



IMPACT OF E-COMMERCE WEBSITE ON SMALL TOURISM ENTERPRISES IN QUANG BINH, VIETNAM



Chung Nguyen Van¹⁺

Luc Tran Tu²

^{1,2}Quang Binh University, Vietnam

Email: jacknguyen200826@gmail.com

(+ Corresponding author)

ABSTRACT

Article History

Received: 15 March 2017

Revised: 17 May 2017

Accepted: 24 May 2017

Published: 7 June 2017

Keywords

Small tourism enterprise

Quang Binh

E-commerce

Impact.

The purpose of this research is evaluate the economic impact of using E-Commerce website to promote small and medium tourist enterprise (SMEs) in Quang Binh, Vietnam. Our research used two methods to collect data. First, we developed survey then interview 8 expert on ecommerce website and 100 technical economic student, the will be organized and analysis to determine how ecommerce impact on small tourism firm in Quang Binh. Secondly, an experimental website was created to evaluate the impact of occupancy rate on SMTEs. The results showed that website marketing is an effective marketing tool for backpacker and managers who have pursued a well thought out online advertising strategy as well as responded promptly to emails from clients. Furthermore, room occupancy had increased ranging from 12% to 34% due to their website. However there are some firms has room occupancy still not increased at all. This research also help owners made effort to promote their websites more effectively.

1. INTRODUCTION

The early years of the 20th century many researchers such as James (2005) believe that the internet infrastructure is one of the crucial factors to influence utilization of the e-commerce website for marketing. However, in recently when the internet infrastructure has been improved in Quang Binh, we still realized that beside the qualities of internet infrastructure the e comer still affect by many other facture, such as, Web content, System development, Site popularity, Shopping process, Transaction process and volume especially on small and medium firm size. Our research focus on small and micro sized tourism enterprises (SMTEs) in Quang Binh Vietnam is already faced with problems, like lack of capital and relatively remote location.

Figure 1 present the application of Information Technology in business at Quang Binh. As we know even the infrastructure of internet improved recently such as the use of specialized software is high (95); the number of firm have intranet connectivity extremely high around 60%, furthermore enterprises mainly use the connection via ADSL (86%). However, IT staffs is quite low (<25%) compare with other provinces, ratio of staff needs training IT (<15%); the number of firm have invested on hardware well only 30% at low average.

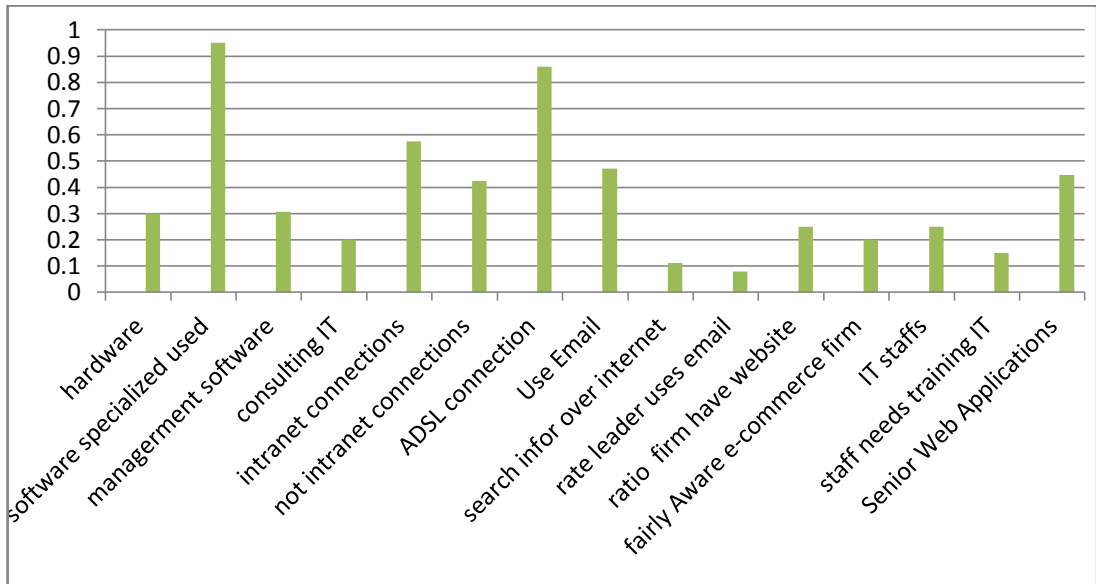


Figure-1. The application of information technology in business at Quang Binh

The overall purpose of this research is to evaluate the economic impact of e-commerce on small size tourism enterprise in Quang Binh.

2. LITERATURE REVIEW

According to (World Bank, 2000) small area has faced many challenges. Namely, remoteness and isolation from world markets; natural disasters and climate change; capacity has limited; income volatility. Yu *et al.* (2011) report that transactional websites are becoming popular, however, those channels model mentioned above have many disadvantages, for instance, inefficient for delivering a large amount of information (Molla, 2001). According to UNCTAD (2001), firms in developing countries plan to be involved in international trade need to start incorporating ICT and the Internet into their business models in order to stay competitive. Use of the Internet was expected to reduce the geographical distance, a crucial factor for small and geographically isolated such as Quang Binh. Although e-commerce sees staggering growth, Vietnamese enterprises are still lacking technological capability to leverage on this opportunity.

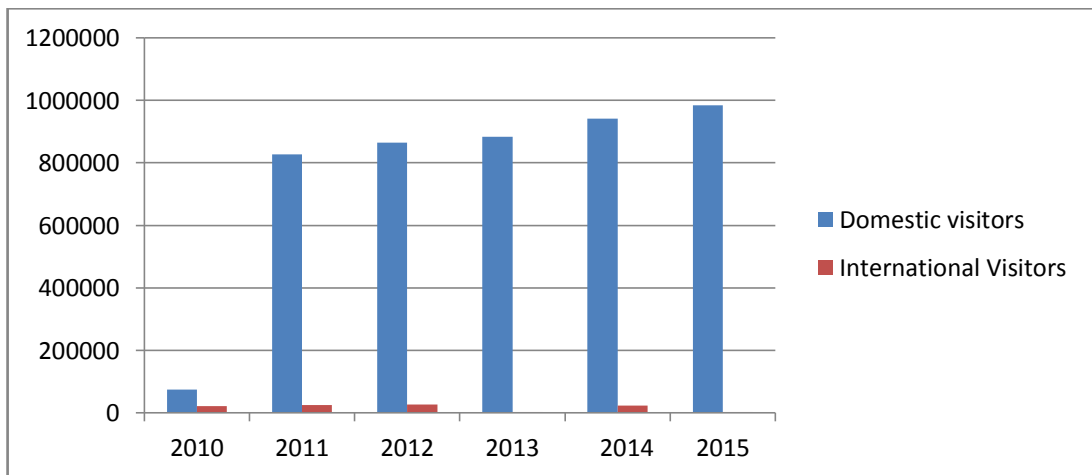


Figure-2. The number of tourists visit Quang Binh

While only 20% of Vietnamese SMEs are using websites to promote their products and services, about 70% of the websites are so poorly built that smartphone users are hardly access to their sites' content (DPG Vietnam, 2015).

3. RESEARCH METHOD

As mention aboved our research used two methods to collect data. First, develop the survey then interview 8 expert on ecommerce website and 100 technical economic student, the will be organized and analysis to determine how ecommerce impact on small tourism firm in Quang Binh. Secondly, an experimental website was created to investigate the impact of occupancy rate on SMTEs. The person who is interviewed had expert on using Internet and had experience using it. The experimental website was created in February 2004 with the URL of www.holiday-quangbinhbackpacking.com. The website set up from September 2016, we invited many experts on e-commerce website to commend on this website then asked student who are trained to revise website. From January, 2017 we collecting the customer data via website then gathering and analyzing data to make the final report.

4. RESEARCH RESULTS

An experimental website was created to measure the impact of a website on the room occupancy of small and medium tourism enterprises in Quang Binh. The purpose of this study is two folds; one side is monitor and evaluates the whole process of setting a website for business. The other side is measure its impact on the occupancy rates.

From 26 August to 23 October 2016 is the time to set up and revise website content. In January 2017 when using the keywords 'backpacking in Quang Binh, Vietnam' on the Google search, our website was ranked 40. However, on April 2017, using the same keywords, the website was ranked 12. Furthermore, the page rank is also increase dramatically from 0 to 5, the number of webpage store in google database are also higher compare with without any marketing strategy for website. We conclude that the marketing with SEO strategy is the key factor to help enterprise successful in their business and attractive visitors from other countries.

Table-1. Keywords Justifies

accommodation Quang Binh backpackers backpacking Nhat Le beach Phong Nha travel Swimming at nhat le beach Quang Binh, Vietnam Quang Binh adventure	Quang Binh HOTELS Bao Ninh islands Bao Ninh resorts Quang Binh RESORTS Quang Binh vacations fishing gamefishing gift shopping handicrafts holiday Cheaper hotel Cave adventure	Vietnam airline Jetsta airline restaurant Sài Gòn Phong Nha hotel Thanh Phúc hotel Nhật Lệ Cosevco sunrises sunset Phú Quý hotel specialties food vacation vacations vegetarian Quang Binh resorts
---	---	---

Table-2. Experience website index in google

	PR	G-index	Alexa rank	external	Age	Internal link	Density	Diagnosi s
Website experience	5	43	non	57		6	441	9

Table 2 presents the index o google in 43 position, density key words 441 and page rank number 5/10. As we know just seldom website in Vietnam has the page rank on google is number 5. Those indexes of experiment website on google indicate that our website is successful website. However, to know the number of visitors looking for information via website increase or not we keep monitoring as the Figure 3.

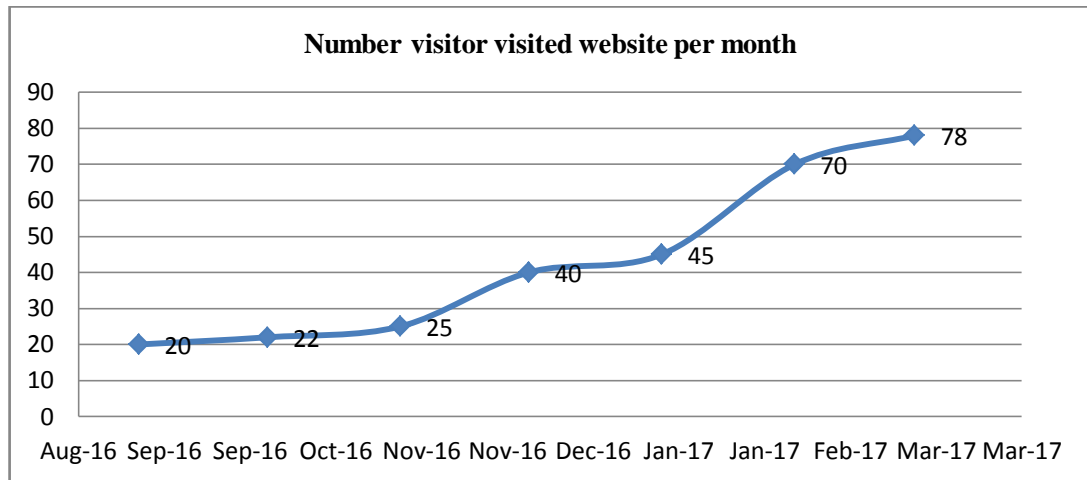


Figure-3. Number of visitors from Aug -16 to Apr-17

Figure 3 show us that the number of visitor increase significantly from November 2016 to January 2017, notify that from January 2017 to march 2018 the number of visitor increase sharply. This result indicate that the impact of ecommerce website on the tourism are significantly, especially after we using some tool such as SEO the key words on google, then let tourism who want to go a broach easy to search information on google before they go out.

5. CONCLUSION

In this paper it has been shown how e-commerce can be impacts on the small and medium enterprise in Quang Binh province, Vietnam. Our results show that if website provider as well as firm staff can improve web designed, web content, good technical support, make the web more popular will be an effective marketing tool for tourism SMEs in Quang Binh. Our results indicate that e-commerce website in SMEs has many difficult situations.

The results from experimental website show that if the manager understand the importance of key words on the google search help most of backpacker who want to go a broach to visit. As we know nearly 25 enterprises have their own individual websites and improve their website then use them for marketing. There are twenty enterprises reported that their website has resulted in increases ranging from 7% to 18% in the room occupancy rate. The others have reported that they have experienced a poor response from their new website and were disappointed with the impact of their website on their room occupancy rates. They received only a small number of guest enquiries and email accommodation bookings.

The results indicate that increase of room occupancy rates after share website varied between 5% and 60%. Therefore, we conclude that shared websites is effective for the SMEs. The results from our experiment website showed that the increase significant of room occupancy rates due to change key words on the website as well as the content of website. Effective website promotion is the important step in conducting E-commerce and leading new visitors to a website. This paper also show that the reasons for not having own website were lack of awareness of the benefits of internet marketing, lack of an understanding about how to Operators the e-commerce website, lack of staff

expertise, even the quality of infrastructure in Quang Binh has improved significant recently compare with the rest province in Vietnam.

Based on the research results we suggested that policies maker should develop and implement the training projects for e-commerce human resources; Support tourism associations in the development of e-commerce programs, raising IT and e-commerce and training skill for staff. In the other side, medium and small-scale tourism enterprises should improve the technical capacity, diversify content with accurate information, pay attention on designing websites.

Funding: This study received no specific financial support.

Competing Interests: The authors declare that they have no competing interests.

Acknowledgement: Both authors contributed equally to the conception and design of the study.

REFERENCES

- DPG Vietnam (2015). *The current state of E-commerce in Vietnam*. Retrieved from: <http://bdg-vietnam.com/de/about/news/details/items/the-current-state-of-e-commerce-in-vietnam/>
- James, M. (2005). *Economic impact of e-commerce on small tourism enterprises*. ICT Capacity Building at USP Project. The University of the South Pacific.
- Molla, A. (2001). E-commerce systems success: an attempt to extend and respecify the delone and maclean model of IS success. *Journal of Electronic Commerce Research*, 2(4), 131-144.
- UNCTAD (2001). *E-commerce and development report 2001*. Geneva: UNCTAD. Retrieved from: www.unctad.org/e-commerce/docs/edr01_en.html (accessed June 2004).
- World Bank (2000). *Small states: meeting challenges in the global economy- report of the commonwealth secretariat/world bank joint task force on small States*. Washington: World Bank.
- Yu, X., Guo, S., Guo, J., & Huang, X. (2011). Rank B2C e-Commerce website in e-alliance based on AHP and fuzzy TOPSIS. *Expert Systems with Applications*, 38(4), 3550-3557.

Views and opinions expressed in this article are the views and opinions of the author(s), Journal of Asian Business Strategy shall not be responsible or answerable for any loss, damage or liability etc. caused in relation to/arising out of the use of the content.