

APPLICATION OF SWOT MATRIX AND QSPM MATRIX FOR BUILDING AND SELECTING PLACE MARKETING STRATEGY OF CAN THO CITY WITH ORIENTATION TOWARDS 2030

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Abstract

Based on an approach from six factors that make up local brands: human resources (people), investment, tourism, cultural heritage, trade-export and public management ability, study focuses on analyzing the strengths, weaknesses, opportunities and challenges that affect the place marketing strategy of Can Tho city. The study uses the SWOT matrix and Quantitative Strategic Planning Matrix (QSPM matrix) to propose and select strategies for SO, ST, WO, WT. The study results show that the optimal place marketing strategies of Can Tho city with orientation towards 2030 include: development of Can Tho city into a trade and export lead center in the Mekong Delta, development of supporting tourism activities and services, development of Can Tho city into a lead center for training of high quality human resources with international standards and branding typical products for export.

Keywords: *place marketing, QSPM matrix, SWOT matrix.*

1. Introduction

In the context of more and more globalization and international integration, the competition is becoming more and more fierce not only at the enterprise level but also at the local and national level. It is becoming more and more difficult to find resources for growth. Therefore, each locality must actively build and promote their locality into an attractive “product” to potential customers and partners. Localities need to develop place marketing strategies to achieve that goal. These strategies are a set of activities carried out to build and promote the locality to make it more unique and engaging, contributing to improved competitiveness and economic development. The reality shows that there are a number of countries, territories, cities... have applied the Place Marketing theory very successfully, creating an advantage in taking advantage of investment to develop quickly even if they have a low starting point in terms of natural resources (e.g. Japan, Korea, Singapore...). In addition, paying attention to building a place marketing strategy also helps the locality to strengthen its position and reputation for domestic and international partners, businesses,

investors and tourists, and to preserve and promote the cultural identity and arouse pride among all classes of people.

Can Tho is a city under the Central Government, which has a central location in the Mekong Delta. Can Tho city has many attractive features of a river city in the southwestern region as well as potentialities and advantages for socio-economic development. However, Can Tho City's image and brand name have not been widely known in recent years. Can Tho's position, central role and pervasive power are limited. It has not really met as expected in attracting investment in the city. Although the city has made many efforts, communication, advertising and promotion activities for inviting partners have not been highly effective. The reason is attributed to the fact that the city has not clearly defined its strengths, weaknesses, opportunities, and challenges; therefore, synchronous place marketing strategies have not been created to properly address key issues of the city.

In this situation, the application of the SWOT matrix and the QSPM matrix for building and selecting a place marketing strategy of Can Tho City with orientation towards 2030 is highly necessary, especially in the context that the Politburo (the 12th Politburo) has recently issued Resolution No. 59-NQ/TW dated August 5, 2020 on the construction and development of Can Tho city to 2030, with orientation towards 2045 [1].

2. Method

2.1. Approach method

Approach method of this study is the local (or national) brand hexagonal model of Simon Anholt. The model consists of six elements: human resources (people), investment, tourism, cultural heritage, trade - export, and public management ability (see Figure 1 below).



Source: [4]

Figure 1. Brand Hexagonal Model of Simon Anholt

Based on the six elements of the model, the study will analyze the current place marketing situation of Can Tho city, identify the main strengths, weaknesses, opportunities and challenges of six factors, and then propose place marketing strategies for Can Tho city with orientation towards 2030.

2.2. Data collection method

Primary data for the period 2014 - 2018 (with update and adjustment to year of 2019 and expansion for previous periods) on six elements that make up local brands including: human resources (people), investment, tourism, cultural heritage, trade - export and public management ability was collected from the Statistical Yearbook, official reports of departments, scientific works, which have been published.

Primary data was collected in 2020 through in-depth interviews with 30 representatives of government agencies (departments, branches, districts) of the city and consultation with 30 experts from relevant fields. The content of consultation mainly scores strengths, weaknesses, opportunities, challenges, strategic groups of SO, ST, WO, WT.

2.3. Data processing method

- Descriptive statistical method: methods such as statistics table, relative number comparison, average value... are used to reflect and cite the analytical contents.

- SWOT matrix: is used to analyze, evaluate and list the strengths, weaknesses, opportunities, challenges that affect the place marketing strategy of Can Tho city, then to propose strategic groups of SO, WO, ST, WT.

- QSPM matrix: is used to score and select the most feasible strategies from the proposed strategic group (SO, ST, WO, WT).

3. Results

3.1. Analysis of strengths, weaknesses, opportunities, and challenges of Can Tho City's place marketing strategy

For human resource factor (people), Can Tho plays a role as the center for education, training and science and technology of the Mekong Delta with a more complete educational infrastructure system than other provinces in the region. The city has a large contingent of educational and scientific human resources, and system of large universities, which play a key role in training human resources for the whole region. Human Development Index (HDI) of the Can Tho City has continuously increased over the years and has always been higher than the national HDI. Can Tho people have a specific character of the Southern people, that is kindness, generosity, honesty, respect for gratitude... Besides, the city is striving to build Can Tho people according to criterion of “Wisdom - dynamism - kindness - generosity – elegance”. However, the city's labor productivity and the quality of human resources are still

poor compared to that of cities under the Central Government. In the context of the current revolution in science, technology and knowledge economy, the city needs to pay more attention to training to improve the quality and productivity of the workforce.

For Investment factor, the city has about 8,600 active enterprises, 102 off-budget investment projects, 246 projects in export processing zones and industrial zones, 87 foreign direct investment projects, 18 projects from non-governmental aid by the end of 2019 [5]. In addition, there are about 13 intermediaries operating in support of startups, 02 investment funds and start-up development and more than 82 startup projects with creative elements, in which, many projects have started to have products and started to reach the market. The city has applied many mechanisms and policies to support investment, set up a specialized agency to carry out investment promotion with a variety of activities to increase investment attraction. However, the city's investment costs are not as attractive as compared to neighboring provinces in the region.

For Tourism factor, Can Tho plays a central and coordinating role in tourism for the whole Mekong Delta thanks to favorable technical infrastructure and transportation (international airport, accommodation system,). Can Tho's tourism industry has unique tourism products such as river tourism and MICE tourism [6]. Tourism brand is interested in building and developing with an identity system including the logo and slogan of “Can Tho - River Region”. The tourism industry focuses on the image of “An ideal - safe - friendly tourist destination” to become convergence place of ‘Western River Civilization”.

For Cultural Heritage factor, Can Tho currently has 104 types of intangible cultural heritages (including 04 national intangible cultural heritages), 36 ranked monuments (including 13 national monuments, 23 city monuments). In general, Can Tho has plentiful and diversified culture, which is the harmony, interference and convergence of many cultural features from traditional to modern and from rural, horticultural region to urban area. In which, the main and most prominent thing is river culture. However, the role of the Can Tho City in general is not really clear despite being identified as the cultural center of the Mekong Delta. In addition, the development of cultural industry has not been compatible with the position of the city.

For the Trade - Export factor, Can Tho has great advantages in terms of economic geographic factors for the development of trade - services such as being located at a commercial lead center connecting the provinces with many key projects such as Can Tho bridge, international airport, Cai Cui port... The city's commercial system is diversified, including a wholesale and retail system with a full range of types including traditional markets, supermarkets, trade centers, convenience stores, grocery stores... However, the development of infrastructure, especially transport infrastructure and supporting services, is

not commensurate with its potential; therefore, the trade - export sector has not been promoted to maximize their advantages.

For public management ability factor, economic growth is stable and national defense and security are guaranteed under the management and administration of the city government. Thereby, Can Tho creates a safe and secure environment for people living, working and investors coming to production and business. In recent years, PAPI and PCI indicators have both shown improvements and are quite high in the country [2,3]. However, in-depth analysis of the component indicators shows that people and businesses expect authorities to be more active and promote e-governance in order to better interact with people and businesses.

3.2. SWOT matrix

The SWOT matrix is built on the main strengths, weaknesses, opportunities, and challenges of each element as proposed by representatives of government agencies and assessment of experts.

Table 1. SWOT Matrix for Can Tho City's Place Marketing Strategy

	Strengths (S)	Weaknesses (W)
	S1. Having great economic geographic advantages for trade and service development and being located at a trading lead center of the region.	W1. Tourism activities and supporting tourism services (such as nightlife, shopping and tourism) are overlapping, monotonous, and have not met the needs of tourists
	S2. Role of Center for Education – Training and Science – Technology of the region.	W2. The city's export capacity is still low due to the lack of large corporations, especially in the export processing sector. The value of the city's exports is not high.
	S3. Situation of political security, social order and safety is guaranteed, creating a safe and secure environment for living, working, investing and doing business.	W3. There are very few famous domestic and international brands of products, goods and services.
	S4. Having an attractive “Market” and “Infrastructure” for investment.	W4. Can Tho still has low labor productivity.
Opportunities (O)	Strategy SO	Strategy WO
O1. Completion of transport infrastructure projects, especially highways as well as opening new flight routes, is an opportunity for the city to expand the	- Combine S1 with O2, O3 to form Development Strategy to make Can Tho City become a lead center of trade and export in the Mekong Delta.	- Combine W2, W3 with O2, O3 to form Strategy for Branding of Featured Export Products. - Combine W1 with O1 to form Development Strategy

market and welcome more tourists.

O2. Completion and operation of the transport and logistics infrastructure works will promote the circulation of goods and significantly reduce costs for exporters in the region.

O3. Participation in FTAs creates opportunities to expand and diversify the trade - export market, making Can Tho City's products and goods participate more deeply into the entire production and supply chain.

O4. Development potential of the economy as well as each industry and each field is still quite large.

- Combine *S4* with *O4* to form ***Investment Attraction Strategy with a focus on leading industries.*** of ***supporting tourism activities and services.***

Challenges (T)	Strategy ST	Strategy WT
T1. Climate change, environmental degradation caused by tourism exploitation is not combined with renewable investment; the spread of global epidemics...	- Combine S2 with T2, T3 to form <i>Development Strategy of Can Tho City to become a center for training high-quality human resources with international standards.</i>	- Combine W1 with T1 to form <i>Strategy for Development of Typical, Green and Sustainable Tourism Products of Can Tho city</i>
T2. Common international standards for human resources.	- Combine S3 with T4 to form <i>Strategy for Public Management Ability Enhancement in the New Situation.</i>	- Combine W4 with T2, T3 to form <i>Strategy for accelerating the transfer and application of science and technology with purpose of labor productivity improvement.</i>
T3. The Fourth Industrial Revolution creates challenges for the workforce (the ability to grasp, adapt, apply and master science and technology).		
T4. Non-traditional security challenges, especially climate change, environmental pollution, cybersecurity, and dangerous epidemics that spread globally are increasing.		

Source: Compiled by author, 2020

SWOT matrix includes 08 strategies. Specifically:

- Strategic group of SO includes 02 strategies in the field of Trade - Export and Investment. These strategies use key strengths such as “Having great economic geographic advantages for trade and service development and being located at a trading lead center of the region” and “Having an attractive “Market” and “Infrastructure” for investment” to take advantage of external opportunities such as “Completion and operation of the transport and logistics infrastructure works will promote the circulation of goods and significantly reduce costs for exporters in the region”, “Participation in FTAs creates opportunities to expand and diversify the trade - export market, making Can Tho City's products and goods participate more deeply into the entire production and supply chain” or “Development potential of the economy as well as each industry and each field is still quite large”. Strategies such as *“Development Strategy to make Can Tho City become a lead center of trade and export in the Mekong Delta”* and *“Investment Attraction Strategy with a focus on leading industries”* are formed.

- Strategic group of WO includes 02 strategies in the field of Trade - Export and Tourism. These strategies use key opportunities such as “Completion and operation of the transport and logistics infrastructure works will promote the circulation of goods and significantly reduce costs for exporters in the region”, Participation in FTAs creates opportunities to expand and diversify the trade - export market, making Can Tho City's products and goods participate more deeply into the entire production and supply chain” or “Completion of transport infrastructure projects, especially highways as well as opening new flight routes, is an opportunity for the city to expand the market and welcome more tourists” to improve the weaknesses as “The city's export capacity is still low due to the lack of large corporations, especially in the export processing sector. The value of the city's exports is not high”, “There are very few famous domestic and international brands of products, goods and services” and “Tourism activities and supporting tourism services (such as nightlife, shopping and tourism) are overlapping, monotonous, and have not met the needs of tourists”. Strategies such as *“Strategy for Branding of Featured Export Products”* and *“Development Strategy of supporting tourism activities and services”* are formed.

- Strategic group of ST includes 02 strategies in the field of Human Resources and Public Management Ability. These strategies use key strengths as “Role of Center for Education – Training and Science – Technology of the region” or “Situation of political security, social order and safety is guaranteed, creating a safe and secure environment for living, working, investing and doing business” to cope with challenges such as “Common international standards for human resources”, “The Fourth Industrial Revolution creates challenges for the workforce (the ability to grasp, adapt, apply and master science and technology)” or “Non-traditional security challenges, especially climate change, environmental pollution, cybersecurity, and dangerous epidemics spreading globally are increasing”. Strategies such as *“Development Strategy of Can Tho City to become a center*

for training high-quality human resources with international standards” and “Strategy for Public Management Ability Enhancement in the New Situation” are formed.

- Strategic group of WT: includes 02 strategies in the field of Tourism and Human Resources. These are strategies aimed at overcoming such weaknesses “Tourism activities and supporting tourism services (such as nightlife, shopping and tourism) are overlapping, monotonous, and have not met the needs of tourists” and “Can Tho still has low labor productivity”. At the same time these strategies are to cope with or dodge with challenges such “Climate change, environmental degradation caused by tourism exploitation is not combined with renewable investment; the spread of global epidemics...” or “Common international standards for human resources”, “The Fourth Industrial Revolution creates challenges for the workforce (the ability to grasp, adapt, apply and master science and technology)”. Strategies such as “Strategy for Development of Typical, Green and Sustainable Tourism Products of Can Tho city” and “Strategy for accelerating the transfer and application of science and technology with purpose of labor productivity improvement” are formed.

3.3. QSPM matrix

On the basis of strategic groups of SO, WO, ST, WT formed from the SWOT matrix, the study construct QSPM matrix. In which:

- Coefficient: average score of experts for each strength, weakness, opportunity and challenge.

- AS: attraction score, showing the correlation of strength, weakness, opportunity and challenge with strategic plans.

(AS: 1 = less attractive; 2 = medium; 3 = attractive)

-TAS: total attraction score, which is determined by the result of multiplication of weight by attraction point.

- Average score: the average of total attraction point. The higher the average value, the more attractive that strategic plan is.

Strategy SO:

Table 2. QSPM matrix for strategic group of SO

Important factors	Coefficient	Strategic plan			
		AS	TAS	AS	TAS
		Development Strategy to make Can Tho City become a lead center of trade and export in the Mekong Delta		Investment Attraction Strategy with a focus on leading industries.	

Strength					
- S1 Trade - export	3.00	3	9	-	-
- S4 Investment	2.70	-	-	3	8.1
Opportunity					
- O2 Trade - export	3,00	3	9	-	-
- O3 Trade - export	2.87	3	8.61	-	-
- O4 Investment	2.60	-	-	3	7.8
Average point	-	-	8.87	-	7.95

Source: Compiled by author, 2020

According to results in 2, we can see that “Development Strategy to make Can Tho City become a lead center of trade and export in the Mekong Delta” reached 8.87 points. “Investment Attraction Strategy with a focus on leading industries” reached 7.95 points.

Strategy WO:

Table 3. QSPM matrix for strategic group of WO

Important factors	Coefficient	Strategic plan			
		AS		TAS	
		Strategy for Branding of Featured Export Products		Development Strategy of supporting tourism activities and services	
		AS	TAS	AS	TAS
Weakness					
- W1 Tourism	2.73	-	-	3	8,19
- W2 Trade - export	2.67	3	8.01	-	-
- W3 Trade - export	2.67	3	8.01	-	-
Opportunity					
- O1 Tourism	3.00	-	-	3	9
- O2 Trade - export	2.87	3	8.61	-	-
- O3 Trade - export	3.00	3	9		
Average point	-	-	841	-	8.60

Source: Compiled by author, 2020

According to results in Table 3, we can see that “Strategy for Branding of Featured Export Products reached 8,41 points. “Development Strategy of supporting tourism activities and services” reached 8,60 points.

Strategy ST:

Table 4. QSPM matrix for strategic group of ST

Important factors	Coefficient	Strategic plan			
		Development Strategy of Can Tho City to become a center for training high-quality human resources with international standards		Strategy for Public Management Ability Enhancement in the New Situation	
		AS	TAS	AS	TAS
Strength					
S2 Human Resources	2.9	3	8.7	-	-
S3 Public management ability	2.73	-	-	3	8.19
Challenge					
T2 Human Resources	2.77	3	8.31	-	-
T3 Human Resources	2.77	3	8.31	-	-
T4 Public management ability	2.73	-	-	3	8.19
Average point			8.44		8.19

Source: Compiled by author, 2020

According to results in 4, “Development Strategy of Can Tho City to become a center for training high-quality human resources with international standards” reached 8.44 points and “Strategy for Public Management Ability Enhancement in the New Situation” reached 8.19 points.

Strategy WT:

Table 5. QSPM matrix for strategic group of WT

Important factors	Coefficient	Strategic plan			
		Strategy for Development of Typical, Green and Sustainable Tourism Products of Can Tho city		Strategy for accelerating the transfer and application of science and technology with purpose of labor productivity improvement	
		AS	TAS	AS	TAS
Weakness					

W1 Tourism	2.73	3	8.19	-	-
W4 Human Resources	2.67	-	-	3	8.01
Challenge					
T1 Tourism	2.80	3	8.40	-	-
T2 Human Resources	2.77	-	-	3	8.31
T3 Human Resources	2.77	-	-	3	8.31
Average point			8.30		8.21

Source: Compiled by author, 2020

According to results in 5, “Strategy for Development of Typical, Green and Sustainable Tourism Products of Can Tho city” reached 8.30 points and “Strategy for accelerating the transfer and application of science and technology with purpose of labor productivity improvement” reached 8.21 points.

For ensuring the concentration of the strategy, four strategies with the highest average point were selected from the average point of the eight strategies.

Table 6. Synthesis of average ratings of the strategies

Name of strategy	Average point
Development Strategy to make Can Tho City become a lead center of trade and export in the Mekong Delta.	8.87
Development Strategy of supporting tourism activities and services.	8.60
Development Strategy of Can Tho City to become a center for training high-quality human resources with international standards	8.44
Strategy for Branding of Featured Export Products.	8.41
Strategy for Development of Typical, Green and Sustainable Tourism Products of Can Tho city	8.30
Strategy for accelerating the transfer and application of science and technology with purpose of labor productivity improvement	8.21
Strategy for Public Management Ability Enhancement in the New Situation	8.19
Investment Attraction Strategy with a focus on leading industries	7.95

Source: Compiled by author, 2020

From the ranking results shown in Table 6, the selected strategies are:

Strategy 1. Development Strategy to make Can Tho City become a lead center of trade and export in the Mekong Delta.

Strategy 2. Development Strategy of supporting tourism activities and services.

Strategy 3. Development Strategy of Can Tho City to become a center for training high-quality human resources with international standards.

Strategy 4. Strategy for Branding of Featured Export Products.

3.4. Solutions for strategy performance

3.4.1. Solution group for performance of Strategy 1

- Continue to implement and effectively apply a number of specific mechanisms on investment, finance, budget and decentralized management for Can Tho City to create a breakthrough in calling for and mobilizing resources for the implementation of infrastructure projects that make sense for the city's trade - export development such as seaport logistics and aviation logistics projects, high-tech parks...

- Develop a reasonable medium-term plan for public investment for the period 2021 – 2025; allocate resources and avoid spreading, dispersing, speeding up the disbursement of capital; ensure correct completion of the set schedule of traffic infrastructure works managed by the city in order to increase the synchronization and connectivity of the city's infrastructure system.

- Promote the implementation of the shared economic model, especially in the field of commerce, logistics with models such as for lease of space, offices, apartments, warehouses, vehicles...

3.4.2. Solution group for performance of Strategy 2

- Study, formulate and approve the Nighttime Economic Development Project in Can Tho City to from legal basis to exploit the potential of the nighttime economy, create more attractive tourism products for tourists and job opportunities, improve income and living standards of people by participating in providing services to tourists.

- Develop more specialized streets, upgrade current night markets, study to restore a number of streets with traditional, long-standing and branded stores of the city to serve shopping needs of visitors.

3.4.3. Solution group for performance of Strategy 3

- Speed up the implementation of projects in the field of education in the city. Continue to call for the development of a system of high-quality private educational institutions.

- Encourage initiatives of an advanced educational model that is appropriate to the needs of development in the new situation. Promote the application of information technology in teaching. Strengthen foreign language capacity for students in the city.

- Propose to the competent authority to allow the city to implement experimental model of application of special higher education standards for one or a number of higher education institutions under city government according to international models and standards to create a breakthrough in the training of high-quality human resources for the city.

3.4.4. Solution group for performance of Strategy 4

- Enhance the application of science and technology in production and business processes such as the application of IoT in the field of crop production to increase automation, apply blockchain to product traceability, apply timelapse technology to track farming, processing...

- Organize training courses, advise businesses on packaging design, branding, logo, identification system, website interface, booth decoration ...; support enterprises in trademark registration.

- Enhance promotion through social media, especially social networks such as Facebook, Weibo... Apply virtual reality technology to advertise and promote export goods and call for investment.

4. Discussion and Conclusion

By the SWOT matrix method and the QSPM matrix method and thanks to the consultation of 30 government representatives and 30 experts, the study has identified the main strengths, weaknesses, opportunities and challenges, thereby building and selecting 4 marketing place strategies of Can Tho City, including: (i) Development Strategy to make Can Tho City become a lead center of trade and export in the Mekong Delta; (ii) Development Strategy of supporting tourism activities and services; (iii) Development Strategy of Can Tho City to become a center for training high-quality human resources with international standards and (iv) Strategy for Branding of Featured Export Products. Besides, the study has proposed 04 groups of solutions for strategy performance. Thereby, the study has completed Place Marketing Strategy of Can Tho City with orientation towards 2030.

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