions play crucial role in tourism development of a destination as they are motivating tourists visits to local communities. Middleton & Clarke (2001) has claimed that attractions are permanent resources managed to satisfy the pleasure, entertainment and education of visitors. Therefore, the marketing and management activities of destinations have crucial roles in the tourism development, especially in the context of globalization and intense competition within tourism sector. Hence, in order to achieve a sustainable tourism destination, destination analysis is essentially required. In other words, destination management is an important key towards sustainable tourism development. However, destination management is very complex, and it requires a wide-ranging and holistic strategy and plan with thorough understanding and knowledge of local community condition. Thus, various factors need to be addressed whilst designing a destination management plan in which including political, economic, social, technological, environmental and legal factors



(PESTEL). Furthermore, as Inskeep (1991, p. 347), the quality of the environment is really important regarding competitiveness of tourism destinations and thus a main concern for destination management (Tanja Mihalic, 1998). Many authors ( Pizam, 1991; Inskeep, 1991; Middleton, 1997; cited in Tanja Mihalic, 1998) have illustrated that the quality of destinations nature and environment has vast impact on the quality of destinations as well as tourists experiences. Hence, the most important factors in destination management are its competitiveness and sustainability.

Destination management is defined by Franch & Martini (2002), as strategic process to manage, promote and commercialize tourism products which generate manageable flows of tourists that are sustainable, sufficient and balanced to meet the economic needs of local community. In addition to this, Geić (2011) claims that destination management is a process of creating, guiding and aligning all factors to generate unique tourist product which includes involvement and cooperation of stakeholders of local destination in order to obtain social-economic goals. As being demonstrated in a lot of research studies (Kent Schroeder, 2015; Hens, 1998), the range of stakeholders' involvement has significant influence on the management of destinations tourism products. However, collaborative policymaking in the planning process often involves conflicts and different interests from different stakeholders, consequently, this makes the planning process time-consuming and costly (Tosun, 2006; Okazaki, 2008). Destinations management is an open and flexible system that requires high degree of cooperation and interaction between its essential components such as tourist operators, local residents, local authorities and tourists. In other words, destination management can be considered as a network in which public and private stakeholders are directly and indirectly involved (Baggio & Sainaghi, 2011). As Fyall, Garrod & Wang (2012), diversity of stakeholders involvement in tourism planning process is a challenging task as it takes time and effort to find common ground among them.

## Analysis

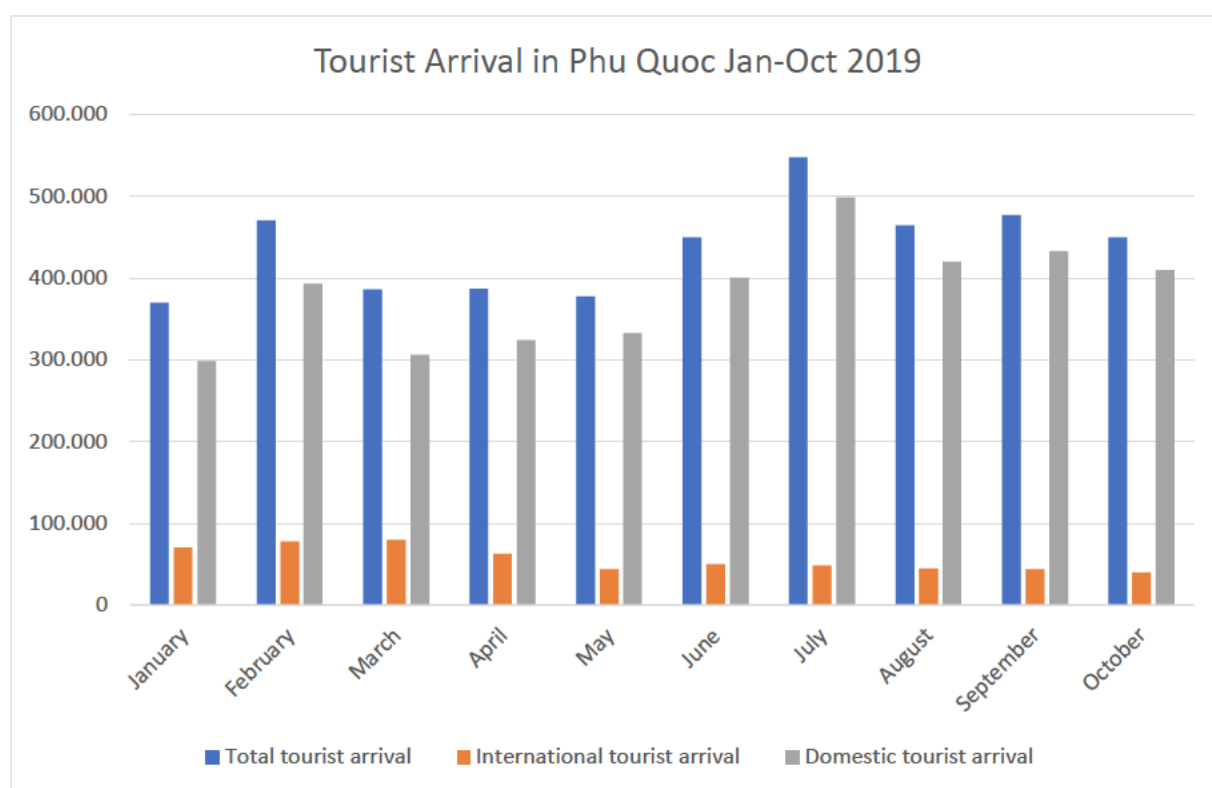
Vietnam is a developing country in southeast Asia whereas tourism has been rapidly developing for these few years. According to UNWTO, tourism has been recognized in developing and least developed countries as a significant potential sector for stimulating economic growth, promoting development, job creation and poverty reduction. As a developing country in Southeast Asia, the main focus of Vietnam government is to promote the economic growth. According to Vietnam national administration of tourism, a strategy of tourism development has been recently approved in which turns tourism into a “spearhead” economic sector with “sustainable development” which can create momentum for other sectors.



(Source: ontheworldmap.com)

## The current status of tourism development in Phu Quoc

Among with many destinations in Vietnam, Phu Quoc Island, is one the most visited places. Phu Quoc is also known as the pearl island, which is the largest island in Vietnam with the population of 107.000. Together with 22 nearby islands, Phu Quoc is part of Kien Giang Province. Phu Quoc is famous for its long coastline, beautiful beaches with crystal blue water, coral reefs, white smooth sand as well as diverse ecosystem.



(Source: Kien Giang Tourism Department)

According to Kien Giang Tourism Department, the total number of tourist arrivals to Phu Quoc for the first 9 months of 2019 was almost 4 million with estimated revenue of 5,754 billion VND. Phu Quoc is located in the Gulf of Thailand, its nature and climate are therefore found to be perfect for a leisure destination. The island is gifted for its invaluable resources such as tropical forests, beautiful beaches, numerous islets,

coral reefs and seafood diversity. As a result, the number of tourists visiting the island is increasing, thus, lots of real estate projects are currently being invested and built to improve infrastructure, accommodation units and create luxury tourism products in order to attract more tourists to Phu Quoc. According to the former director general of Vietnam National Administration of Tourism (VNAT) Mr. Nguyen Van Tuan, large-scale projects and major high-end developments with high quality is the successful formula to make Phu Quoc one of the most attractive destinations in the tourism world map. Consequently, this raises the uncertainty of sustainable tourism development in Phu Quoc.

#### Impacts of tourism development in Phu Quoc island

To have a better understanding of the currents of tourism development in Phu Quoc, it is essential to explore the influence that tourism has brought to this island. Particularly, this section aims to analyze the complex impacts of tourism development regarding different aspects such as environment, society-culture and economic growth in Phu Quoc. Tourism is becoming increasingly important to local community of Phu Quoc island, hence the necessity of develop tourism sustainably has become a primary concern for its future development. Moreover, Phu Quoc community included both human and non-human resources which tourism depends. Thus, sustaining Phu Quoc community is an essential component of sustainable tourism. Similar to many destinations around the world, tourism development has contributed enormously to economic and social-cultural growth of the local community in Phu Quoc island. For instance, tourism development has created job opportunities, stimulate income and increase life quality of Phu Quoc's local residents.

Survey Result			
	Businesses	Local residents	Tourists

<b>Number of respondents</b>	150	230	530
Employment generation for local residents	84%		
Income stimulated mainly from tourism:			
Agree		61,74%	
Disagree		38,26%	
Participation in local activities: charity programs beach cleaning, etc.	71,33%		
Willingness towards sustainable development	93,99%		
Awareness & Understanding towards sustainability			
<i>Not at all familiar</i>		73,48%	
<i>Slightly familiar</i>		26,52%	
Education & Guideline & Support from the local authorities towards tourism development			
<i>Never</i>		84,35%	
<i>Sometimes or Rarely</i>		15,65%	
Local authorities' tourism development plans, projects with local residents involved			
<i>Never</i>		44,35%	
<i>Rarely</i>		32,61%	
<i>Sometimes</i>		18,70%	
<i>Have been asked</i>		4,34%	
Length of stay			
1-3 days			38,11%
4-5 days			34,34%
6-7 days			20,94%
8 days-more			6,61%
Average spending:			
USD 100- less			29,81%
USD 200-300			26,04%

USD 300-400			34,91%
USD 400-more			9,24%
Level of tourist satisfaction			
Satisfied			39,06%
Not satisfied			60,94%
Tourist will return to Phu Quoc			
Yes			60,32%
No or Maybe			39,68%

(Source: Vu Minh Hieu & Vu Minh Ngo (2019) – Strategy Development from triangulated viewpoints for a fast-growing destination towards sustainable tourism development – A case study of Phu Quoc islands in Vietnam)

According to this research study's informants, tourism development has created more job opportunities which generates more income for their families and therefore improve their live quality.

*“I can make more money and my family is really happy about it.” (interview 5- Tran Van Sang- Bus driver for tourism agency-Appendix, p.75)*

*“It has created more jobs and income. There are even people from other places coming to Phu Quoc for working opportunities. Tourism has definitely generated more income for me and my family and increase life quality of my whole family”.* (interview 1- Vu Van Tai- Taxi driver-Appendix, p.66)

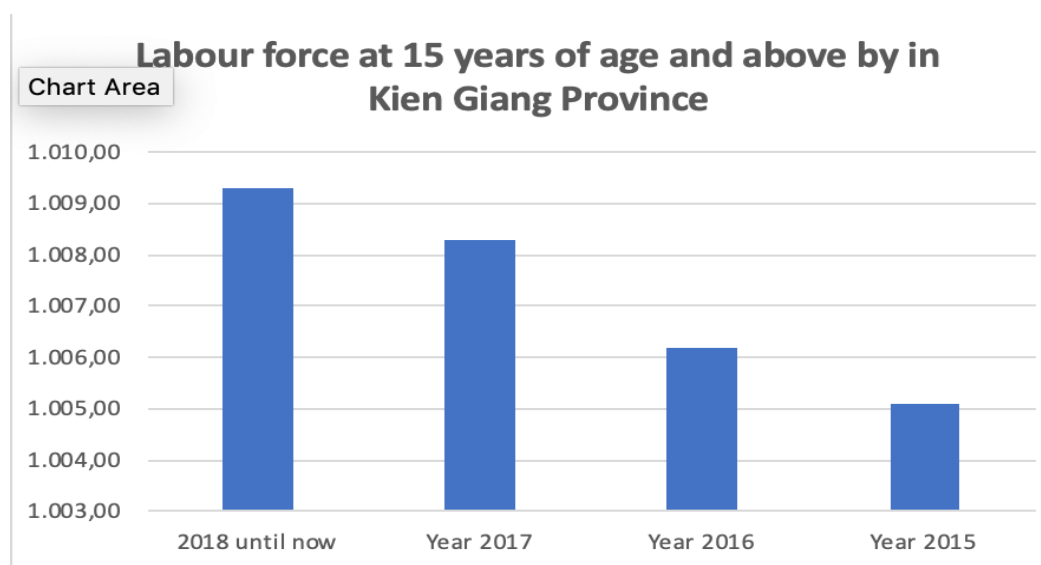
Moreover, the survey results in the research study of sustainable tourism development in Phu Quoc conducted by Vu Minh Hieu and Vu Minh Ngo (2019) indicated that, 84% of 150 businesses surveyed including restaurants, bars, souvenir shops, fishery stakeholders and other tourist shops have had local residents employed; additionally, 61.74% of 230 local residents have agreed that their income are mainly from tourism. Apparently, those, who work in the tourism sector or benefited from it, agree that

tourism has stimulated economic growth through creating more jobs and incomes for their families. This means life quality of their families has become more enriched and abundant. Consequently, tourism development has indirectly enhanced social development, specifically to those groups working and benefiting from tourism in Phu Quoc by improving their life quality. Furthermore, tourism plays as a main role in the improvement of public infrastructure in Phu Quoc. Particularly, more qualified roads were and are being built. As Vu Van Tai – local taxi driver (Appendix, p.66):

*“..... there is a lot of constructions going on here in Phu Quoc.... Many hotels and restaurants are being built. As tourism develops, public facilities have been improved a lot such as roads quality, but it is quite dusty”.*

In the context of Phu Quoc, tourism is being seen as a main driver for public facilities improvement in order to satisfy tourist demands, but not for the sake of local community. Based on general observation, hotels and restaurants constructions are apparent in centered and waterfront areas. Roads to popular places such as beaches, night market and resorts are much wider than roads in more “local” zones of Phu Quoc. In addition, simultaneous constructions in Phu Quoc are affecting the environment as well as tourist experiences, as there is huge amount of dust released into the air. This indicates a fact that, the public infrastructure is improved in order to attract and increase tourist capacity or, in another words, tourism development, while the nature of social development should be focused on needed demand of local community. Based on general observation and information from the informants of this study, public infrastructures seem to be upgraded in touristic areas, while in more indigenous regions on the island, the quality of public facilities are in bad condition such as narrow roads with holes, lack of electricity and etc. In other words, most of constructions of current facilities will be used to satisfy the needs of tourists, and not for the needs of the host community. Obviously, in a long-run development, the

dependency on tourism might cause an unsustainable future for Phu Quoc. For example, when the quantity of local land resources are mainly used for tourism accommodation and facilities, the lesser available use of land for other practices such as lands for agriculture, household use and etc. As a result, price level of real estate in Phu Quoc might increase to some extent that local people can no longer afford. The expansion of tourism development might decrease interests and workers units of other traditional sectors in Phu Quoc such as pepper agriculture and fishery, as tourism generates income much quicker and not necessarily require a good skills base like other sectors. Whilst the essence of sustainable tourism development is to satisfy the needs of host community, local environment and tourists, the current status of tourism development in Phu Quoc (Bramwell & Lane, 2000; Inskeep, 1988; UNWTO), on the other hand, is prioritized for tourist demand when the needs of local community and the environment seems to be underestimated. Hence, this reveals the heavy dependence of local people on tourism development. Phu Quoc has become a promising place providing diverse job opportunities for not only local residents, but a wave of young labor forces from other places in Vietnam. For instance, the number of labor force in Kien Giang has been steadily increasing from 2015-2018.



(Source: General Statistic Office of Vietnam)



According to General Statistic office of Vietnam, the percentage of trained employed workers with high education in accommodation and food service activities sector, at the age of 15 and above in Kien Giang Province from 2018 until now is only 13.1% which is considerably low. As some of the interviewed respondents, they don't have any vocational training or education related to their current job positions.

*“..... I cannot speak any foreign language. I graduated only high school and then started working since then. We just made menus in English, Russian and Korean and gave them to the guests. Our guests just need to point at the items that they want to order.” (interview 2, Doan Huu Ut- waiter- Appendix, p.69)*

*“.... After graduating high school, I worked for a few years in hotel sector, and then I found out that there is a lot of job opportunities in Phu Quoc, so I applied for this receptionist position and came here for 1 year ago.” (interview 6, Tran Thi Mai Trang- receptionist- Appendix, p.77)*

According to these informants, there is obviously no high requirement for job qualification working in restaurants or hotels sectors which have direct impacts on the quality of tourist experiences as well as tourism development in Phu Quoc. In addition, the survey result conducted by Vu Minh Hieu & Vu Minh Ngo (2019) shows that, 60.94% out of 530 tourists were not satisfied with the service quality and travel experiences during their stays in Phu Quoc. The lack of necessary skills, mindset and knowledges of the current labor force regarding service delivery quality has caused low level of guests' satisfaction. Moreover, low level of education might cause a rich resource of potential cheap working forces in Phu Quoc, as without qualified education and diplomas, workers can only be employed in low positions with low salary payment (Connel, 1988; Demas, 1965; Rajotte, 1980; Selwyn, 1975; Shand, 1980; cited in Milne, 1992).

Furthermore, based on general observation, the average age of employees working at restaurants, supermarkets and other touristic places is between 18 and 20 years old who are supposed to have completed their high school degree. These groups are young and energetic to adapt quickly to the working environment, however, they are lacking of necessary skills and experiences in terms of service delivery quality, language skills and other essential knowledges while working in service industry. As a result, they might not able to deliver the best travel experiences for their guests. Moreover, these young group of labor forces are not necessarily required any relevant vocational training courses or higher education that are tourism related, since in order to work in tourism sector in Phu Quoc, except for higher positions such as managers, it is quite easy to get a job such as safety guards, restaurant staffs, shop cashiers, receptionists,... due to the lack of labor forces in Phu Quoc at the moment. In general, Vietnam is a developing country in which most of people have priority to stimulate the economic growth so that they can create more income to improve their families' life quality. Hence, the importance of future educational investment is not considered equally as finding a job. Moreover, most of Vietnamese parents have to pay tuition fee for their kids all the way from kindergarten to graduate degree without any support from the government, thus, in low-income families, not everyone can afford to have their children to have further education after high school level. Particularly, in the context of Phu Quoc, the low job qualification and requirement of tourism sector attracts therefore a huge number of young labor groups with low level of education, as they don't need to have any higher degree or related vocational training to work in this sector. Consequently, the large number of workers with low education level and their lack of skills base is hampering the sustainability of future tourism development in Phu Quoc as it affects directly to the level of tourist satisfaction and their travel experiences. Apparently lack of skills base and low level of education causes low service quality and affects tourist travel experiences, as a result, this affects not only directly to tourism

competition factors of Phu Quoc comparing to other tourism competitors, but also the sustainability of tourism development of Phu Quoc in long-term perspective. Moreover, the social development is also limited when there is high ratio of labor forces with low level of education, as based on sustainable development goals of United Nations, goal 4 is to achieve quality education. In the case of Phu Quoc, the current status of tourism has shown weaknesses towards sustainable development goals, particularly in achieving goal 4- quality education.

Additionally, with the seasonal characteristic of tourism, income generated from tourism is not stable throughout the year, as it depends on the number guests as well as the amount of jobs they have in peak and low seasons.

*“..... For example, when it is high season, I can get some bonus. However, we have very few customers during low season, so the salary won't be as much as high season.” (interview 2 - Doan Huu Ut – waiter-Appendix, p.69)*

*“Since tourism develops here in Phu Quoc, it is easier to generate income for me and my family, even though the income is not stable throughout the year.” (interview 3- Nguyen Nhat Huy - Restaurant owner-Appendix, p.71)*

*“..... But in low season, it is not quite stable. It depends on the number of guests we have and the number of tours I can take per week. The more tour I guide, the more money I get paid.” (interview 4- Dao Thanh Tung- Tour guide- Appendix, p.73)*

Though tourism has created different jobs, income and improve life quality of those working and benefiting from the sector, the dependence of host community on tourism is the main factor that hinders the sustainability of tourism development in Phu Quoc. For instance, the more local people work in tourism sector, the more dependable the host community become. Consequently, their income and life quality depends on the

development of tourism and the number of guests they have. As the essence of the sector, the revenue generated will be unsteady throughout the year and therefore, tourism is not contributing to economic growth in a sustainable way regarding long-run development, but more likely at immediate sight. Despite the fact that the economic growth has been improved through tourism development, the seasonal nature of this sector cause unstable income for the local community, thus, in a long-term vision, tourism should not be the main driver towards sustainability. Hence, tourism has become an indirect cause to cheap labor force, unstable income and poor working environment for the host community in Phu Quoc island (Higgins, 2017). In addition, the huge number of tourists and rapidly fast growth of tourism have created the limited size of indigenous workforce. Therefore, in order to attract more working forces to Phu Quoc, big hotel chains and companies have supporting policies by offering accommodations for their employees while they are staying and working in Phu Quoc. This has indirectly created leakage of income to external labor forces instead of benefiting the local workforces.

Similarly, according to the observation from the researcher's fieldtrip, level of external ownership is high in Phu Quoc. For example, in accommodation sector, many foreign-controlled hotels, resorts and diverse domestic organizations from other places in Vietnam, have invested in Phu Quoc, thus the involvement of indigenous people is limited in the industry. Particularly, hotels and resorts with large capacity with high service standards are often external investors such as Spanish 4 star-hotel and resort – Sol Beach House Phu Quoc, 5 star- hotel resort -Novotel Phu Quoc, 5 star - JW Marriott Phu Quoc Emerald Bay Resort & Spa, and etc. These are international businesses and despite the fact that, these organizations have created a large number of jobs and income for both local people and other domestic workforces in Vietnam as well as tax payment to the government, most of their profits will benefit their own organizations, but not the host community, while they are taking advantages of local resources

including both labor forces and natural resources in Phu Quoc. Hence, there is a leakage of monetary flow to foreign and external businesses instead of benefiting the host community meanwhile local resources are taken advantages of and being degraded. The relationship between the increasing number of foreign accommodation projects and the quality of local resources are therefore inverse proportion.

### **Results of coding interviews transcript**

Categories	Findings
Economical aspect	<ul style="list-style-type: none"> <li>• Create jobs/ employment generation</li> <li>• Simulate income/ Improve income</li> <li>• Unstable income</li> <li>•</li> </ul>
Social-cultural aspect	<ul style="list-style-type: none"> <li>• Improve life quality</li> <li>• Improve public infrastructure</li> <li>• Low level of education</li> </ul>
Environmental aspect	<ul style="list-style-type: none"> <li>• Lack of proper waste management</li> <li>• Air pollution due to infrastructure construction</li> <li>• Water pollution due to sewage</li> </ul>

(Source: Own) – See more details/ interviewees quotes under Appendix

Furthermore, the actual number of tourists visiting Phu Quoc also affects the condition of social-cultural and environmental factors. In particular, the number of visitors to Phu Quoc is approximately 480.000 monthly and 4-5 million annually, whilst the population of the island is only 107.000 in 2019. The increasing number of workforces from other places and the growing speed of tourism development are the reasons that create pressure on the improvement of adequate infrastructure such as roads, more accommodation and touristic facilities. No doubt that, the more people coming to Phu Quoc, the larger demand for accommodation, food, water and other essential needs become. Moreover, Phu Quoc is an island with limited resources, as a result, demand

for importing goods will be increasing as the growth of the population as well as the rising number of tourists. When the level of consumption increases, the more drained and degraded local resources become. Consequently, the price level of daily goods tends to increase as the demand exceeds the actual amount that the host community can provide, imported goods are normally options which are more expensive than local products. This affects eventually life quality of local people, especially those who are not working or benefiting from tourism sector. Therefore, the increasing number of tourists and workers to Phu Quoc is a potential constraint towards sustainability and sustainable tourism development of Phu Quoc as it leads to local resources degradation and other environmental issues. Particularly, based on overall observation, numerous hotels, resorts and restaurants are currently being constructed and therefore, causes to air pollution in Phu Quoc at the moment due to large amount of dust released simultaneously into the air. As demonstrated and evidenced in many popular places, tourism is found as main cause to degradation of local resources and negative impacts on the environment. Despite the fact that, tourism development has contributed vastly on economic growth in Phu Quoc such as job creations, life quality improvement as well as income increase for the host community, general observations, on the other hand, show weaknesses of Phu Quoc's current status and potential risks for the future tourism development in term of environmental aspect. For instance, the island is facing the lack of proper waste management and sewage treatment. Together with household waste, the amount of trash from tourism are mounting quickly.

*“..... all the household waste is dumped at empty land fields”. (interview 2, Appendix, p.69)*

*“..... There is no waste factory here on the island, that's why all the trash just go directly to the landfills”. (interview 2, Appendix, p.69)*

*‘‘We don’t have any waste factory on the island. That’s why household waste is dumped in landfills in the middle of the forest’’. (interview 4, Appendix, p.75)*

There is no waste factory in Phu Quoc at the moment, thus, the trash is dumped in land fields. Consequently, this creates bad smell for surrounding area as well as degradation of soil quality. As one of the study’s respondents, a large number of household and touristic waste is brought to the shores by sea waves.

*‘‘In peak season of tourism, garbage from local households and tourism is waved and brought to the shore by sea waves, that’s why many hotels and restaurants by the beach send their employees to remove garbage and clean the beach. However, during low season, the beach is almost covered in trash because there are just a few or even no tourists at all, so it is not necessary to clean the beach’’. (interview 5 – Dao Thanh Tung – tour guide, Appendix, p.73)*





(Source: kenh14.vn)

Similar to the lack of waste factory, there is no waste water treatment factory in Phu Quoc island, therefore most of waste water from household and tourism are discharged directly to nearby rivers and ended up flowing to the ocean. A lot of tourists have observed an enormous amount of sewage from



waterfront restaurants and resorts is discharged into the sea and consequently this affects directly to their travel experiences and satisfaction<sup>8</sup>. According to the fieldtrip's observation and information from several tourists at Bai Sao – one of the most beautiful beaches in Phu Quoc, tourists can easily experience smelly seawater while swimming by the beach.

Obviously, this has great impact on the marine life of Phu Quoc. The seawater is polluted with an alert level and might potentially influence the ecosystem of surrounding marine nature such as habitat of sea creatures. Especially, when the number of tourists visiting the island is increasing, the more water is consumed and as a result, the more sewage will be discharged eventually at the sea. Large amount of waste and sewage have vastly negative impacts on the environment of Phu Quoc such

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<sup>8</sup> Zingnews.vn. 2019. Chưa Có Nhà Máy Xử Lý, Nước Thải Đen Ngòm Chảy Ầo Ầo Ra Biển Phú Quốc. [online] Available at: <<https://zingnews.vn/chua-co-nha-may-xu-ly-nuoc-thai-den-ngom-chay-ao-ao-ra-bien-phu-quoc-post943766.html>> [Accessed 1 June 2020].



as soil degradation, air pollution, marine pollution, imbalance in the ecosystem and etc. Based on participant observation of touristic activities operated by two different tourism agencies - Red River and John's Tour Phu Quoc, there are no specific policy and regulations for their guests in terms of preserving the environment such as avoiding using sun screen before snorkeling and feeding fishes with human food as these activities can affect the habitat of marine creatures and quality of seawater. Touristic activities such as snorkeling and coral reef seeing have been evidenced in many destinations to cause death and discoloration of corals as well as influence living behaviors of sea creatures. Thus, raising the awareness and understanding the importance of preserving the environment and the ecosystem are essential steps towards sustainability of the host society as well as its future sustainable tourism. While the development of tourism is reliant on the quality of local environment and nature, the value of these factors is overlooked. Thereby, it is possible to state that tourism development is creating various negative impacts on the environment in Phu Quoc at the moment.

According to general observation, a large number of touristic infrastructures are being constructed at the moment in order to expand tourist capacity and attract more tourists to Phu Quoc, however, very necessary and needed public facilities such as waste and sewage treatment factories are being seriously lacked. Meanwhile, the priority of stimulating the economic growth is the main focus, the preservation of local environment and nature is taken for granted. (Lindberg, 1991; Pearce, 1985; cited in Milne, 1992). This contrary proposition shows the lack of management, development plan and support of local authority. According to the informants of this study, there is no guideline and support from the local authority towards protecting the environment and sustainable development in Phu Quoc at all. In order to achieve sustainability as well as sustainable tourism development, the cooperation of all stakeholders is required, as local authority plays main role in managing development plan and guiding

everyone in the community. However, in the case of Phu Quoc, lack of regulations, policies and state authority are hindering the success of sustainable future on the island. Based on obtained data, the awareness of protecting the environment and understanding of sustainability concept are very vague.

*“The local residents don’t know about preserving the environment or anything alike. It is because they are not educated the importance of the environment to our future.” (interview 4)*

*“As I told you, they don’t know about the importance of protecting the environment. And they don’t get any education or knowledge about it.” (interview 4)*

The survey result conducted by Vu Minh Hieu and Vu Minh Ngo (2019) also indicates that, only 4.34% of 230 surveyed local residents were involved in development plans of local authority, whilst 84.35% answered that they have never had any education or support from the local authority towards sustainable development plans and projects. Moreover, according to the interviewed tour-guides working for John’s Tours Phu Quoc, they have heard about the term sustainable tourism development, but never got any instructions or support from the government to approach it. For example, a lot of hotels and restaurants hire employees just to clean up the beaches every morning during peak season without any instruction and support from the government. Reason behind this action is because they want to satisfy guests, and not for sustainable development. According to one informant, during low season, these restaurants and hotels won’t send workers to clean up the beach as there is much lesser guests, so it is not necessary remove the trash.

*“.....In peak season of tourism, many hotels and restaurants by the beach send their employees to remove garbage and clean the beach. However, during low season the beach is almost covered in trash because there are just a few or even no tourists at all, so it is not necessary to clean the beach”’. (interview 4)*

This demonstrates a fact that, there is lacking of local authority involvement in making, guiding and managing sustainable development plans and projects. As a leading actor towards sustainable future development of Phu Quoc, it is important that the local authority determine strengths and weaknesses of the current situation in the community as well as its potential opportunities and challenges, thereby they can clarify and implement a suitable development plans which include participation of multiple stakeholders towards sustainable development in general and particularly the future sustainable tourism development in Phu Quoc. In addition, lack of relevant skill base and low education level of the population are the reasons for low level of tourism service quality and tourist satisfaction, while the social development is linked concretely with the educational level of the community. Thus, it is responsibility of local authority to inform, educate, support and motivate everyone the importance of the environment and awareness of preserving it. To sum up this section, the SWOT analysis will be evaluated in this table below:

<p><u>Strengths:</u></p> <ul style="list-style-type: none"> <li>• Generating income for local community</li> <li>• Good location and weather condition for tourism development</li> <li>• Rich and diverse natural resources for tourism development</li> </ul>	<p><u>Weaknesses:</u></p> <ul style="list-style-type: none"> <li>• Unstable income</li> <li>• Heavy dependence on tourism</li> <li>• Lack of waste and sewage management</li> <li>• Lack of local authority management, instruction and support (strategic plans, project,...)</li> </ul>
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	<ul style="list-style-type: none"> <li>• Lack of understanding/ Limited awareness towards sustainability</li> <li>• Low educational level/ Low skills base of local labor forces</li> <li>• Air &amp; seawater pollution</li> <li>• Lack of plans, regulations &amp; policies on preserving natural resources</li> <li>• Low level of tourists satisfaction</li> </ul>
<u>Opportunities:</u> <ul style="list-style-type: none"> <li>• Creating more jobs and income for host community</li> <li>• Potential successful cooperation of multiple stakeholders</li> <li>• Becoming a sustainable destination in Southeast Asia</li> <li>• Decrease the dependence on tourism</li> <li>• Develop sustainably not only in tourism, but other sector as well</li> </ul>	<u>Threats:</u> <ul style="list-style-type: none"> <li>• Serious degradation of local resources</li> <li>• Low level of tourists satisfaction</li> <li>• Intense competition</li> <li>• Unsustainable destination</li> <li>• Limited skills of labor forces</li> </ul>

(Source: Own)

As UNWTO and highlight definitions of many representative authors (Butler, 1999; Bramwell & Lane, 2000; Inskeep, 1988), sustainable tourism development is necessarily meant to meet the needs of tourists and the local communities whilst keeping and enriching opportunities for future generations of host destination. However, in the case study of Phu Quoc, despite of its enormous contribution on economic growth, the host community is facing with are a lot of weaknesses and negative impacts from tourism development to the local community's environment and nature. In general, in order to outline a development plan for sustainable tourism development in Phu Quoc, it is important to recognize the currents of tourism through

its strengths, weaknesses so that the host community can determine potential opportunities as well as how to eliminate threats in order to achieve sustainable development. Gunn & Var (2002), emphasized that the causes of travelling activities to destinations are based on local resources. In other words, the development of tourism is dependent on the quality of local natural resources and location (Gunn & Var, 2002). Additionally, Liu (2003) has stated that tourism development is created and determined by visitors demand and thus leads to the increase of tourist facilities and services as a response to the growing demand. The author also argues that development of tourism is very dependent on natural and environmental assets of local communities and therefore the preservation and conservation of nature and the environment is the major emphasis of sustainable tourism.

Many factors that the local government need to put into consideration while making a strategic plan towards sustainable tourism development in Phu Quoc such as politic, economy, society, technology, environment and legal. Next section will discuss more about how the host community can improve their weaknesses, what factor they should consider when implementing development plans and what are the challenges they are facing in order to obtain sustainable development.

### Challenges towards sustainable tourism development in Phu Quoc island

Tourism has an intense development in Phu Quoc. According to Tourism Department of Kien Giang Province, the number of tourist arrivals to Phu Quoc increased from 913.000 in 2015 to 1.5 million in 2016, 2.7 million in 2017, 3 million in 2018 and almost 4 million arrivals in 2019. This makes tourism a key sector in stimulating economic growth. Through the above section, the concerns over impacts of rapid increasing trend of tourism in Phu Quoc, especially in regard to the present fragile

environment, is noticed. Vorster et al (2014; cited in Scott; 2015) identifies the most ten remarkable challenges that tourism sector is facing in the next 20 years:

- Conservation of nature in destinations despite pressure from tourism to use it
- Maintaining sustainability; meeting increasing impact on environment and raising demand from new markets and to stay attractive at the same time
- Well-prepared plans for unpredictable events ( environmental disasters, global decease, etc....)
- Green development must put into consideration regarding to tourism facilities and destinations
- Impacts from climate change at local level
- Increasing quest of developing more sustainable tourism management strategies in the context of globalization
- Increasing need for qualified human resources despite high cost pressure for tourism employers
- Need of essential tools that creates and promotes awareness and understanding of sustainable tourism, and to support its development
- Increasing cost pressure ( transportation costs, intense competition in tourism)
- Need of adapting new technology (communicational tools, information platforms)

These show the resemblance with the present weaknesses of tourism development in Phu Quoc. The current reality of tourism development in Phu Quoc indicates numerous weaknesses and challenges towards sustainability in which including environmental preservation, social-cultural and economic development. Lack of local state authority, proper management and clear sustainable development plans are main difficulties on the island. In particular, the need of having stronger policy and an

effective action plan for the future development in Phu Quoc is crucial for its long-term viability of tourism. So the question here is what are the challenges the host community of Phu Quoc might have to deal with in terms of improving, managing and ensuring the success of approaching strategic sustainable development plan. Middleton & Clarke (2001) demonstrates that attractions are permanent resources managed to satisfy the pleasure, entertainment and education of visitors. Therefore, management activities of destinations have crucial roles in the tourism development, especially in the context of globalization and intense competition within tourism sector. Hence, in order to achieve a sustainable tourism destination, destination analysis is essentially required. In other words, destination management is an important key towards sustainable tourism development. As Sharpley (2009:145; cited in Leask 2010):

*“It is recognized that a wide variety of factors underpin the successful development of tourism destination, an essential ingredient remains the provision of what are collectively referred to as visitors attractions. As an integral element of the tourism product and experience, visitor attractions are the focus of tourism product activity, not only as reasons for tourists to travel and stay in destinations but also as generators in income, employment and wider destination and regional development.”*

Destination management is very complex, and it requires a wide-ranging and holistic strategy and plan with thorough understanding and knowledge of local community condition. Thus, various interconnected factors need to be addressed whilst designing a destination management plan in which including political, economic, social, technological, environmental and legal factors (PESTEL). Political factors includes governmental policy, political stability, labor law and environmental regulation and etc. These factors have impacts on how different organizations operate and do their businesses who need to participate in future legislation and thereby have their

marketing policy adjusted accordingly. The participation of the local government is very crucial as they play leading position in controlling and bringing tourism stakeholders together for the same purpose of making Phu Quoc a sustainable destination for local residents and tourists. Kent Schroeder (2015) and Hens (1998) demonstrate that the range of stakeholders' involvement has significant influence on the management of destinations tourism products. Any development plans and projects should be completed with the development of services and facilities including roads, health and education for the host community first, and then for the demand of tourists. The most important thing is that the host community must actively participate and involve in making tourism plans and ensure the voice of local residents are heard in making decision to what extent that natural resources used to develop tourism in Phu Quoc, as local community is both victims and beneficiaries of tourism development (Murphy, 1985; cited in Milne, 1992). Moreover, in order to increase the involvement of local community, the local government should encourage using more local products. This might allow agriculture and fisheries businesses opportunities to supply a certain proportion of tourist demand that would not exceed local resources, and consequently this would promote and enhance the growth of these traditional sectors and benefits local residents working on these sectors in Phu Quoc. Simultaneously, the social development of the host community is strengthened by less dependency on tourism sector.

Hence, the cooperation between multiple stakeholders is an essential factor to achieve sustainability of tourism. Discussions and meetings between big and small organizations such as hotel chains, tourist operators, agriculture officials and local authority then can be organized to outline development plans including tourist demand, supply requirement and other aspects that can satisfy the needs of tourists, host community and tourism businesses. As the development of tourism is based on the quality of natural resources, it is responsibility of tourism to protect and preserve it.



Profits generated from the industry should therefore not flow right back into further tourism expansion, but to enhance broader aspects such as social and environmental objectives as first priority. Opinions of multiple stakeholders allows the authority opportunity to acknowledge their needs and diversity of innovative ideas in regard to outlining suitable development plans that can address the needs of tourism stakeholders in Phu Quoc as well tourists demand.

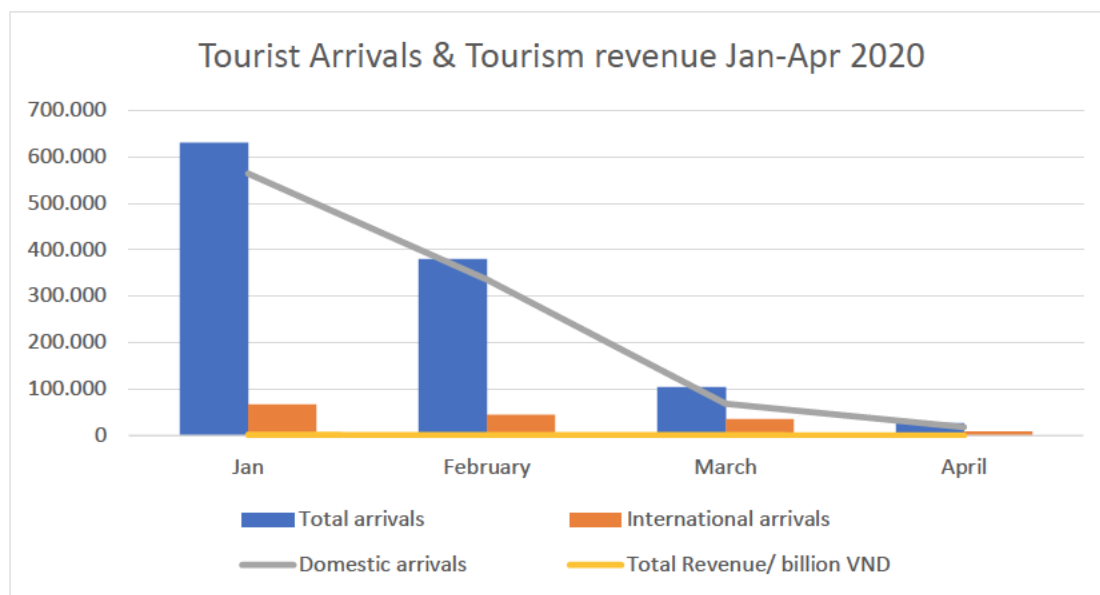
However, sustainability can be understood in different ways by different people due to their perception and desires (Monbiot, 2012). Several tourists have observed scenario of sewage discharged into the sea from waterfront restaurants participants who apparently prioritize the growth of their economy despite of negative impacts on the environment, particularly the local marine environment. This indicates a fact that, each stakeholders can have their own priorities of sustainable development, thus, the local government need to identify the most significant needs of the current and future sustainable development of the island. In this case, lack of abilities and will of both national and local government to face the present and future consequences from tourism development over damage of the environment, will be the main obstacle hindering Phu Quoc to become a sustainable destination. Accordingly, tourism policy and strict regulations must be applied to ensure the tourism instructions and plans are being followed. In the case study of Phu Quoc, restaurants and hotels discharging sewage into the nearby water area must be fined with a certain amount of money which will go to the environmental conservation fund. Likewise, any organization generating potential threats to the eco-efficiency must necessarily be highlighted and charged as example of low-commitment performance of cooperation towards sustainability. The local government might face non-cooperation and resistance from local stakeholders due to their lack of understanding the importance of preserving the environment and its value in terms of sustainability in long-term development. Hence, implementation of tourism policy encouraging environmental preservation should be widely promoted

in local tourism operators in order to raise the awareness of invaluable natural resources among tourists and local residents. For instance, based on observation of two different local tour agencies, there is lacking of tourism policy motivating tourists avoid using chemical products such as sun cream before coral seeing activities that might affect natural coral living condition. In addition, local residents awareness of protecting the environment must be improved by guidance, support and punishment if needed.

One of several weaknesses existing in Phu Quoc is the lack of skills base of local labor forces, while knowledge and skills are necessary and essential human capacities to obtain sustainable development. Undoubtedly, education is the key factor to build these capacities. Higher educational level and vocational trainings are accesses to higher income and thereby dramatical improvement in service quality for guests. However, investment in education is considered as long-term payback as demonstrated in the context of Phu Quoc through a number of young labor forces working in accommodation and restaurants sectors that doesn't require high education. Therefore, priority for short-term profits is a barrier regarding sustainable development in Phu Quoc whereas both private and public are included.

In this globalization world, the technological and economic development are followed by the increasing demand of leisure enjoyment and numerous of tourism destinations to satisfy these needs. Higher requirement and expectations are necessary factors that affect the making decision of tourists. Apart from accommodation facilities, travel experiences including visitor attractions and service quality are competitive keys to gain loyalty and stable future for tourism in Phu Quoc. Low satisfaction from tourists have been demonstrated in the research study of Vu Minh Ngo and Vu Minh Nguyen (2019) as an evidence of lacking essential skills base and consequently impacts on the potentially decreasing number of potential visitors to Phu Quoc.

Concentrating on improving education level of the host community has certain contributions on sustainable tourism development by creating more skill based workers and increasing guests satisfaction as a result. In addition, this also reduces heavy dependency on tourism, as high education and skills can create open access to other industries with higher income possibilities.



(Source: Kien Giang Tourism Department)

The severe reliance on tourism of host community has been evidenced through this present status of global pandemic – COVID 19. According to this study’s respondents, the number of international and domestic tourist arrivals to Phu Quoc has been witnessed a dramatical fall, which is up to 60-70% lesser than normal. Meaning that, the unexpected global pandemic has affected 60-70% of the usual revenue of tourism stakeholders in Phu Quoc. In fact, according the statistic of Kien Giang Tourism Department, the number of total tourist arrivals to Phu Quoc in April 2020 was 26.500, which is 93.7% lower than the same period in 2019. Less of income is in response to lesser customers. This indicates a fact that, dependence on tourism is not a sustainable way to achieve sustainability. Phu Quoc could only become a sustainable destination,

when the host community itself is sustainable regarding social-cultural development, environmental conservation and economic growth. Despite of generating employment and income, seasonal nature is main cause to instability of income, insecure life quality and pressure on local resources, which are constraints towards long-term sustainability of Phu Quoc.

Lack of waste and sewage treatment factories are also main challenges in order to minimize negative impacts on the environment. Again, this shows the lack of ability and will of the local government to address the importance of preserving natural resources on long-term development of tourism in Phu Quoc. The vision of both national and regional government is crucial in terms of sustainable development. As Vietnam national administration of tourism, a recently approved strategy of tourism development is to turn tourism into a “spearhead” economic sector with “sustainable development” which can create momentum for other sectors. Regarding to the existing issue of lacking efficient waste and sewage management system, regulation and tourism policy instruments must be applied to raise the awareness of environmental protection. In addition, the implementation of efficient waste and sewage treatment system must be taken a proper care and pursued as soon as possible to avoid further polluted problems in Phu Quoc. Furthermore, a large number of infrastructures in response to the rapid increase number of visitors to Phu Quoc island might lead to further crowding and negative impacts on the natural environment. In particular, on the one side, the improvement of transportation, accommodation facilities and services can attract greater number of visitors to Phu Quoc, and simultaneously contribute to their satisfaction, however, on the other side, this leads to the increasing consumption and pressure on local resources.

Based on the present situation in Phu Quoc, no denying that tourism is an important and potential source of employment generation and foreign exchange earnings; however, the development of the sector has shown numerous drawbacks on the

environment, sociocultural development and even economic growth. According to The World Bank's report about recent economic development of Vietnam in July 2019, the priority of Vietnam government is stimulating economic growth which is short-term vision and effective immediately, while lack of proper management and long-term action plans have brought several harmful influences on the environment in Phu Quoc<sup>9</sup> (Higgins, 2017).

Environmental, sociocultural and economic factors are main principles of sustainable development. To achieve sustainability, a holistic approach must be conducted in order to reconcile these elements. The complexities of tourism impacts on Phu Quoc island has revealed failure of governmental strategy in terms of “sustainable development”. The philosophy behind the strategy driving tourism development must be clear whether the tourism policy is implemented regarding priorities of tourism sector or the development framed by the needs of the nation (Burns, 1999). Liu (2003) has argued that development of tourism is very dependent on natural and environmental assets of local communities, therefore the natural and environmental preservation is the major emphasis of sustainable tourism. Phu Quoc island seems to be the perfect example of this dependency.

The sustainable development of tourism needs supportive policies and suitable action plans in which environmental, sociocultural and economic aspects are taken into consideration in long-term perspective. However, it is difficult to implement tourism policies and management strategies into reality, since the concept of sustainability is

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<sup>9</sup> Documents.worldbank.org. 2019. *Recent Economic Developments Of Vietnam-Vietnam'S Tourism Developments: Stepping Back From The Tipping Point-Vietnam'S Tourism Trends, Challenges, And Policy Priorities*. [online] Available at: <<http://documents.worldbank.org/curated/en/821801561652657954/pdf/Taking-Stock-Recent-Economic-Developments-of-Vietnam-Special-Focus-Vietnams-Tourism-Developments-Stepping-Back-from-the-Tipping-Point-Vietnams-Tourism-Trends-Challenges-and-Policy-Priorities.pdf>> [Accessed 1 June 2020].

complex by generating dilemmas among those above aspects. For instance, the pressure of balancing environmental resources and economic growth increases, as the essential needs of the host community is the priority for economic restructuring. In order to protect the local natural resources that tourism is dependent on, tourism policies and action plans must be able to reconcile the economic growth with concerns for the sustainable development of tourism. Hence, this is the most challenging task that Phu Quoc is encountering with towards sustainability.

## Conclusion

Currently, Phu Quoc island has experienced a rapid increase in the influx of tourists. In response to this, a large number of large-scale projects and major high-end developments with high quality are being implemented in Phu Quoc. Consequently, tourism has created a complexity of impacts on this island in environmental, sociocultural and economic aspects. Regarding economic growth, tourism can be considered as employment and income generator and to some extent improves life quality of local people, however, the seasonal nature of this sector also causes the instability of income which indirectly affects the sociocultural development. The present lack of the local authority involvement to comprehensively address the multiple problems of tourism development on Phu Quoc island has led to lack of efficient waste and sewage treatment and their follow-up consequences; lack of proper management system and necessary action plans towards sustainable tourism development. Throughout the above analysis, sustainable tourism development can be seen as a significant factor in decision-making process of tourism policies and strategies due to its contribution to economic growth. However, tourism development should not be perceived as a main tool to achieve sustainability of the whole community because of its negative impacts on the environment and natural local resources on Phu Quoc island. In other words, sustainable tourism development is supposed to ensure to

develop tourism to some extent that it does not have any kind of negative impacts physically and mentally to every elements of local community including human and non-human factors. The case study of Phu Quoc island, on the other hand, proves that tourism development is not an useful tool to achieve sustainability for the host community at the moment this study was conducted.

In order to attain sustainable tourism development, it requires a complex process including essential tourism policies and planning that take environmental, sociocultural and economic aspects into consideration, based on a long-term assessment. A balance between the interests of the local government and the needs of the host community in tourism management must be met. The ability of stakeholder groups to cooperate regarding the implementation of development plan can be proved by their willingness to play active roles in determining a sustainable development future for Phu Quoc island. Furthermore, the ability and willingness of the local authority to enforce guideline, tourism policies and regulations are crucial factors to cede responsibilities to the host community. The failure of the top-down managing structure of the government to identify urgent issues that hinder sustainable future of the local community, demonstrated a necessity to enable more local control while making decisions of development plans and projects on Phu Quoc island. Yet, the implementation of destination management regarding sustainability is a complex and challenging process including multiple stakeholders involvement and cooperation, essential political instruments and efficient management system of the local government to address needs and interests of the host community as well as demand from tourists. The raising demand on a limited resources destination like Phu Quoc island, the dilemmas between environmental preservation and economic growth, are obstacles to implement sustainable tourism in practice. Various factors such as climate change, technological development, government policies and etc. all have impacts on

the future tourism demand. Hence, it is hard to predict if sustainable solutions taken today will still be applicable in the future.

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