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Tue, October 12, 2010, 3:41 PM (GMT+0700)

Expat businesses reflect on Hanoi's 1,000 birthday



Hanoi streets become tidier and more beautiful thanks to the Thang Long-Hanoi millennium festival with telephone and electricity wires put underground, streets repaved and pavements widened

Photo: Ngan Giang

Misinformation, road closures, gridlock traffic – gripes about these could be heard in the days leading up to Hanoi's ten-day long celebration honoring the city's 1,000th birthday.

But when Hanoi's millennium celebration marched towards its grand finale on the 10th of October, how have the festivities affected businesses owned and managed by some of the city's estimated 5,000 expatriates?

Business hasn't changed much for Ipa Nima, a designer handbag boutique located on Nha Tho, a street heavily trafficked by tourists near the center of the festivities at Hoan Kiem Lake.

"Early in 2010, people were saying the 1,000 year celebration would be good for retail," CEO of Ipa Nima Mark Lockwood said. "Have we seen that? Not necessarily. But we haven't seen a big dip either."

"I can say that the city looks better than I've ever seen it," said Lockwood, an Australian who has lived in Hanoi for more than 10 years. "And the money invested in this event to improve infrastructure will make Hanoi better for people living and visiting here in the coming years."

Residents have publicly questioned whether the US\$67 million spent on the event was going overboard in a country facing electricity shortages, drought and now heavy flooding. But with the city center's tangle of telephone wires put underground, streets repaved and pavements widened, the event seems to have spurred some much needed improvements to the capital city of a country that is quickly being thrust more and more onto the world stage.

In April 2010, Vietnam hosted the 16th ASEAN Summit. Immediately following the 1,000 years event, it will welcome Defence Ministers of the ASEAN nations plus eight others, including Australia, China, India, Japan, the Republic of Korea, New Zealand, Russia and the United States.

According to William Lau, General Manager of the Intercontinental Hotel Hanoi West Lake, "Both our hotel and the city have had some practice now in dealing with these high level guests and high profile events – from a city/state level, that seems to be more or less on track."

However, the hotel, which is offering discounted room rates as part of its "Once in Thousand Years" marketing campaign, has not seen any significant change in the number of guests or length of stay during October – typically the peak month for tourism in Vietnam.

In spite of the massive effort to beautify Hanoi for the millennium event, the city does not seem to have had a high increase in international guests.

According to Lau, a native of Hong Kong who has worked in hospitality for 28 years throughout 13 countries, the fundamental procedures that make it more difficult to visit Vietnam than other Asian countries remained the same in spite of the celebration.

Lau pointed out that compared to neighboring countries like Thailand, Cambodia and Lao PDR, Vietnam's visa procedures are somewhat challenging for tourists. A visa must be arranged in advance through an agency or consulate whereas it can be purchased upon arrival for less money with no prior arrangements in the other countries.

"An event like this is a great opportunity to make some of those procedures more lax to make the event more enticing to foreign guests," Lau said.

Although the Ministry of Culture, Sports and Tourism (MCST) agreed to grant free visas to foreign tourists between October and December, it announced the promotion on 30 September - the day before the festival began. The free visa also applies only to foreign visitors who book a tourist package tour called "Vietnam – Your Destination."

In fact, late and constantly changing notifications about event schedules and road closures crop up as the most common complaint.

British Council's Deputy Director Michael Gordon said his staff had told him months before that the city would virtually be shut down during the ten days of festivities and that all roads in and near the center would be blocked off.

They feared that British Council, which offers English courses to children and adults, would have to refund two weeks worth of classes to students.

"In the end, other than a bit of rearranging and minor inconvenience, everything has more or less gone on as usual," said Gordon. "The biggest problem was actually that the road closures were not when they said they would be."

But to Gordon, whose organization promotes cultural exchange between the UK and Vietnam, "It's great that Hanoi is having this celebration," he said.

"It seems to come at the right time," Gordon said. "And I think it reflects Vietnam's pride in modernizing while keeping sure of their traditions."

Managing ten days of festivities throughout a city of 6.5 million is no small feat. Strangely, it seems that the hype and confusion surrounding whether the city could pull it off or not has affected the city's residents more so than the events themselves.

"Due to the traffic jams during this period, local residents are hesitant to go out, so our restaurant business is down," said Earnie Yasuhara, General Manager of Hotel Nikko, a Japanese-owned hotel near Hoan Kiem Lake.

In spite of initial fears, Hanoi seems to have pulled off the festivities so far without major upheaval for the city's residents. Perhaps the city could have brought

in more business had the event been promoted more internationally – which travel agents, hotels and other businesses might have done had information been distributed earlier.

But there's no doubt that Vietnam is heading fast into the future – and at least the city is charging ahead in style.

As Lau said, "What leads up to something can be chaotic - but what follows can really have a lasting impression."

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