

Outdoor Real Estate Advertising in Thu Duc City An Overview And Policy Suggestions In The Context Of Asean Integration

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ABSTRACT

In recent times, the real estate industry in Ho Chi Minh City has experienced significant development, which has created an increasing demand for real estate advertising. In the context of ASEAN integration, applying targeted and effective outdoor real estate advertising strategies becomes an important factor. This article will present the current status of outdoor real estate advertising in Ho Chi Minh City (through a survey of billboards in Thu Duc City); Refer to some methods of management, planning, and design of outdoor advertising boards in ASEAN countries regarding real estate; From there, we propose several policies that can be applied to improve advertising effectiveness in the real estate industry in Thu Duc city, Ho Chi Minh City shortly.

Keywords: *Real estate advertising, outdoor advertising, ASEAN experience, Thu Duc City*

1. INTRODUCTION

Thu Duc City has, since 2021, become the first “city-within-city” in Vietnam after the National Assembly granted customs clearance to Ho Chi Minh City under Resolution 1111/NQ-UBTVQH14. With a special geo-economic position, an area of more than 211 km² and a total population of more than 1 million people, it is the gateway to the Southeast region and a perfect connection area between the major urban areas of Binh Duong, Dong Nai, Ba Ria - Vung Tau and the center of Ho Chi Minh City, the urbanization rate of Thu Duc continues to increase with 50-60% of public road projects and is located in the main axis of regional and inter-regional transport infrastructure. According to the planning by 2040, Thu Duc city will be developed into an innovative focal point and innovation center, contributing to increasing the economic efficiency and quality of life of the people of Thu Duc city (Cao Tan, 2022). Only in the short term, by 2025, Thu Duc can attract about 60,000 - 70,000 businesses according to the general planning forecasts of the city (Thanh Luan, 2023).

According to the HCMC People's Committee, in 2022, Thu Duc City will have 120 advertising panel posts, including 116 for commercial advertising systems. Of 116 panel posts, 73 are licensed to be constructed by competent authorities and registered for advertisement contents as prescribed; 43 panel posts are constructed by land management agencies or project investors that sign land lease contracts and have not yet carried out procedures for notifying advertisements to state management agencies (Dang Khoa, 2022). Accordingly, outdoor real estate advertising in Thu Duc will be an important and potential tool for branding, attracting customers and creating attention. Taking advantage of the strategic location, dense population and diverse customer audiences, outdoor advertising can contribute to the sustainable development of the real estate sector in Thu Duc and create attention and brand identity, contributing to the realization of the goal of optimizing urban planning in the direction of an innovative urban area east of the city. However, it is necessary to have solutions to minimize violations in outdoor advertising activities to ensure state management according to regulations and promptly serve political promotion in the area.

2. RESEARCH METHODS

To be able to provide objective judgments and solutions, the article is based on the quantitative and qualitative method. Quantitative method of collecting and processing secondary data from specialized document sources and mainstream scientific articles, scientific reports, reputable websites, etc. related to outdoor advertising billboards in ASEAN. Then, the authors conducted an overview of the characteristics of location, the content of outdoor advertising billboards, and the market for this type of advertising, proposing some lessons learned for outdoor advertising in Thu Duc City. Qualitative method, specifically direct observation of outdoor advertising billboards in two areas of Thu Duc City: Binh Trieu bridge and the area from Saigon bridge to Mai Chi Tho street. The group observed the location, area, design, and explanatory content on billboards related to real estate; The space surrounding the billboard and traffic flow affecting the placement of the billboard are also the observation goals of the research team. Observation time is within 03 days, morning from 07:00 to 10:00, and evening from 19:00 to 21:00. These are two time periods that, according to the authors, are enough to cover the issue of placing real estate advertising signs in Thu Duc City.

3. RESULT AND DISCUSSION

3.1 Overview Of Outdoor Real Estate Advertising In Thu Duc City, Ho Chi Minh City

Outdoor advertising in particular has contributed significantly to the development of the Vietnamese economy. Comparative data from the period 2004 - 2005 and 2006 - 2007 related to outdoor advertising regulations will demonstrate the above statement. In 2004, the advertising industry in Ho Chi Minh City and Hanoi had some slowdowns because these two economic centers banned and restricted outdoor advertising activities, which caused the advertising industry's revenue to decline significantly. However, by 2006 there were more improvements, and the entire advertising industry's revenue reached 300 million USD (compared to only 107.6 USD in 2001) (Huynh Phuoc Nghia, 2007). Another data from TNS Media Vietnam company, the overall sales of the outdoor advertising industry in Vietnam in the years 2006 to 2007 accounted for nearly 20% of the overall sales of the advertising industry, the proportion of people in Ho Chi Minh City who like to go on the streets accounts for 80% (Vietnam Economic Journal, 2007). This proves that the outdoor advertising market is a potential economic source for Vietnam in general.

Outdoor advertising (OOH-out of home) is currently not only understood as "billboard" or "panel" billboards with large sizes placed on rooftops, on walls outside buildings, Large boards placed along traffic routes, riverbanks, etc. but it also includes "moving" ads, that is, ads in mobile forms such as ads on buses, taxis, etc. (Vietnam Economic Journal, 2007). The types of outdoor advertising are so diverse. However, the form of advertising using "billboard" signs, or outdoor advertising signs, is still used by many large companies and businesses, especially real estate businesses. Real estate chooses to promote its products, services, or planning projects because of its unique and outstanding features. Billboard advertising is advertising signs that are usually large in size and placed on the streets. The advantage of this type of advertising is its ability to attract attention, somewhat "coerce" and "impose" people's vision and easily convey a message, content, and brand recognition of businesses is high compared to other types of outdoor advertising ("shifting" outdoor advertising) (Hoa Dang, 2017). Locations for this type are usually located in densely populated areas, with a lot of traffic or important traffic intersections, ensuring that people can see the messages on billboards. Therefore, this type of advertising is considered quite "expensive" and costly. However, that does not mean outdoor "billboard" advertising has lost appeal. For example, real estate products are still prioritized for promotion in this form in Ho Chi Minh City, especially in new urban areas such as Thu Duc City.

According to survey research on outdoor advertising in Ho Chi Minh City in the second quarter of 2021 (at 29 roundabouts, bridges, intersections, major roads, central Ho Chi Minh City area) by Compasstech - company The leading leader in measuring the effectiveness of outdoor advertising in Vietnam has given specific numbers about real estate advertising as follows: (1) Top real estate businesses using outdoor advertising include Novaland, Nam Long, An Gia, Propzy, Gotecland; (2) Real estate industry accounts for 36% with an estimated value of 5,665,000 USD; (3) Compared to the first quarter of 2021, the second quarter of 2021 the real estate sector increased to 1.95% the board rate (Figure 1). It shows that in the context of the COVID-19 pandemic, the outdoor advertising industry in general and real estate advertising in particular not only does not decrease but also tends to increase stronger.

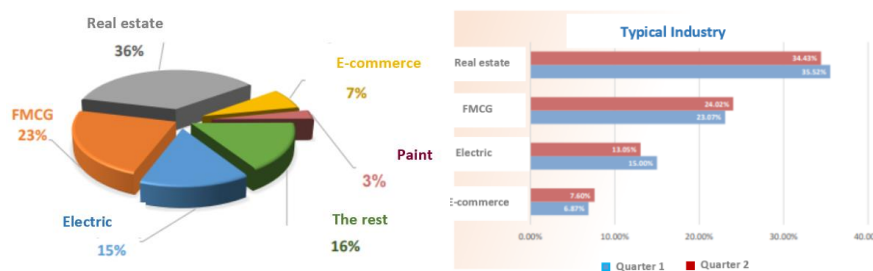


Figure 1. Overview of outdoor advertising industry in Ho Chi Minh City in the second quarter of 2021

Residential real estate is a commodity, in which home ownership remains an attractive sector (Shklovski et al., 2008). To face increasingly fierce competition, real estate businesses need to have forms of advertising that help customers easily find information, compare prices, and build trust with them. With the above statistics on the outdoor advertising market, the real estate industry in Ho Chi Minh City still favors choosing the main form of advertising as outdoor signs to promote products and services. For example, in Thu Duc City, after Resolution 1111/NQ-UBTVQH14 issued by the National Assembly Standing Committee on January 1, 2021, Thu Duc City was officially established. With the orientation of developing Thu Duc City towards an innovation center, startup center, and financial center, Thu Duc City has become a strongly developed urban area, playing an important role in promoting the socio-economic development of Ho Chi Minh City as well as surrounding areas, improving the quality of life of the resident community.

Thu Duc invests heavily in facilities, becoming a potential area to develop real estate projects, such as Thu Thiem's new urban area, Vinhomes Grand Park, Van Phuc City, Lakeview City, etc. are the most modern new urban areas in Thu Duc in particular. Therefore, advertising activities about urban area projects and real estate projects in Thu Duc are also exciting.

From the observations, one easy-to-see location for "billboard" outdoor advertising signs in Thu Duc City is the location along the Saigon Bridge - Hanoi Highway to the intersection at Mai Chi Tho Street and Binh Trieu Bridge location. Outdoor advertising "billboard" in these locations also has advantages and disadvantages. In terms of advantages, these are routes with heavy traffic and are roads connecting neighboring provinces and cities. Therefore, outdoor real estate advertising signs in these locations easily create a strong impression and go deep into the subconscious of customers. Besides, any object can be easily approached, regardless of occupation, age, and high or low needs of customers. The most commonly used form is a tall column-shaped billboard, which does not overwhelm the vision of passersby. On the contrary, the visual "imposition" does not cause discomfort to traffic participants because of the space required to place the billboard. Airy and airy, not distracting the eye. Tall columns are made from concrete or reinforced steel. Above is a large board with content on 1, 2, or 3 sides, covered with a sturdy iron frame. The surface area is very diverse, depending on the location of the advertising column, ranging from 40-200m². In inner city areas, the area of single-column advertising panels will be smaller than in national highway areas or along highways, so billboards in these two survey locations often have similar sizes and heights. relatively large. The height of this type of advertising billboard ranges from 8-15m from the road surface to the bottom edge of the board. The common surface material of outdoor advertising panels is specialized Hiflex tarpaulin that can be waterproof and bear good weight. At night, these signs are also equipped with additional lights, both to clearly see the advertising content and to brighten the urban space in the evening, which is also rated well.

Regarding disadvantages, although the urban landscape is not much affected by these types of billboards, legal issues also need to be noted. In 2022, Thu Duc City will prosecute several advertising companies that placed outdoor billboards at the two intersections of An Phu Ward and Cat Lai Ward without following the procedures for reporting advertising to management agencies. Government. Many of these have not been licensed by competent authorities regarding content and construction location (Hoai Nam, 2022). In addition, although these advertising signs are erected on concrete and reinforced columns, if there are adverse effects from harsh weather, the risk of falling or breaking these signs is entirely possible. Therefore, it is necessary to strictly control the stages of advertising registration, land rental, advertising content, price, and technical safety of these types of signs. Another limitation of this type of outdoor advertising is its "mobile" nature. With the current 4.0 industrial revolution, this advertising method cannot reach deeper into real potential customers. demand, as well as in terms of design aesthetics, are also limited by the prescribed area of the billboard and its visual characteristics.



Figure 2. Outdoor advertising billboards in the Saigon Bridge - Hanoi Highway area

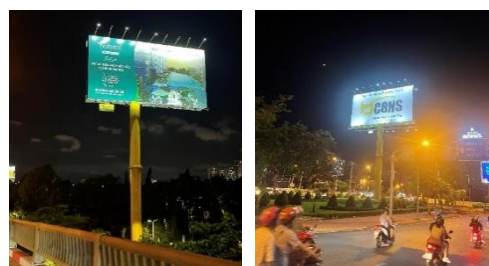


Figure 3. Real estate advertising signs at Binh Trieu Bridge, Thu Duc City at night

3.2 Real Estate Advertising Signs In Some Asean Cities

3.2.1 Thailand

Thailand is a country with a strong and creative outdoor advertising industry. In terms of infrastructure, Thailand has similarities with Vietnam, but the outdoor advertising orientation has more open and modern policies. In addition to the advertising projects through creative content videos that have made a resonance for the Thai advertising industry, the traditional advertising market has also flourished. In 2019, the Thai advertising industry reached 124 billion Baht (US\$3.65 billion). In which outdoor advertising reached 15 billion Baht (US\$441.5 million), holding the third place in Thailand's advertising industry (November, 2020). Regarding the "billboard" billboards of Thailand are often super large in size to hundreds of square meters in locations such as airports, avenues, city centers, etc. with a variety of forms from 2D to 3D (static advertising), vivid digital transitions from the world's major brands such as Samsung, Toshiba, etc. (Unique Integrated Outdoor Advertising, 2019) (Figure 4).

Another study by author Benyada Rungroj et al. said outdoor media still holds an important position in the real estate business despite having been influenced by the growth of online advertising. According to the authors, spending on outdoor media services accounts for about 20 - 60% of a business's total advertising budget, of which listed companies spend more, about 50 - 60%, while unlisted companies spend only about 20 - 30% of their total advertising budget. Both listed and unlisted companies agree that outdoor media is still necessary for the real estate business and will never go away, as using outdoor media along with online advertising is much more effective than just using online media. In the same study, the authors said Thai real estate companies make decisions about which outdoor communication service provider to use based on the following factors: (1) Quality of service: Outdoor communication service providers must be responsive, responsible and punctual. They must also provide high-quality after-purchase service; (2) Reasonable pricing: The service they receive must be worth the money they spend; (3) Company policies: Some companies only consider suppliers who are on their client list and have done business with them before. The success of outdoor media is measured by the number of customers visiting each project and the positive attitude towards advertisers. Therefore, it is also a way to make outdoor advertising companies more actively competitive to meet the needs of introducing and promoting products and brands of real estate companies (Rungroj, B., Wongintavung, S., & Srisutto, S., 2023).

3.2.2 Myanmar

The trade of the outdoor advertising industry in Myanmar has existed since 1980. It has had a great influence and indicates that the modern commercial advertising industry has been booming with advertising since that time. In the early 1990s, the opening of the economy saw the entry of many Western brands into Myanmar. This goes in parallel with the entry into the industry of foreign advertising companies that set up businesses in Myanmar, mainly to serve their international clientele. In order to exploit the knowledge of the local market, a number of foreign agencies have also partnered with local companies. As can be seen, outdoor billboards for outdoor advertising have emerged from tradition to modernization (Adam, M et al., 2022).

Outdoor advertising in Myanmar has many forms such as digital billboards, murals, advertising in bus shelters, LED display trucks, in shopping malls and especially advertising with "billboard" Advertising with "billboard" is one of the most effective methods used in outdoor advertising because it is very conspicuous and has an impact on attracting the attention of consumers quickly and easily to the people of this country. Therefore, billboard advertising is an indispensable form of advertising when large enterprises want to promote their products. With the vibrant real estate market such as Myanmar, it is very common for real estate companies and corporations to choose favorable locations for placing billboards in this country.

Some of the experiences in outdoor billboard management in general and outdoor real estate billboard management in particular in Myanmar include the city of Yangon. The Yangon City Development Committee (YCDC) charges billboards with some local fees based on the billboard area regardless of the location prior to 2016. According to YCDC regulations, agencies and companies (advertisers) need prior approval of building owners and including public areas. The erection of billboards is already allowed after payment in order to obtain approval of advertising permits. Sometimes, some agencies and advertisers are sent detailed blueprints of the billboard structure but in practice face differences because of profit maximization. Until now, the YCDC can only establish rules and regulations. Advertising is under the management of Media. Therefore, if something happens, the media law should apply. Yangon City Development Commission will begin to use the payment system immediately to collect payments for billboard rental fees in the city area. The billboard areas are divided into five zones depending on popularity, designated from A to E. The annual rent is 25 million Kyat for Zone A, 18 million Kyat for Zone B, 13.5 million Kyat for Zone C, 10 million Kyat for Zone D and 5 million Kyat for Zone E. Interested people can rent blank billboards for short and long term. Applications will be processed on a first-come, first-served basis. Billboards are mainly rented by advertising

companies, while some companies rent space (and put on the billboards on their own). Many companies rent space for short periods of one month or three months depending on the needs of customers. Customers tend to hire advertising companies to undertake rental contracts and avoid dealing directly with the YCDC. The YCDC establishes rate cards for advertising companies and individual companies (Hnin Nwe Soe, 2022).

3.3 Discussion

Through studying about the management of real estate activities in Thailand and Myanmar, we found that Thu Duc City in particular and Ho Chi Minh City in general can learn some experiences concerning outdoor advertising on real estate from these two countries because of the similarities in the geographical location of Southeast Asia. Despite that the trend of online shopping is developing strongly, outdoor media has been, is and will continue to hold an important position in the real estate business in Thailand. Myanmar opened its doors in 1990 to attract more foreign investors to its real estate market. Only recently, Yangon City has established the Yangon City Development Committee in 2016 to provide effective regulations on management of outdoor activities in general, and outdoor management of real estate in particular. This serves to create favorable conditions for advertising companies to operate to meet the requirements of customers in accordance with regulations. Based on these experiences, we recommend the following suggestions for policies to ensure the interests of customers and improve the quality of advertising culture of real estate products:

1. Promote honest and transparent advertising: To ensure the interests of customers, it is necessary to apply clear regulations on advertising, ensuring the truthfulness and transparency in the transmission of information about real estate products. Advertising should not alter or obscure the truth about important information such as project planning, price, area, location, utilities, and buying and selling conditions.
2. Promote the interests of consumers: It is necessary to develop policies to protect the interests of customers in the field of real estate advertising. This may include strengthening the role and power of state regulatory bodies to control and oversee the operation of real estate companies. If advertising companies that abet clients that are real estate companies that advertise improperly on the project may be subject to joint liability, administrative penalties, revocation of operating licenses, etc.
3. Strengthen cooperation within ASEAN to develop advertising standards: In the context of integration and ASEAN Community Building 2025, ASEAN can play an important role in setting common advertising standards for the real estate industry in the region. Through cooperation and discussion, ASEAN countries can develop a common advertising guideline to ensure consistency and quality in the promotion of real estate products.
4. Promote the social responsibility of real estate businesses: Real estate companies should be aware of and fulfill their social responsibility in advertising their products. They should comply with legal regulations and ethical standards in advertising. At the same time, they also have the responsibility to participate in social activities, contributing to sustainable development and community.
5. Promote healthy competition: It is necessary to encourage healthy competition among real estate companies. This competition will promote the improvement of advertising and service quality, while ensuring that customers benefit from diverse choices and competitive prices.
6. Prioritize creative and impressive advertising: Thailand has been famous for creating creative and impressive outdoor real estate advertising. These advertisements often use unique elements such as artistic images, lighting, sounds, and colors to attract customers' attention. Thailand has created unique, colorful, and strongly impressive outdoor advertising campaigns for customers. Thu Duc City is planned to be a creative city, so it is necessary to communicate to advertising companies about creative and impressive advertising methods, which also contributes to improving the ability to receive modern design trends for urban residents.
7. Utilize technology and innovation: ASEAN countries have used technology and innovation to enhance the effectiveness of outdoor real estate advertising: applying technologies such as LED, touch screen, animation and video to create attractive multimedia advertisements. Combining network connectivity and the use of mobile applications to bring information about real estate to customers conveniently and interactively.
8. Ensure diversity in outdoor real estate advertising: Thu Duc City should encourage diversity and creativity in the approach to outdoor real estate advertising, licensing advertising companies to use public spaces, unique architectural structures and attractions to convey the message of real estate creatively. This will help Thu Duc City to make a difference and attract customers' attention in a competitive market.

9. Promote integration of advertising channels: Outdoor real estate advertising can be integrated with other advertising channels such as television, radio, social media and online. The creation of links between these channels will help enhance customer awareness and interaction as well as the realization of digital transformation.
10. Build a repository of quotations from Vietnamese cultural figures recognized by UNESCO such as Ho Chi Minh. Each outdoor real estate billboard comes with a propaganda slogan, a famous saying of the figure. Thinking with this way also contributes to raising the social responsibility of businesses to build their own identity for Thu Duc City in Ho Chi Minh City "civilized, modern, compassionate".

4 CONCLUSION

Ensuring the interests of customers and improving the quality of advertising culture in the real estate industry requires the cooperation and work together of stakeholders, including government, state management agencies, advertising companies, real estate businesses and consumers. With the aim of dynamic and creative socio-economic development, Thu Duc City needs to pay attention to development planning, as well as encourage investment in land, new urban areas, housing issues, etc. of domestic and foreign companies and enterprises. Therefore, the outdoor real estate advertising market is of great interest and potential benefit for real estate companies and corporations. Referring to the experience of some countries in the region helped confirm that the type of outdoor real estate advertising will not be replaced by internet advertising by public confidence if the products are advertised publicly with the permission of the authorities; and the effect of interacting with urban residents most of the time during the day in the streets. Housing needs are important needs of urban residents whereby if real estate companies choose the right advertising agency that does market research and collects information about buying behavior, needs and preferences of buyers will help create more effective advertising campaigns. If Thu Duc city soon introduces a planning map of publicly listed advertising locations, allowing companies with financial capabilities to use strategic locations for advertising, it will also help all parties have benefits. It is also necessary to strictly handle violations of outdoor real estate advertising. Encouraging creativity and impression, combining technology and communication, conveying messages contributing to preserving and promoting the values and identity of Vietnamese culture and local culture in the context of integration.

Summary: Outdoor real estate advertising in Thu Duc, Ho Chi Minh City has great potential to create a breakthrough in communication and customer attraction. Taking advantage of its strategic location, smart city, diverse customer audience and applying innovative strategies and digital technology, outdoor real estate advertising can contribute to the sustainable development of the real estate sector and promote the development of Thu Duc, Ho Chi Minh City.

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