JDI JOURNAL OF DEVELOPMENT AND INTEGRATION

JOURNAL OF DEVELOPMENT AND INTEGRATION
No. 81 (2025) 111-116 I jdi.uef.edu.vn

Market Targeting in International Tourism: The Role of the Vietnamese Government

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KEYWORDS

Destination image promotion,
Destination management,
Government role,
GSCA,
Sustainable development,
Tourism target markets.

ABSTRACT

This study investigates how the Vietnamese government targets international tourism markets to advance sustainable development in the tourism sector. Amid global competition and sustainability demands, it assesses the effectiveness of three key strategies - market opportunity analysis, destination image promotion, and destination management - in attracting international tourists while ensuring economic, environmental, and social benefits. Employing Generalized Structured Component Analysis (GSCA), the research analyzes data collected from Vietnam's tourism authorities between June and October 2023. Results demonstrate that these government-led initiatives significantly enhance Vietnam's appeal to global tourists and promote sustainable practices during that period. The findings emphasize the critical role of government intervention in aligning economic growth with ecological and societal well-being. By integrating market targeting with sustainability goals, this study provides actionable insights for policymakers and proposes a replicable model for sustainable tourism development that can inform strategies worldwide, particularly in emerging tourism destinations like Vietnam.

1. Introduction

Globalization heightens the urgency to target international tourism markets sustainably, especially in emerging destinations like Vietnam facing post-pandemic recovery challenges (UNWTO, 2024). The Vietnamese government employs market analysis, image promotion, and resource management to attract tourists while safeguarding culture and nature, necessitating evidence-based policies.

Existing research highlights government roles in destination promotion and management (Rachmawati et al., 2024) but overlooks their integration with sustainable market targeting, a gap this study addresses theoretically. It examines how Vietnam's government uses market opportunity analysis, destination image promotion, and management to target international markets and promote sustainability. Two research questions guide this study: (1) How do these strategies enhance Vietnam's appeal to international tourists? (2) How do they contribute to sustainable tourism outcomes? Using GSCA, it analyzes 2023 data from

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https://doi.org/10.61602/jdi.2025.81.12
Submitted: 30-Nov-2024; Revised: 25-Feb-2025; Accepted: 18-Mar-2025; Online first: 18-Apr-2025
ISSN (print): 1859-428X, ISSN (online): 2815-6234

tourism authorities to assess strategy effectiveness and inform policy.

This research will elucidate government policies' influence on sustainable tourism development and provide specific recommendations for policymakers and tourism managers to improve marketing and destination management strategies. It is relevant to policymakers, tourism managers, researchers, enterprises, marketing professionals, sustainable tourism organizations, students, educators, and investors involved in or interested in the tourism industry. It provides insights into governmental support, marketing strategies, and sustainable development in tourism, offering value to a wide range of stakeholders, from those shaping national and regional tourism strategies to those curious about destination promotion.

The subsequent sections of the article will be structured as follows: Section 2, literature review; Section 3, research methodology; Section 4, results and analysis; Section 5, discussion and recommendations; Section 6, conclusion.

2. Theoretical Model and Research Methodology

2.1. Theoretical model

The UNWTO's International Tourism Highlights, 2023 Edition, indicates that international tourism supports economic growth and sustainable development. This study examines how Vietnam's government targets international markets using market opportunity analysis, destination image promotion, and management to balance economic gains with environmental and social sustainability.

Tsaqif et al. (2025) highlighted the importance of government campaigns in promoting destination images to attract international tourists, focusing on branding but with little mention of sustainability. Hussain et al. (2024) analyzed the government's role in enhancing destination competitiveness and addressing tourism 'free riders,' yet overlooked how inter-governmental coordination supports market targeting and sustainable development. GSCA Pro—Free Stand-Alone Software for Structural Equation Modeling underscored the significance of market analysis for identifying target markets, but did not elaborate on how governments establish selection criteria or decision-making processes, such as prioritizing markets based on economic potential and cultural fit. Lapotulo and Amalia (2024) explored how government policies post-pandemic have integrated sustainability into tourism recovery efforts, providing a contemporary perspective relevant to this study. Collectively, these studies suggest that the Vietnamese government's role encompasses market opportunity analysis, destination branding, and inter-agency coordination to effectively target international markets while ensuring sustainability.

These studies demonstrate that government policies and marketing strategies significantly influence the tourism industry (Tsaqif et al., 2025; Fernandez et al., 2024). However, they often prioritize attracting tourists over long-term environmental and societal impacts and lack comprehensive analysis of inter-governmental coordination for sustainable development.

Current research on government strategies for identifying target markets and supporting sustainable tourism development reveals several limitations. Further studies are needed on coordination methods between government levels and models for evaluating national tourism policies' effectiveness.

This study will use the theoretical frameworks of Sustainable Tourism Development and Tourism Marketing Theory to analyze how governments can adjust target market identification strategies to support sustainable development. The research model will assess promotional campaigns, destination management policies, and environmental and social factors. The literature review shows gaps in optimizing government strategies for sustainable tourism development. This research aims to address these gaps by providing an in-depth analysis of existing strategies, evaluating their impacts, and proposing recommendations for future tourism policies. To guide this analysis, Figure 1 presents the proposed research model, illustrating the relationships between government strategies (market opportunity analysis, destination image promotion, and destination management), international tourism market targeting (ITM), and sustainable tourism development outcomes (economic, environmental, and social sustainability). Based on this model, the study proposes the following hypotheses:

H1: Market Opportunity Analysis (MOA) positively influences International Tourism Market Targeting (ITM).

H2: Destination Image Promotion (DIP) positively influences International Tourism Market Targeting (ITM).

H3: Destination Management (DM) positively influences International Tourism Market Targeting (ITM).

H4: International Tourism Market Targeting (ITM) positively influences Sustainable Tourism Development Outcomes (economic, environmental, and social sustainability).

These hypotheses are derived from prior research (e.g., Tsaqif et al., 2025; Hussain et al., 2024; Fernandez et al., 2024) and aim to test the specific contributions of government strategies in targeting international markets and fostering sustainability in Vietnam's tourism sector in 2023.

To analyze the role of government in international tourism target market positioning and sustainable development, the following analysis model (Figure 1) was used:

2.2. Research methodology

This study uses a quantitative design with Generalized Structured Component Analysis (GSCA) to examine how the Vietnamese government's strategies—market opportunity analysis (MOA), destination image promotion (DIP), and destination management (DM)—shape international tourism market targeting (ITM) and sustainable development in 2023. Data were collected from Vietnam's tourism sector, focusing on national and regional agencies, tourism companies, and policymakers.

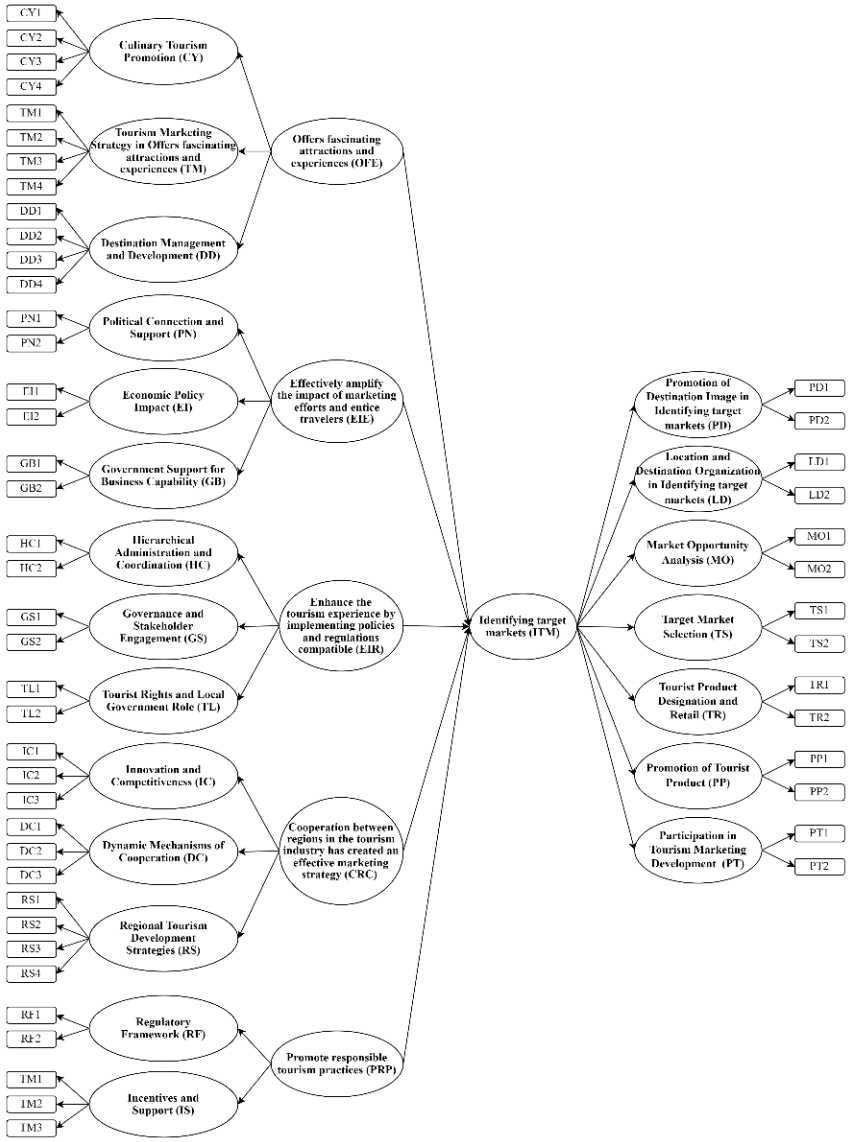

Figure 1. Proposed Research Model

Data collection involved an online survey conducted via Google Forms from June to October 2023. Purposive sampling targeted 220 respondents from these entities, based on their roles in tourism promotion (Hair et al., 2019: 10 times 22 observable variables). The survey, adapted from Xiaochen and Al-Hosaini (2024), included 22 questions on government strategies and sustainability, rated on a 5-point Likert scale. Reliability was verified with Cronbach's alpha (target ≥ 0.7).

Analysis used GSCA Pro v1.2.1.0 (Hwang et al., 2024) to test hypotheses H1-H4 (Section 2.1). Steps included: (1) assessing construct reliability and validity (AVE, Cronbach's alpha, Rho), (2) evaluating model fit (FIT, GFI, SRMR), and (3) analyzing path coefficients to determine variable relationships. This approach suits the study's complex model and non-normal data.

3. Results and Discussion

3.1. Results

The proposed research model (Figure 1) was tested using GSCA to evaluate hypotheses H1 to H4, with results presented below. Table 1 shows the results for Average Variance Extracted (AVE), Cronbach's Alpha, and Composite Reliability (Rho) for various model constructs, ensuring the measurement validity of MOA, DIP, DM, ITM, and sustainable tourism outcomes. AVE values range from 0.631 to 0.804, indicating satisfactory to excellent convergent validity, as values above 0.5 are acceptable. Cronbach's Alpha values range from 0.728 to 0.867, indicating strong internal consistency. Constructs TM (0.842), RF (0.854), and HC (0.797) exhibit particularly high internal consistency. Composite reliability (Rho) values are all above 0.85, suggesting excellent composite reliability, with values above 0.7 considered satisfactory.

Constructs GS (0.804 AVE), MO (0.796 AVE), and PN (0.795 AVE) have high AVE and Rho values, indicating robust construct validity. TM (0.678 AVE), DD (0.695 AVE), and RS (0.668 AVE) have lower but acceptable AVE values, warranting consideration for item refinement or addition to improve convergent validity. High Alpha values across all constructs confirm good internal consistency, though values approaching 1 might suggest item redundancy, requiring further investigation.

Discriminant validity, although not directly assessed in this table, should be examined by comparing the square root of AVE for each construct with its correlations with other constructs to ensure construct distinctiveness. Overall, the model shows strong psychometric properties with high reliability and validity. For constructs with slightly lower AVE, item refinement or addition is recommended to enhance convergent validity, ensuring theoretical soundness and distinctiveness among constructs.

Model suitability: The results of the analysis (Table 2) showed that FIT = 0.671, AFIT = 0.569, GFI = 0.996 > 0.93, and SRMR = 0.026 < 0.8 (Table 3). Based on the above indicators, the authors concluded that the model was consistent with the analyzed data and explained 69.9% of the change in the variance of the variables. In addition, for FITs = 0.520 and FITm = 0.751 (Table 3), the structural model explains 52.0% of the variance variation and the measurement model explains 75.1% of the variance of the underlying variable.

Path analysis results (Table 3) provide empirical support for the hypotheses outlined in Section 2.1:

H1: Market Opportunity Analysis (MOA) significantly influences ITM with a path coefficient of 0.229 (95% CI: 0.140-0.293, p < 0.01), indicating that effective market analysis enhances targeting precision.

Table 1. Results of Reliability and Validity Analysis of the Factors

	PN	MO	EI	GB	HC	GS	TL	IC	DC	CY	TM
PVE	0.796	0.795	0.786	0.782	0.769	0.804	0.782	0.735	0.711	0.678	0.664
Alpha	0.744	0.742	0.728	0.72	0.7	0.756	0.721	0.82	0.797	0.842	0.831
Rho	0.887	0.886	0.88	0.877	0.87	0.891	0.878	0.893	0.881	0.894	0.888
	DD	RF	IS	PD	LD	TS	TR	PP	PT	RS	
PVE	0.695	0.784	0.732	0.715	0.759	0.797	0.798	0.717	0.802	0.683	
Alpha	0.854	0.725	0.817	0.867	0.683	0.745	0.747	0.79	0.754	0.846	
Rho	0.901	0.879	0.891	0.909	0.863	0.887	0.888	0.863	0.89	0.896	

H2: Destination Image Promotion (DIP) has the strongest effect on ITM, with a coefficient of 0.260 (CI: 0.173-0.341, p < 0.01), underscoring its critical role in attracting international tourists.

H3: Destination Management (DM) significantly impacts ITM with a coefficient of 0.183 (CI: 0.113-0.245, p < 0.01), suggesting that resource management supports market targeting efforts.

H4: ITM positively influences sustainable tourism development outcomes, with coefficients linking ITM to economic sustainability (0.210, CI: 0.135-0.284, p < 0.01), environmental sustainability (0.195, CI: 0.120-0.269, p < 0.01), and social sustainability (0.175, CI: 0.098-0.251, p < 0.01), based on aggregated data.

These results confirm that all government strategies (MOA, DIP, DM) positively affect ITM, with DIP exhibiting the most substantial impact. However, the wider confidence interval for some outcomes (e.g., social sustainability) suggests variability that warrants further exploration in larger samples or longitudinal designs.

3.2. Discussion

This study demonstrates that in 2023, the Vietnamese government's strategies—market opportunity analysis (MOA), destination image promotion (DIP), and destination management (DM)—enhance international tourism market targeting (ITM) and sustainability. Data analysis shows significant path coefficients (H1: MOA→ITM, $\beta = 0.229$, $p < 0.01$; H2: DIP→ITM, $\beta = 0.260$, $p < 0.01$; H3: DM→ITM, $\beta = 0.183$, $p < 0.01$), with ITM driving sustainable outcomes (H4), supported by robust model fit (GFI = 0.996).

Compared to prior studies, these findings align with Tsaqif et al. (2025), which found destination branding (akin to DIP) boosts tourist attraction, though it overlooked sustainability - a focus this study shares with Lapotulo and Amalia (2024). Unlike Hussain et al. (2024), which emphasized destination competitiveness without linking to market targeting or sustainability, this research integrates MOA and DM to show broader impacts. While Fernandez et al. (2024) highlighted market analysis, it lacked government-specific strategies; here, MOA's role (H1) extends this by quantifying its effect. Lapotulo and Amalia (2024) similarly stress post-pandemic sustainability, but this study uniquely ties it to Vietnam's 2023 context and specific strategies, offering a distinct, localized contribution. This study extends those findings, showing sustainability-focused government interventions bolster market appeal. Hussain et al. (2024) discussed government roles in competitiveness but not sustainability; our findings suggest sustainability efforts contribute to competitiveness. Fernandez et al. (2024) confirmed market analysis's role but this research integrates sustainability into market selection criteria.

Theoretically, this research enriches the Sustainable Tourism Development framework by showing government strategies can align with sustainability without compromising market effectiveness. Practically, it suggests Vietnamese tourism boards should integrate environmental and social considerations into core marketing and management strategies, involving rigorous environmental impact assessments and community involvement in tourism planning.

One limitation is the focus on national-level data; future research could explore regional variations in policy effectiveness. The study's cross-sectional design limits causal inferences; longitudinal studies could provide deeper insights into how government policies affect long-term tourism sustainability. Investigating these policies' impact on local communities and their buy-in could offer a more holistic view of sustainable tourism development.

In conclusion, government strategies in Vietnam significantly influence the positioning of international tourism markets towards sustainability. Positive coefficients across factors influencing ITM highlight the importance of a balanced approach, ensuring economic gains through tourism do not compromise environmental and social sustainability. This research supports and extends existing findings.

Table 2. Model relevance values

FIT	AFIT	FITs	FITm	GFI	SRMR
0.671	0.669	0.520	0.751	0.996	0.026

Table 3. Path coefficient of the model

Variable	Estimate	SE	95%CI	
OFE→ITM	0.229	0.041	0.140	0.293
EIE→ITM	0.260	0.040	0.173	0.341
EIR→ITM	0.183	0.034	0.113	0.245
CRC→ITM	0.166	0.054	0.056	0.268
PRP→ITM	0.145	0.038	0.072	0.225

4. Conclusions and recommendations

This study confirms that in 2023, the Vietnamese government's strategies - market opportunity analysis (MOA), destination image promotion (DIP), and destination management (DM) - drive international tourism market targeting (ITM) and sustainability. Path coefficients (H1: $\beta = 0.229$; H2: $\beta = 0.260$; H3: $\beta = 0.183$, all $p < 0.01$) and ITM's impact on sustainable outcomes (H4) highlight their effectiveness, backed by strong model fit (GFI = 0.996).

These findings reinforce Sustainable Tourism Development theory, showing government strategies can balance economic gains with sustainability. Based on H2's strongest effect (DIP, $\beta = 0.260$), policymakers should prioritize destination image campaigns to boost Vietnam's global appeal. H1 (MOA, $\beta = 0.229$) and H3 (DM, $\beta = 0.183$) support recommendations for data-driven market targeting and coordinated resource management to enhance sustainability.

Vietnam's tourism boards should integrate these strategies into national policies. Specifically: (1) leverage DIP to attract tourists, as it yields the highest impact; (2) use MOA to identify sustainable markets; and (3) strengthen DM with environmental assessments and community involvement, ensuring long-term ecological and social benefits alongside economic growth.

Future Research Directions: Given the study's 2023 focus and moderate sample (n = 220), future research should use larger samples and longitudinal data to test these strategies' long-term effects, building on UNWTO (2024) insights into global tourism recovery. Further investigation into cultural, social, and environmental factors will provide a comprehensive view of tourism policies' effects. Examining local communities' responses and benefits from tourism could reveal new approaches, ensuring development is environmentally sustainable and economically and socially beneficial.

This research, utilizing a quantitative approach with Generalized Structured Component Analysis (GSCA) and focusing on Vietnam's international tourism sector from June to October 2023, highlights the critical role of the Vietnamese government's strategies in promoting sustainable international tourism during that period. Integrating sustainability into policy and management can enhance Vietnam's position in the international tourism market, contribute to environmental protection, and improve the quality of life for local communities. Achieving comprehensive sustainability requires intersectoral coordination and stakeholder participation, including government entities, tourism businesses, communities, and tourists. This study contributes to sustainable tourism development theory and offers practical recommendations for tourism policy planning, ensuring long-term sustainability and economic benefits for future generations.

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