

## Night-Time Economic Development in Thanh Hoa: Opportunities and Threats for Tourism Development

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### ABSTRACT

The night-time economy is a sector that has been gaining traction since the 1990s. The night-time economy significantly contributes to the economic growth of many countries, creates jobs, meets the diverse needs of residents, and increases attractiveness to tourists. In Thanh Hoa, the night-time economy is still in its early stages of development. Based on the theoretical framework and practical experiences of developing the night-time economy in Vietnam and Thanh Hoa province, this article aims to analyze the opportunities and challenges of the tourism industry in the context of the developing night-time economy in Thanh Hoa province. From there, it proposes some policy recommendations to promote the night-time economy and create opportunities for the local tourism industry.

**Keywords:** night-time economy, tourism development, opportunities, threats, Thanh Hoa

### INTRODUCTION

The night-time economy (NTE) is a sector that has been gaining traction in many countries, especially in bustling modern cities around the world. Activities taking place from 5 PM to 6 AM have significantly contributed to economic growth, job creation, added value, and foreign exchange earnings.

The night-time economy originated and primarily developed in urban areas. It emerged from European cities during the post-industrial revolution as a strategy to revitalize and enhance global economic competitiveness. The night-time economy then spread across Europe, North America, Oceania, and Asia, with notable examples being the United Kingdom, the United States, Australia, France, Japan, Thailand, China, etc. The budgets and GDPs of these countries have shown an increasingly significant contribution from the night-time economy.

Vietnam possesses numerous favorable conditions for developing the night-time economy. Aiming to exploit the potential of the night-time economy, maximize new economic development opportunities, and improve people's incomes and living standards, the government has approved the "Project on developing the night-time economy in Vietnam" (according to Decision No. 1129/QĐ-TTg July 27, 2020). One of the key points of the project emphasizes: "In the immediate future, the development of the night-time economy aims to stimulate domestic consumption and develop tourism." Along with that, the "Project on some models of night tourism product development" issued by the Ministry of Culture, Sports and Tourism in 2023 (No. 1894/QĐ-BVHTTDL) is an important policy foundation, opening up opportunities for the development of night tourism - a sector that significantly contributes to the night-time economy in many localities.

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To implement the aforementioned plans of the Government and the Ministry of Culture, Sports and Tourism, the People's Committee of Thanh Hoa province has issued specific documents outlining the plans and tasks of localities in promoting the development of the night-time economy in the province (focusing on Thanh Hoa City and Sam Son City). The development of the night-time economy in Thanh Hoa has favorable conditions in terms of policies and the actual needs of urban areas in the province. Focusing on night-time economic and service activities also creates diversity in entertainment, dining, and cultural experiences for tourists visiting Thanh Hoa. However, issues such as ensuring security, order, environmental protection, and the sustainability of the night-time economy's attractiveness to tourists remain challenges for the tourism sector and local authorities.

Based on a general overview of the theories and practices of developing the night-time economy in Vietnam, particularly in Thanh Hoa province, this research aims to analyze the impacts of night-time economy development on tourism activities in two aspects: opportunities and challenges. From this analysis, the research proposes some recommendations on policies to orient the development of NTE at the local level.

## CONTENT

### **Theoretical and Practical Basis for Developing the Night-Time Economy in Vietnam**

The night-time economy (NTE) is a "structure" that collectively describes a series of activities, places, and service providers that operate during the night. Terms such as "nightlife", "urban nightlife", or "24-hour city" are related and somewhat synonymous with the concept of NTE (Zmyslony & Pawlusiński, 2020).

The transformation of urban nighttime spaces is also known as the "domestication of the night" (Shaw, 2018) started with the expansion of street lighting systems and efforts to enrich tourism services through evening entertainment and nightlife. Since the 1970s, urban revitalization based on culture (Bianchini, 1995) has marked a significant expansion of urban operating hours as a notable transformation in the era of globalization.

The concept of the night-time economy became more popular from the 1990s due to efforts to define changes in the organization and practices of post-dark life, especially in urban areas (Avetisyan, 2020). The vision of a 24-hour city with diverse and flexible entertainment activities, particularly those of a "cultural-intellectual" nature, has contributed to the formation of this concept. NTE is not merely economic development but also requires ensuring the safety and quality of "nightlife" and being compatible with the "night culture" of each country (Bianchini, 1995).

The time frame for defining the night-time economy is not uniform across all countries developing it. The broadest definition is from 6 p.m. the previous day to 6 a.m. the following day; some countries consider the time frame of NTE activities from 5 p.m. the previous day to 4 a.m. the following day. In a narrower sense, NTE is a collection of economic and cultural activities from 6 p.m. the previous day to 4 a.m. the following day, with main activities including bars, clubs, karaoke, restaurants, music venues, fashion shows, art performances, night shopping (commercial areas, night markets). Countries like the United States, the United Kingdom, and China perceive NTE in this narrower sense (Tuong, 2022).

The diversity in the concept of the night-time economy also leads to differences in defining the development areas of this economy. In New York, the NTE focuses on 5 main areas: arts (museums, exhibitions, cinemas, theaters, art performance spaces); bars (nightclubs, alcoholic beverages); food services (restaurants, cafes, fast food, food business areas, street food); sports and entertainment and entertainment venues (Tuong, 2022). In London, four NTE sectors include: night-time cultural and entertainment activities; activities supporting cultural and entertainment activities; 24-hour personal and health social services;

and broader economic and social support activities (Colliass, Javaid, & Alhassan, 2023). Despite this, the development strategy of NTE in most cities aims to meet the needs of tourists in terms of entertainment, consumption, and culture, as well as the needs of local residents.

The development of the night-time economy in major economies has brought many significant benefits in terms of revenue, employment, and positive social and cultural impacts. In 2020, the NTE created approximately 3.5 million jobs in France, 1.3 million in the UK, 1.1 million in Australia, and around 300,000 jobs in New York. This economic model has generated 102 billion USD for Australia annually, contributed 6% to the UK's GDP, and has a scale of 400 billion Yen in Japan (Tuong, 2022). The social benefits of this economic model are also notable due to its clear connection with meeting the demands of tourists visiting bustling cities at night. In the UK, about 20% of tourists participate in nighttime activities such as dining and entertainment, while in Germany, this figure is 35%. Additionally, the cultural and spiritual life of urban residents has become richer, public infrastructure has been significantly improved, and traffic congestion during the day has been somewhat reduced. However, the NTE also poses potential negative impacts on the economy, society, culture, and environment if there is a lack of coordination and effectiveness in the management system, policies, and laws.

Vietnam possesses numerous favorable conditions for developing the night-time economy, including diverse tourism resources, rich traditional art, and culinary culture, a large population with a high labor force participation rate, a rapidly growing urban population, and a stable political environment with a strong integration orientation. The NTE is an integral part of the economy, and proactively developing the NTE aligns with the country's development orientation, as demonstrated by the Government's Decision No. 1129/QĐ-TTg on developing the night-time economy. This decision reflects a spirit of innovation and determination to create a development space for businesses and people. In the first three years of implementing the Decision (2020-2023), initial efforts have been made to raise awareness about the benefits and risks of developing the NTE among businesses and localities, review relevant policies and legal frameworks, and pilot the extension of operating hours for night-time services (Minh, Dương, & Ngân, 2024).

In implementing the night-time economy development plan, some provinces and cities have enacted policies to promote nighttime services and extend operating hours for tourist attractions. Hanoi and Ho Chi Minh City, the two largest economic hubs, have been pioneers in developing the night-time economy. Hanoi has been quite successful in creating diverse night tourism products with unique cultural experiences. Products such as night walks in the Old Quarter, tours of the Imperial Citadel, and culinary experiences have been popular. Ho Chi Minh City, another major economic center, also has a vibrant nightlife. The city has been actively developing its night-time economy to cater to the diverse needs and spending power of tourists. Popular destinations include Nguyen Hue Walking Street, Ben Thanh Market, and various entertainment venues. Other tourist destinations like Da Nang, Hoi An, Da Lat, Phu Quoc, and Ha Long have also been actively promoting their night-time tourism offerings.

### **Overview of Reality of Night-Time Economy Development in Thanh Hoa**

Thanh Hoa has significant potential for developing the night-time economy. Notably, Thanh Hoa's tourism has a long history and is expected to become the province's leading economic sector. In implementing the Government's economic development project of the night-time economy, Thanh Hoa has been actively promoting awareness, promulgating policies, and organizing a variety of nighttime service activities in Thanh Hoa City and Sam Son City. Besides various dining venues, cafes, music spots, karaoke bars, and children's play areas that open until the late evening, Sam Son also organizes additional entertainment

activities during the peak season at the beachfront square and along Ho Xuan Huong Street. For example, the Sun Fest art series is typically held on weekends (from April 30 to the end of August), and a number of enchanting music shows and fairs are also organized more frequently during the peak season in the seaside city of Sam Son.

In Thanh Hoa City, the walking street and the Lam Son Square Cultural Space, which opened in June 2024, are prime examples of efforts to growth the night-time economy in the urban area. Lam Son Square Cultural Space has been a bustling location with various public leisure activities in the late evening. The addition of the weekend walking street, entertainment events such as live music performances (Weekend Rendezvous), art shows, and a night market has attracted more and more both locals and tourists. Furthermore, streets like Le Loi, Le Hoan, Ben Ngu, Nguyen Du, and Truong Thi, which are featured by numerous nighttime entertainment, dining, and leisure businesses, have become more vibrant, especially attracting young guests.

However, Thanh Hoa's night-time economy has been modest, contributing only marginally sector to the local economy. The province's nighttime tourism products are limited; leisure, arts, and commercial activities lack diversity and appeal. In addition, infrastructure constraints, the lack of policies and an overall development plan are significant barriers to the growth of the night-time economy in the province.

## **Opportunities and Threats of Night-Time Economy to Develop Tourism in Thanh Hoa Province**

### ***Opportunities***

The night-time economy is considered as an integral part of the overall economy, contributing to economic growth, job creation, income generation, and effective utilization of local resources. The greatest opportunity that the night-time economy brings to tourism is its appeal to visitors with entertainment, shopping, dining, and cultural night experiences at destinations. Thanks to distinctive cultural experiences in cities at night, unique features and local highlights are presented as considerable factors to enhance the attractiveness and fulfill tourists' satisfaction (Huong & Hà, 2023). The variety of nighttime products and services are the golden opportunities to stimulate consumption, increase spending, and extend tourists' length of stay, which are key strategies to address Thanh Hoa's inherent tourism limitations. This contributes to enhancing the effectiveness of tourism business at the destination.

Moreover, the night-time economy, specifically nighttime tourism, creates diverse employment opportunities with increased demand from businesses serving tourists late at the night, especially in night markets or walking streets. This demand spans from direct roles such as waitstaff, chefs at dining establishments, and staff at nightclubs and entertainment venues, to indirect roles like drivers, system engineers, security, managers, environmental maintenance staff, performers, event organizers, and workers in health, wellness, and beauty services (Huong & Hà, 2023).

Night tourism spaces create opportunities to exchange culture between local communities and tourists. As a result, the tourism industry can promote regional culture, enhance the value, and improve the image of the destination in the eyes of visitors. Night markets, evening food streets, and traditional and street art performance venues at night all has contributed to retaining tourists at various attractions.

The bustling nighttime services positively impacts efforts to improve infrastructure, upgrade and diversify services within tourism establishments. It also enhances environmental quality and yields higher returns on tourism-related infrastructure.

Extending nighttime hours for entertainment, dining, and art performances offers more frequent service opportunities for tourists and better meets demand during peak seasons. Additionally, it helps relieve pressure on daytime economic activities, reduces traffic

congestion, and increases capacity of service establishments during the day. This also minimizes potential “conflict” during tourism seasons between residents and tourists.

### ***Threats***

Besides the opportunities for the development of the night-time economy, Thanh Hoa’s tourism industry also faces potential challenges of this economic model. Nightlife areas with bars and clubs are often emotionally charged spaces that pose risks of violating social norms. Consequently, this can lead to an increase in violent crime, vandalism, and conflicts around night entertainment venues (van Liempt, van Aalst, & Schwanen, 2015), which significantly affects tourists’ safety and reduces their satisfaction with the destination experience.

The risk of social insecurity heightens at bustling night-time economy destinations. As a consequence, it requires tourism businesses and nighttime attractions invest more in security and safety. Additionally, conflicts between tourists and local residents may be worsened by alcohol-related issues.

An excessive concentration of visitors at nighttime service hotspots also challenges infrastructure and reduce the capacity to meet demand for essential services in terms of both quantity and quality, which negatively impacts tourists’ satisfaction.

In addition to, environmental pollution from waste, noise, and food safety issues arising from limited management ability and oversight may also affect the quality of tourist experiences in night-time economy spaces.

### ***Recommendations for policies of night-time economy development in Thanh Hoa***

Based on an analysis of the opportunities and threats posed by the night-time economy for tourism development in Thanh Hoa, the study offers the following policy recommendations:

***Firstly***, develop a night-time economy project for Thanh Hoa Province. This project should be a primary task of the plan to implement Viet Nam night-time economy development (Decision No. 1129/QĐ-TTg). Subsequently, the province should develop a strategic plan for night-time economy development, serving as a foundation for setting goals, tasks, and measures to promote the night-time economy in Thanh Hoa. Key areas and appropriate nighttime service businesses should be identified based on the province’s infrastructure and management capacity.

***Secondly***, review legal regulations related to night-time economy timely and assign responsibilities to functional departments to advise the People's Committee on gradually refining guidelines, addressing barriers, and simplifying business conditions appropriately to encourage enterprise participation in the night-time economy.

***Thirdly***, focus on awareness-raising and mindset change among officials, employees, and businesses within and beyond the tourism sector regarding night-time tourism economy and night tourism development. Additionally, digital technology and platforms can be applied to build a database that supports unified and efficient management of night-time tourism economy activities across the province.

***Fourthly***, enhance research and comprehensive assessment of the current night-time tourism economy activities in the province’s urban areas; select suitable models based on international development experiences. As a result, establish practical directions and solutions which are tailored to local conditions to develop night-time tourism economy, thus contribute efforts to diversify local tourism products.

***Lastly***, the tourism sector should coordinate and work across sectors in designing, developing, and organizing night cultural spaces to provide night tourism products with the richness in the cultural identity of the province's ethnic groups. This would allow for more effective utilization of Thanh Hoa’s culinary, artistic, and local specialties.



## CONCLUSION

The development of the night-time economy is expected to make significant contributions to economic growth, harness the potential of tourism and service activities, and promote Thanh Hoa's culture and cuisine to visitors. The night-time tourism economy offers many opportunities for employment, income generation, cultural exchange, and improvement of the environment and quality of life for local residents. Additionally, it also provides a meaningful solution for retaining tourists and increasing their spending. To fully realize the province's potential in developing the night-time economy and night tourism, several recommendations for policies are proposed such as organizing project planning, developing master plans, raising awareness, and focusing on product and service development.

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