Chapter 1
Impact of Advertising and Public Relations on Tourism Development in Da Nang, Vietnam

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ABSTRACT

An exploratory study was conducted to determine the impact of advertising and public relations on the visit intention of tourists in Da Nang, Vietnam. In 2015, Trip Advisor and New York Times selected Da Nang, Vietnam as one of the top Asia tourist destinations. This study sought to address the relationship between advertising or public relations and tourists’ intention to visit based on the theory of planned behavior. Structure Equation Modeling was conducted to predict the impact of advertising and public relations on the visit intention of tourists in Da Nang. Findings indicate that an increased favorable attitude and control of advertising would increase tourist arrivals. Surprisingly, an increased positive attitude and control of public relations did not significantly affect tourists’ intention to visit. Instead, the social norms of public relations were effective in driving the decision to visit but the social norms of advertising were not. The findings have contributed to destination brand through advertising and public relations. Implications are discussed.

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INTRODUCTION

Failure to appropriately understand the impact of advertising and public relations on visit intention for tourist destinations creates critical issues for tourism development in Vietnam. In 2015, Trip Advisor and New York Times selected Da Nang, Vietnam as one of the top Asia tourist destinations. However, in 2016, Da Nang tourism is threatened by difficulties such as the latest incident of shipwreck on the Han River and the problem of polluted water due to toxic waste water from a steel factory in Vietnam. This ultimately resulted in the decreased number of visitors to Da Nang. Although the factory compensated USD500 million for the environmental violation, suggesting solutions proposed to strengthen the confidence of tourists to the image of tourism in the city of Da Nang is essential. The combination of the advertisement and public relations is the most optimal solution to improve the image of Da Nang.

Effects of public relations and advertising on consumer decision making have been studied by recent research. Gretzel, Yuan, and Fesenmaier (2000) and Kotler and Armstrong (2005) report the importance of public relations and advertising on destination image. Pratt, McCabe, Cortes-Jimenez, and Blake (2010), Pike and Page (2014), and Gretzel, Fesenmaier, Formica, and O’Leary (2006) report that marketing through public relations and advertising can stimulate consumer demand effectively. Little research has focused on predicting consumer buying intention by advertising and public relations. The purpose of this study is thus to examine the model of tourist visit intention predicted by advertising and public relations.

The assumptions of the study are if there are significant relationships between advertising or public relations and tourists’ visit intention which is predicted by attitudes, social norms, and controls. Tourists with a high attitude often visit a certain destination because they believe that they can get benefits from the destination visit. Tourists with a high social norm often visit a destination because they believe that their visit would be approved and respected by other people. Tourists with a high control often visit a place where they can control the access to that place; they trust in certain online travel agents (OTA) so they use the OTA as the access to that place. The survey questions based on the theory of planned behavior (Ajzen & Fishbein, 1980) were distributed to a random sample of 100 tourists in Da Nang in mid-June 2016. Responses to were analyzed in structure equation modeling to find key factors for destination brand development.

LITERATURE

Advertising and Public Relations

Advertising creates an awareness of product or service to influencing a buying decision. Public relations would create an awareness of the business contribution to social environment, rather than its products or services (Gretzel, Yuan, & Fesenmaier, 2000; Kotler & Armstrong, 2005). Both advertising and public relations focus on the transmission of information about products or services and the business itself in order to increase the decision of the customer’s buying process as well as business’ selling products.

Advertising is one of the five tools that companies use to provide some persuading information to customers. The strong development with various forms of advertising makes itself becoming the tool to get the attention of the companies. The advertising includes the following basic criteria: (1) Be a pre-defined media, (2) Be transferred from a certain advertiser, (3) Use the mass media, and (4) Persuade target customers. Advertising is the use of the indirect media that aimed to inform, persuade or