Competitiveness of Philippine Tourism in Terms of the ASEAN Tourism Strategic Plan 2011-2014

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Abstract

This industry study is a period evaluation on the ASEAN Tourism Strategic Plan (ATSP) 2011-2015, a document prepared by the National Tourism Organizations of the ten member nations of the Association of Southeast Asian Nations (ASEAN) in preparation for ASEAN integration in 2015. Fully aware of the dynamism of the tourism industry, the formulators regard the ATSP as a living document and emphasize the need for the plan to "adapt quickly to changing circumstances and driving forces...to ensure that it stays relevant." Results showed that the ATSP is a valuable tool in developing the competitiveness of the ASEAN against other regional destinations in the world as it promotes economies of scale by pooling resources together. However, the Philippines was rather slow in disseminating information about the ATSP, and respondent groups were unaware of the plan. As a result, its implementation and adoption are still quite limited. Nonetheless, both the government and private sectors are exerting much effort to make the Philippines a "more fun" destination.

Key words: Philippine tourism, ASEAN Tourism Strategic Plan, destination management, regional tourism, collaboration

Introduction

Among businesses and industries, the ability to meet competition is the norm. Many management gurus have contended that if an establishment or an industry is not able to address competition, it is most likely to fail. Hence, staying ahead of one's competitor is most management's major concern.

Lately however, a new school of thought seems to be emerging: that of collaboration and cooperation among once competitors. This is evident in alliances and mergers among many companies of the same nature. In the travel and tourism industry, a number of airlines, hotels, transport providers and even restaurants have gone into mergers and alliances.

Hence, in other regions around the world, the concept of Regional Tourism or Destination Management has been adopted to make regions more attractive and competitive globally. This is evident in the Caribbean, Mediterranean, or European Union countries where tour packages are formulated spanning several countries, islands or destinations. Pooling their resources together and being more collaborative, they have become more attractive and popular as tour destinations, especially for cruises.

In Asia, a group of Southeast Asian nations banded together in 1967. Originally composed of five countries, namely Singapore, Indonesia, Malaysia, Thailand and the Philippines, it has now grown to have ten members, with Brunei Darussalam, Vietnam, Myanmar, Laos and Cambodia joining the association. Its objectives include promoting economic growth, social progress, and cultural development among its members, ensuring regional peace and stability, and providing opportunities for member countries to discuss differences peacefully (asean.org, 2006).

Competition has been stiff, but rather friendly among these countries, especially in the travel and tourism industry.

Since they are all located in Southeast Asia, they have a lot of commonalities: tropical weather, long coastlines teeming with marine life, unique but diverse Asian culture, rich cuisine and genteel people. These and many other factors make the Southeast Asian countries not only a very attractive tourism destination, but also a very attractive investment place. As expected however, the performance of the member nations varies greatly.

Background of the Study

In recent years, the tourism industry in Asia, specifically in the ASEAN, has been gaining strength when international tourists began tiring of traditional tourist destinations and started looking for more exotic and newer destinations. The tourism industry of Europe is known to be highly developed, but the very high potential for tourism development is now recognized for the Asian region by global investors, especially because of its favourable geographic factors (Exhibit 1).

Thompson (2011) contends that tourist arrivals in Asia are likely to grow faster compared to arrivals in Europe, and that the Asian market share of world tourism would steadily increase until 2020. In the early 2000s many countries in Europe experienced some instability as they suffered from the weakening of the Euro and the resulting debt crisis. Almost the same time as this, the United States economy went into recession. Thus, as more attention is drawn to other tourist markets, many Asian countries are looking at tourism to boost their economic growth and improve their investment opportunities.

At the start of the 21st century, triggered by global occurrences like 9/11, globalization and deregulation, destinations realized that more can be achieved through collaboration and cooperation rather than through competition. The threat of terrorism and lack of people travelling to countries led to a national level initiation of collaboration (Wong, E.P.Y. et al., 2009). Thus, the theories of Destination Management Systems, Regional Tourism Organizations and Inter-organizational Relations came about.

The ASEAN opted to re-capitalize on these concepts. Initially, it had launched Visit ASEAN Year in 1992 but it was limited to marketing and promotion. After that, the member countries continued about their own tourism development and promotion. By early 2000s, with economic uncertainties looming in the United States and in Europe, there was rising interest in the ASEAN region both in travel and in investment opportunities. Hence, it launched the ASEAN Tourism Strategic Plan 2011-2015 with a vision to "*provide authentic and diverse products, enhanced connectivity, a safe and secure environment, increased quality of services, while at the same time ensuring an increased quality of life and opportunities for residents through responsible and sustainable tourism development by working effectively with a wide range of stakeholders*."

It is very important for the Philippines to capitalize on this great potential for tourism development and investment, despite the rather tepid performance of Philippine tourism when compared to other ASEAN countries. Thus, fully aware of the dynamic characteristic of the tourism industry and with the ASEAN integration looming in 2015, the researcher performed a gate-phase evaluation on the implementation of the ASEAN Tourism Strategic Plan (ATSP) 2011-2015, as it goes into the 3rd year of its 4-year phase. Guided by the principles and concepts of Destination Management and regional tourism the research aimed to delve into the ATSP as a tool for improving the performance of Philippine tourism.

Setting of the Study

The ASEAN covers a land area of 4.46 million km², and has a population of approximately 600 million people. All the ten member countries in the ASEAN are blessed with natural assets, and the main tourist activities are beach and cultural tourism. Although the five founding member countries now have established tourism sectors, the low-income countries are looking to tourism as a means of economic diversification (Anastasiadou, C. and N. De Sausmarez, 2006).

When the ASEAN was founded in 1967, the Leaders or the Heads of Government stressed the importance of institutionalizing cooperation by creating a regional organization. Over the years, the organization saw the need to remain relevant, to assert its centrality, and to remain as the driver for the member nations; this is now manifested through the creation of a regional community. The formulation of the ASEAN Community was originally envisioned by its Leaders to take effect by 2020. However, during the 12th ASEAN Summit held in January 2007 in Cebu, Philippines, the Leaders decided to accelerate the regional integration to 2015 (Amador III and Teodoro, 2014).

Theoretical Framework

Concepts such as Destination Management, Inter-organizational Relations and Strategic Image Management have been adopted by many regional tourism organizations. However, not all regional organizations were successful; hence, it was established that in order to succeed, all stakeholders of the tourism industry should be incorporated and coordinated.

According to Creveling, C.M. et al. (2006) even a 5-year short-term plan, needs periodic, or gate-phase evaluation (intervening variable) to make sure that it remains relevant (dependent variable). This is to ensure that in the face of global changes and the dynamic nature of the tourism industry, the plan is able to adapt. The ASEAN Tourism Strategic Plan (independent variable) is intended to be implemented by ten different country governments, hence it is very likely that different levels of implementation and adoption (moderating variable) have been observed the by countries concerned.

Statement of the Problem

This study aimed to perform a gate-phase evaluation of the ASEAN Tourism Strategic Plan in order to determine its present relevance in the Philippines, considering the dynamism of the tourism industry. Specifically, it sought to answer the following questions:

1. How did the respondents from the Department of Tourism and its allied agencies, and private stakeholders assess the competitiveness of the Philippines tourism industry, in terms of:
   - 1.1 Development of experiential and innovative products,
   - 1.2 Development of marketing and investment strategies,
   - 1.3 Increase in quality of human resource, services and facilities, and
   - 1.4 Enhancement and acceleration of travel and connectivity?
2. How did the respondents from the Department of Tourism and allied agencies, and private stakeholders assess the level of implementation of the ASEAN Tourism Strategic Plan 2011-2015 thus far, in terms of:
   - 2.1 Marketing,
   - 2.2 Development of regional products and experiences,
   - 2.3 Public relations and promotions
   - 2.4 Creation and implementation of ASEAN tourism standards, and
   - 2.5 Travel facilitation and connectivity?
3. What actions may be proposed to enhance the performance of Philippine tourism based on the ATSP?

Scope and Delimitation

This research delves into the implementation of the ASEAN Tourism Strategic Plan (ATSP) 2011-2015 by the Philippine tourism industry. It touches on five aspects of the plan directly related to regional tourism development, namely: Marketing, Development of Regional Products and Experiences, Public Relations and Promotions, Creation and Implementation of ASEAN Tourism Standards, and Travel Facilitation and Connectivity. It will not touch on the aspects of Investment, Mutual Recognition Arrangement (MRA), Communications, and Issues of Governance, Planning and Implementation.

Although the full gamut that accounts for the Philippine's tourism industry comprises several government agencies, the target respondents for this sector were limited to employees of the Department of Tourism and the two agencies attached to it: the Tourism Infrastructure and Enterprise Zone Authority (TIEZA) and the Tourism Promotions Board (TPB). Private stakeholder respondents were employees of travel-related establishments such as travel agencies, tour operators, hotels, etc. Traveller-respondents were both local and international.

Presentation, Analysis and Interpretation of Data

1. Assessment of the Competitiveness of Philippine Tourism

   1.1 Competitiveness as to Development of Experiential and Innovative Products

Table 1 shows that the Philippines faired quite well as far as development of experiential and innovative products as concerned. Since the country caters more to niche tourism, travel agencies and tour operators focus more on experiential and innovative products. There are many tours and products that stray from the usual tourist attractions: health tourism, culinary tourism, marine-based tourism, cultural tourism, etc. (ATMS 2012-2015).

According to Mr. Privado, Sharp Travel caters to a lot of naturalists, divers, bird watchers, and other special interest tourists, and they bring them to exotic, non-touristic places. They also handle a lot of expedition cruises, taking them to the different islands in the archipelago. Hence, as far as local encounter and cultural flavour are concerned, the Philippines is very competitive, compared to other ASEAN countries. Like Thailand, Indonesia, Cambodia or Myanmar, the Philippines offers cultural and heritage sites for tours, like Ilocandia Heritage and Cultural Tour, Cultural Tour of Lake Sebu in South Cotabato, Ifugao Rice Terraces Trek, Abatan River Community Life Tour in Bohol, T'bolo Cultural Village Tour in Davao del Sur, Dipolog River Cruise in Zamboanga del Norte, and the Puerto Princesa Subterranean River National Park in Palawan (ATMS 2012-2015). This was confirmed by Ms. Lazaro of the TPB, who said that the present thrust of the country is on experiential tourism like heritage, culinary, adventure and hacienda tours.

With regard to targeting identified markets, the Philippines is conducting numerous familiarization tours to India and Russia. India is a very strong emerging market for the Philippines and is expected to be a tourist-generating country by 2020.

The main drawback however is in the state of Philippine ports for cruises. Unlike Singapore, Malaysia or Thailand, the Philippines' cruise ports are not of international standard. The country ranks 131st as far as quality of seaport and road infrastructure are concerned (ASEAN Competitive Index 2012). According to Mr. Privado, more often than not, the expedition cruise ships have to utilize cargo ports rather than "cruise" ports because of the depth needed for the ships. Ms. Lazaro, on the other hand, confirmed that the country is developing luxury, leisure and discovery cruises. She stated that the Philippines is strong on river cruise and dive safaris.

The government tourism sector continues to identify priority areas for tourism development. Ms. Lazaro enumerated Baler, Naga and Siquijor as some of the areas.

Table 1 implies that the Philippines is quite competitive with its products and packages offerings although the cruise segment remains weak, even though it is one of the segments being actively developed by the ATSP. As such, the country has not realized its full potential as a cruising destination, given its archipelagic composition.

1.2 Competitiveness as to Development of Marketing and Investment Strategies

Table 2 shows that the private stakeholders have a positive outlook as far as development of marketing and investment strategies are concerned.

The Philippines is featured in the CNN advertorial "Southeast Asia—Feel the Warmth" along with the nine other member nations. The DOT and its allied agencies however feel that the Philippines is only "somewhat competitive" as far as promotion on the ASEAN website is concerned, whereas the private stakeholders feel the country is "very competitive." The description about the Philippines in the CNN advertorial is quite catchy as compared to the other countries—it emphasizes the country's cuisine, coral islands, white sandy beaches and hospitable people. The different festivals and events in the country are also featured in the website's calendar of events. It is noticeable though that the Philippines has only 8 pictures in its slide show, whereas the other countries have double that number. Ms. Tess Mauricio, Head Asia Pacific and Oceania for Marketing and Promotions clarified this: the TPB is under re-organization stage and undermanned, so they had very limited photos available. Hence, Table 2 implies that the country is rather weak in its marketing strategies.

The same goes true for its investment strategies. The Philippines, like its neighbouring countries, actively participates in regional tourism and investment forums, such as the ASEAN Tourism Forum, which the country hosted in 2006 and will host in 2016, and the Asia-Pacific Economic Forum, which the country will host in 2015. The government lures investors to the country on such occasions. However, investors apparently prefer other ASEAN countries because of more favourable investment policies. As stated earlier, the country only stands 108th when it comes to Ease of Doing Business.

This weakness in marketing and investment strategies of course has grave repercussions on the country's economic growth, employment generation and tax collections. The Philippines is losing out a lot to other ASEAN countries which are aggressively promoting investment, such as Indonesia and Malaysia.

During the ASEAN Tourism Integration Briefing and Consultative Meeting held at Clark Freeport Zone, Rosanna Tuason-Fores, President of the Tourism Council of the Philippines, reported that in 2013, Indonesia and Vietnam had USD15.5 billion and USD3.9 billion in capital investment for tourism; the Philippines had only USD1.9 billion capital investments in tourism.

1.3 Competitiveness as to Increase in Quality of Human Resource, Services and Facilities

In Table 3, the private stakeholders again show optimism as far as increasing the quality of human resource, services and facilities are concerned.

Although chain hotels are not as widely represented here in the Philippines as in other ASEAN countries, there has nevertheless been a noticeable increase in international standard accommodation in the country, especially in popular tourist destinations like Boracay (Discovery Shores, Shangri-la's Boracay, Asya Premier, etc.), Cebu (Abaca Resort, Crimson Resort & Spa, Movenpick Hotel, etc.) and Bohol (Eskaya Beach Resort, Amorita Resort, Amarela Resort, etc.) which also provide quality services and facilities.

With the ASEAN integration looming, both the private and government tourism sectors acknowledge the efforts of the country to raise professionalism and service excellence standards. Numerous colleges and universities all over the country offer Tourism and/or Hotel & Restaurant Management as a course. The Technical Education and Skills Development Authority (TESDA) also offer technical-vocational courses in the same field.

One big advantage of Filipinos when it comes to ASEAN integration is his proficiency in the English language. Coupled with this is the famed Filipino hospitality. Both the private stakeholders and the government tourism sector rated the Philippines as "very competitive" in this aspect (communication, inter-personal) against other ASEAN countries.

1.4 Competitiveness as to Enhancement and Acceleration of Travel Connectivity

Table 4 shows that the private stakeholders and the government tourism sector agree only on one aspect as far as enhancement and acceleration of travel connectivity is concerned: i.e. in facilitating travel into and within the country.

According to the ASEAN Competitive Index 2012, the Philippines pales compared to other ASEAN in terms of direct routes from capital cities. In 2011 Manila had only 75 non-stop routes to ASEAN, compared to Bangkok's 136 non-stop routes, Singapore's 122, Kuala Lumpur's 109 and Jakarta's 66 non-stop routes. Therefore, to increase air seats, Philippine air carriers such as Cebu Pacific and Zest Air have merged with airlines of other ASEAN countries specifically Tiger Airways (Singapore) and Air Asia (Malaysia). The country has also adopted "pocket open skies" which allowed other country's airlines to land in the Philippines' international airports except at the Ninoy Aquino International Airport (NAIA) because it is very congested already.

According to the same report, the Philippines has also eased visa requirements to 151 nationals, allowing them visa-free entry to the country for 21 days. This was confirmed by Assistant Secretary of Tourism Rolando Canizal, who reported during the ASEAN Integration Meeting that visa-upon-arrival is issued at the airports in Clark, Manila, Puerto Princesa and Legaspi. To compare this with other countries, Malaysia allows visa-free entry to 163 nationals, Singapore to 159, Vietnam to only 13 but issues visa upon arrival to 182 nationals, Thailand visa-free to only 59 but issues visa upon arrival to 21 nationals, Indonesia visa-free to 41 and issues visa upon arrival to 58 nationals, and Cambodia visa-free to only 5 but issues visa upon arrival to 179 nationals.

Enhancing travel connectivity goes true also as far as sea travel is concerned: unknown to many Filipinos, the country is actually visited by several cruise ships. Seabourn's Africa and Southeast Asia Exploration includes stops at Hundred Islands, Manila, Boracay, Coron and Puerto Princesa. The Azamara Club Cruises leaves from Singapore and stops in Kota Kinabalu, Muara, Manila, Hong Kong and Xiamen. Oceania Cruises' Around the World in 180 Days, as well as its Continental Collection, stops in Manila after calling in Kaosiung and sailing onward to Borneo (Cruise Complete). These cruises visit the Philippines once a year or once in two years, and stays for one to two days. Sharp Travel's expedition cruises however visit three or four times a year, and stay for around 10 days. According to Mr. Privado of Sharp Travel, these expedition cruises frequently visit Hundred Islands, Subic, Coron, Manila, Boracay or Bohol. They sail either from Taipei or Hong Kong.

Table 4 implies that the authorities in the government have taken great strides in enhancing and accelerating travel connectivity, and thus have taken the step in the right direction for tourism to contribute more to economic growth. At last, the monopoly on air transport is over and the Philippines has adopted liberalization and de-regulation. These are important measures for economic development. However, Asst. Secretary Canizal emphasized the need to connect the airports to the seaports to facilitate travel.

2. Assessment of the Level of Implementation of the ASEAN Tourism Strategic Plan 2011-2015 in the Philippines

While conducting the survey and the interviews, the researcher observed that information dissemination about the ATMS and the ATSP was rather weak. Apparently the results of the discussions were not cascaded to the private stakeholders, or even to the employees of the DOT, TIEZA or TPB. Most respondents, regardless of respondent group, were not aware of it, and answered the questionnaire based on their general knowledge about the tourism industry and to the best of their ability.

2.1 In terms of Marketing

Table 5 shows that the private stakeholders are quite satisfied with the marketing efforts of the country, rating all particulars as widely considered and implemented.

According to Mr. Privado of Sharp Travel, the responsibilities and roles between the public and private sectors in the regional marketing efforts is quite clear: the government tourism sector actively spearheads the marketing efforts of the Philippines and keeps the private sectors updated on any promotional events. There are numerous monthly roadshows in the ASEAN which travel agencies, tour operators, hotels, resorts, etc. can attend and the DOT informs them about it. The private stakeholders join depending on their own thrust and direction. Ramon Jimenez, the Secretary of Tourism, calls for meetings with the private stakeholders depending on their market and products.

Sharp Travel also conducts a lot of regional research on its own to create a stronger position for its niche markets and expedition cruises.

Ms. Lazaro said the country is actively promoting in non-Asian market like the United Kingdom and Australia, where the Philippines does “out of home” (OOH) or outdoor advertising.

Table 5 implies that although the government tourism sector works with the national tourism organization of other ASEAN countries, promoting the ASEAN as a destination is still not given priority; rather, it is still promoting the Philippines alone. The DOT and its allied agencies still do not recognize the great potential of regional tourism or “creative segmentation”.

2.2 In terms of Development of Regional Products and Experiences

Table 6 reflects the respondents’ perception regarding development of regional products and experiences are concerned.

The ASEAN is known for its natural attractions ranging from tall mountains to raging rivers to rich coral beds. However, it is surprising to note that given the richness of the Philippines in terms of natural resources, the country only ranks 70th out of 139 economies in terms of natural resources, trailing behind Indonesia which ranks a high 17th, Thailand 21st, Malaysia 22nd, Vietnam 51st and Cambodia 53rd; only Singapore ranks below the Philippines at 96th. As far as cultural resources are concerned, the Philippines rank 76th, again trailing behind most other ASEAN countries: Singapore is 30th, Thailand 32nd, Malaysia 33rd, Vietnam 36th and Indonesia 39th; Cambodia, with its rich Khmer culture, ranks 111th (ASEAN Competitive Index 2012). This is because countries like the Philippines and Cambodia, although rich in natural, cultural or heritage resources are quite weak in promoting and showcasing it. According to Mr. Privado, while it is true that the government exerts a lot of marketing effort, there is still very low publicity about the Philippines, as he has encountered many nationalities who are unaware about the Philippines and what the country has to offer.

Table 6 shows that the private stakeholders as well as the government tourism sector are aware of this situation thus, they really strive hard to develop competitive and interactive tourism products. The government sector continues to develop community-based experiential tourism—encouraging homestays and local interaction.

Both sectors conduct research and ocular inspections to further develop regional products and experiences, and to capitalize on the country's rich natural resources and cultural heritage. For example, Sharp Travel offers cruises on the Abatan River in Bohol with local interaction to the province's furniture and basket weavers. It went on ocular to Misamis Oriental and Bukidnon to research about possible tribal encounters in the area.

To meet the changing needs of the travellers, both respondent groups are developing water-based tourism featuring wakeboarding in Camarines Sur, whale watching in Donsol, swimming with thresher sharks in Malapascua Island, or diving in Tubbataha Reefs Natural Park. For beach tourism, Camiguin and Caramoan have been added to the usual roster of Boracay Island and El Nido. General Santos and Siquijor are also being promoted (DOT brochure).

Ms. Mauricio of the TPB also mentioned that as far as the ASEAN region is concerned, Davao tries to develop regional tourism in the BIMP-EAGA region (Brunei-Indonesia-Malaysia-Philippines East ASEAN Growth Area). They launched the tourism brand "Equator Asia" with the slogan "the heart of biodiversity."

The results of Table 6 imply that the Philippines is quite strong in product development as it constantly tries to find new destinations and activities. But then again, it is weak in marketing and promoting its products and attractions.

2.3 In terms of Public Relations and Promotion

Table 7 presents the results with regard to public relations and promotions.

The ATSP has developed an ASEAN portal espousing and promoting the brand "Southeast Asia—Feel the Warmth." It features brief information, pictures and calendar of events about the ten member nations and the Philippines is equally represented in the CNN advertorial. For a very brief period, the researcher was able to chance upon this advertorial at the CNN channel while watching news.

Aside from this advertorial, Ms. Mauricio mentioned that an ASEAN video was also produced for the Pacific Asia Travel Association (PATA). The ASEAN secretariat prints a magazine *ASEAN Tripper* and it features the member countries. This magazine is given to the NTOs for distribution. The ASEAN brand logo and slogan is used by the Philippines mainly when attending international trade shows. There is a tacit understanding among the member nations to display the logo and slogan during such occasions. The logo also appears on brochures intended for international distribution.

A look at Table 7 implies that the ASEAN portal is not really taken advantage of by the government tourism sector. This is sad as it means loss opportunity for the country to align itself with some popular destinations.

2.4 In Terms of Creation and Implementation of ASEAN Tourism Standards

The researcher attempted in Table 8 to determine the standard of the airport and transportation service in the country, along with the hotel, spa, public toilet standard, and others.

It is common knowledge that the Ninoy Aquino International Airport has received much flak lately as far as its standard is concerned. It has been downgraded by the U.S. Federal Aviation Administration (FAA) and the country's airline was black-listed by the European Union which denied them flying rights to Europe and North America. Other ASEAN countries' airports and airlines on the other hand are lauded as one of the world's best, such as Singapore Airlines and Changi International Airport in Singapore and Thai Airways International and the Suvarnabhumi International Airport in Bangkok.

Lately however, the Philippine government has taken efforts to rectify the problems at the airports. Structural retrofitting, improvement of mechanical, electrical, plumbing and fire protection facilities, and renovation of architectural works have being undertaken at NAIA 1 (Agcaoili, 2014). Advisories have been sent out to inform the travellers that terminal fees will now be incorporated in the air ticket cost, to facilitate departure procedures. Apparently, the Philippines is one of the last countries to adopt this practice.

A concerted effort among the land, air and maritime authorities is also in place in order to improve transportation service in the country. Stricter implementation of policies is being observed to make travel safer, specially regarding capacity control and maintenance of vehicles and vessels.

Improvements in the hospitality sector are also evident, with higher standard of service and products required across all types of accommodation facilities. The DOT has developed accreditation standards even for homestay establishments and spas. DOT accredited public restrooms that are clean and odor-free can be found in some touristic spots in the country. Ms. Lazaro also mentioned that since the Philippines is the ASEAN chair for Climate Change, the country takes environmental issues seriously—this is one of the pressing issues in ASEAN tourism as many of its attractions are nature-based.

The role that TESDA plays in elevating tourism service standards is worth mentioning. Technical education and skills development programs for various fields in the industry have been developed by the Authority, and educators in the hospitality industry are required to attend these programs. TESDA offers programs in fields like Housekeeping, Food and Beverage, Bartending, Hotel and Restaurant Supervision, etc.

Table 8 implies that much effort is actually being given to raise Philippine tourism standard to ASEAN level. This is of course good for the industry and economy as the Philippine strives to be at par with its neighbouring countries, thus preparing the country for ASEAN integration. As tourists become more sophisticated and learned, focus on tourism has veered from "the sun, sea and sand" to that of "safety, security and sanitation." (ATMS 2012-2015)

2.5 In Terms of Travel Facilitation and Connectivity

Table 9 shows the result of the survey with regard to travel facilitation and connectivity.

As mentioned earlier in 4.4, the ASEAN is taking a lot of steps to make travel into and within the region easier by adopting visa-free or visa-upon-arrival policies and the Philippines ranks quite high on this. Merger among airlines and adoption of pocket open skies policy were also taken to facilitate travel and connectivity.

Issues about safety and security however still hound the country specially in the southern part as well as petty crimes held against tourists. The state of Philippine ports in also quite lamentable with cargo ports being used and thus, the absence of comfortable waiting or embarkation/disembarkation areas. As Mr. Privado stated transport logistics are also a problem, as well as immigration procedures for cruise ships. Apparently, immigration authorities would find it very difficult to process a 3,000 capacity cruise ship.

To further develop sea travel, Ms. Lazaro said the other ports around the country are being considered: ports in Subic Bay, Batangas City, Port Irene in Tuguegarao, Poro Point in La Union, and the ports in Cagayan de Oro and General Santos. Again however, the problems about insurgency and piracy are a deterrent.

Table 9 implies that although the government is aware of the importance of enhancing connectivity and facilitating travel, still it is somewhat slow in trying to achieve these. It seems to regard the geographical location and archipelagic composition of the country more as a hindrance rather than as an advantage as far as tourism is concerned.

Ms. Glenda T. Reyes, from the USAID Trade-Related Assistance & Development (TRADE) Project and during the ASEAN Integration Meeting, called the attention of the private and public stakeholders about the Brunei Action Plan for 2015, which advocates for an ASEAN single aviation market, a single shipping market, and an ASEAN highway network—all to be covered by an ASEAN Framework Agreement on Transport Facilitation.

3. Proposed Actions to Enhance the Performance of Philippine Tourism Based on the ATSP

3.1 Information Dissemination

As it has been observed that the ATSP in unknown to many employees in the government tourism sector itself as well as to the private stakeholders, it is urgent that **updated information about the ATSP be disseminated** to everyone involved in the industry. Time is ticking and the ASEAN integration will start sooner than later. An **annual tripartite meeting** should be called represented by the government, private and academe sectors to inform and update everyone how the Philippine stands within the ASEAN. The Philippine tourism industry does not come at par with its ASEAN neighbours and much commitment and hard work have to be exerted for the country to be competitive.

The researcher agrees with the former Secretary of Tourism Richard Gordon that a **"culture of tourism" has to be imbibed** in every Filipino, and this is where the academe can take an active role. With K-12 being adopted, "Tourism" can be incorporated in the curriculum or subjects to make the youth understand that even they have a role to play in tourism.

3.2 As to Development of Experiential and Innovative Products

The Philippines can strongly **pursue its niche markets** of nature tourism, expedition cruises, adventure tourism, mountaineering, etc. as these are allocentrics who tend to stay longer in the country and spend more. The country should make sure it retains this market and not lose it to other ASEAN countries through aggressive research and product development. New destinations have to be constantly sought out to make tourists keep coming back to the Philippines. As the psyche of the traveller changes and becomes more sophisticated, mass tourism becomes less attractive.

The **beauty of the Philippines along with the whole ASEAN region** should be promoted and developed. The other countries may cater more to culture or shopping and the Philippines can offer nature and adventure. The different countries in the region can **complement each other** and come up with a more attractive and unique product, different from what other regional destinations offer. While the Caribbean or Mediterranean cruises are more for romance and honeymoons, the ASEAN can be for diving and adventure. The waters in the ASEAN teem with marine life as the Coral Triangle is found in the area.

3.3 As to Development of Marketing and Investment Strategies

The Philippine government has to allocate a **bigger budget for Tourism marketing**. It is noteworthy that all other countries in the ASEAN prioritize their travel and tourism, and even new-comers like Cambodia or Myanmar have realized tremendous growth in tourist arrivals. The importance of marketing to attract not only tourists but even investors cannot be further highlighted.

The Philippines can again collaborate and perhaps **capitalize on the popularity** of other ASEAN destinations to further promote the country. As mentioned earlier, the country is still unknown to some peoples. Marketing the Philippines with the other countries in the region will help tremendously.

The researcher believes that the Philippines' strategic location and natural beauty is very ideal for investment. While it is true that the country tries to actively attract foreign direct investments, all the **parameters for such investment have to be in place**: infrastructure development, human resource, investment policies, etc. This is where good governance comes in. A change in administration cannot mean a change in policies; **consistency in investment policies** should be adopted. **Investment procedures have to be streamlined**, putting more one-stop-shops in major cities throughout the country. While Singapore leads the world in ease of doing business, the Philippines stands 108th; Malaysia stands 6th, Thailand 18th, Vietnam 99th, Indonesia 120th, Cambodia 137th and Myanmar 182nd (data.worldbank.org, 2013).

Pending bills in the Senate pertaining to immigration and foreign ownership protection should also be urgently reviewed since these laws affect the country's attempt to attract foreign direct investments.

Entrepreneurship should be encouraged for small scale tourism industries such as cottage industries, inns, etc. This will support the government's thrust on community-based tourism; it can be achieved if the government adopts credit improvement for small and medium enterprises.

3.4 As to Increase in Quality of Human Resource, and Creation and Implementation of ASEAN Tourism Standards

The Philippines has placed much emphasis in developing its human resource as evidenced by the abundance of hospitality management schools, culinary schools, and TESDA training programs. The perceived boom in tourism industry has prompted many schools to offer hospitality management courses. However, this **proliferation of schools has to be closely monitored** by authorities and accreditation bodies in order to ensure the high quality of education and training. A look into the **intra-ASEAN curriculum** should be taken and possibly adopted, as to how it can contribute to curriculum development.

The **use of English language** should be emphasized as the researcher feels this is still an edge for Filipinos. The absence of language barrier is a plus factor for the country. The Philippines should remain ahead in this aspect, along with its famed Filipino hospitality.

A **review of the accreditation guidelines for tourism establishments**: hotels, resorts, transport facilities, travel agencies and tour operators, etc. should be done by the TIEZA to make sure it is updated and possibly be made more stringent than ASEAN standards in order to make the Philippines more competitive. The Philippines can learn much from the standards set by other ASEAN countries like Singapore and Thailand.

Sanitation should be given emphasis if the country wants to be world-class. In the same way that "tourism" should be part of the Filipino culture, sanitation should be part of the Filipino lifestyle.

3.5 As to Enhancement and Acceleration of Travel Connectivity

Much is to be desired from the Philippines regarding this: from infrastructure development to travel formalities to increasing accessibility—hence, priority should be given here. The researcher firmly believes the Philippines could have been a hub for Asia specially for trans-Pacific flights, but corruption caused the sorry state of the airports and made the country lose this opportunity. The airports of major cities surrounding the country have gained repute; Vietnam has long-term capacity projections for its international gateways. While it is true that renovation of NAIA terminals is underway, the country is still in dire **need of a world-class airport serviced by a high-speed transport network and improved road conditions**. The government should have a short-term vision (ASEAN integration) and long-term vision (major international gateway to Asia) regarding this.

Immigration procedures and formalities should also be looked into. The fact that the Philippines is already visa-free to many countries is a step in the right direction, but the **processing at the immigration counters** at the airports and seaports still need improvement, with more immigration counters to be opened with faster computer service. The country has a hard time catering to really big cruise ships because of logistical problems like immigration processing time and transportation facilities for shore excursions.

The adoption of a single visa will benefit the Philippines to some extent as it can gain popularity with the market of its neighbouring countries. However, problems about political sovereignty, border security, illegal migration, etc. should be carefully studied.

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Exhibit 1: International Tourist Arrivals by Region in Various Years

Region	Million Arrivals				
	2000	2001	2003	2004	2007
Africa	27.9	28.5	30.8	33.2	44.0
Americas	128.2	122.2	113.8	125.8	142.0
Asia-Pacific	110.6	120.5	119.3	152.5	184.0
Europe	392.5	387.8	399.0	416.4	484.0
Middle East	24.5	24.0	28.8	35.4	48.0
World	684.0	688.5	690.0	763.0	903.0

Source: Modified from UNWTO

Table 1: Competitiveness as to Development of Experiential and Innovative Products

Particulars	DOT, TIEZA, TPB			Private Stakeholders		
	X	S.D	Verbal Interpre-tation	X	S.D.	Verbal Interpre-tation
1.Development of cruise segment to international standard (ports, shore excursions, on-board activities, etc.)	2.78	.960	Somewhat competitive	3.36	1.001	Somewhat competitive
2. Designing tour packages to provide more local encounter for tourists to the ASEAN	3.52	.886	Very competitive	3.85	.825	Very competitive
3. Designing tour packages to have a distinct cultural flavour for the adventure culture seekers	3.51	.954	Very competitive	3.88	.900	Very competitive
4.Continuous development of new tour activities for the young independent travellers	3.44	.906	Somewhat competitive	3.76	.894	Very competitive
5.Targeting cruise segment in the U.S. and Europe	2.92	1.108	Somewhat competitive	3.22	1.004	Somewhat competitive
6.Continuous development of exciting destinations nationwide	3.63	.972	Very competitive	3.85	.941	Very competitive
7.Development of tour packages espousing the ASEAN tour brand "Southeast Asia—Feel the Warmth"	3.44	.980	Somewhat competitive	3.59	.904	Very competitive
8.Formulation of tour packages specific for identified tourist markets (e.g. China, Japan, India, Russia)	3.55	.958	Very competitive	3.67	.866	Very competitive
9.Packaging tourism heritage sites all over the country	3.68	.937	Very competitive	3.87	.928	Very competitive
10.Providing a distinct, interactive experience to tourists	3.57	.856	Very competitive	3.80	.892	Very competitive
11.Developing tour packages which allow tourists to interact with various elements of the destination	3.59	.904	Very competitive	3.84	.873	Very competitive

Table 2: Competitiveness as to Development of Marketing and Investment Strategies

Particulars	DOT, TIEZA, TPB			Private Stakeholders		
	X	S.D.	Verbal Interpre-tation	X	S.D.	Verbal Interpre-tation
1.Adoption of the ASEAN tour brand “Southeast Asia—Feel the Warmth”	3.21	.977	Somewhat competitive	3.65	.919	Very competitive
2. Incorporating and promoting the country as a single ASEAN destination for the short-haul and long-haul markets	3.38	.860	Somewhat competitive	3.50	.896	Very competitive
3. Promotional materials widely available in alternative languages (e.g. Chinese, Japanese, Russian)						
4.Capitalizing on the ASEAN website for promotion	3.48	.959	Somewhat competitive	3.59	.954	Very competitive
5.Usage of the “Visit ASEAN” campaign logo	3.27	.813	Somewhat competitive	3.53	.895	Very competitive
6.Participation in international tourism events in the ASEAN tourism area	3.18	.984	Somewhat competitive	3.45	.987	Somewhat competitive
7. Feature presentation in the ASEAN tourism portal	3.73	.782	Very competitive	3.81	.815	Very competitive
8. Participation in ASEAN tourism investment forum	3.35	.943	Somewhat competitive	3.65	.766	Very competitive
9. Undertaking studies on tourism areas in the country which can be promoted for investment	3.48	.770	Somewhat competitive	3.73	.813	Very competitive
10. Reducing restrictions to/for investors in tourism and travel services	3.35	.925	Somewhat competitive	3.79	.833	Very competitive
	3.32	.834	Somewhat competitive	3.66	.860	Very competitive

Table 3: Competitiveness as to Increase in Quality of Human Resource, Services and Facilities

Particulars	DOT, TIEZA, TPB			Private Stakeholders		
	X	S.D.	Verbal Interpre-tation	X	S.D.	Verbal Interpre-tation
1.Enhancing tripartite assistance in Human Resource Development and Training (industry, academe and ASEAN)	3.32	.964	Somewhat competitive	3.87	.841	Very competitive
2.Providing higher level of service nationwide	3.45	.919	Somewhat competitive	3.95	.821	Very competitive
3.Providing world-class standard facilities (accommodation, transportation, F&B, attractions, etc)	3.43	.968	Somewhat competitive	3.93	.959	Very competitive
4.Attaining higher skills level nationwide (communication, service, managerial, inter-personal)	3.63	.876	Very competitive	3.96	.876	Very competitive
5.Development of an intra-ASEAN curriculum	3.20	.912	Somewhat competitive	3.72	.881	Very competitive
6.Providing customer-focused services nationwide	3.46	.903	Somewhat competitive	3.89	.895	Very competitive
7.Progressively raising professionalism and service excellence standards	3.59	.886	Very competitive	3.99	.883	Very competitive

Table 4: Competitiveness as to Enhancement and Acceleration of Travel Connectivity

Particulars	DOT, TIEZA, TPB			Private Stakeholders		
	X	S.D.	Verbal Interpre-tation	X	S.D.	Verbal Interpre-tation
1.Providing incentives in the development of tourism infrastructure	3.44	.957	Somewhat competitive	3.72	.803	Very competitive
2.Facilitating travel into and within the country	3.52	.903	Very competitive	3.95	.848	Very competitive
3.Liberalization of air travel	3.47	.908	Somewhat competitive	3.72	.881	Very competitive
4.Liberalization of sea travel	3.21	.883	Somewhat competitive	3.60	.878	Very competitive
5.Establishing an integrated network of tourism and travel services to maximize the complementary nature of the country's attractions	3.45	.890	Somewhat competitive	3.74	.841	Very competitive

Table 5: Implementation of ATSP 2011-2015 In terms of Marketing

Particulars	DOT, TIEZA, TPB			Private Stakeholders		
	X	S.D.	Verbal Interpre-tation	X	S.D.	Verbal Interpre-tation
1.Conducting a regional market research to guide all marketing efforts	3.56	.710	Widely considered & implemented	3.76	.882	Widely considered & implemented
2.Coordinating with other countries' National Tourism Organization	3.61	.726	Widely considered & implemented	3.84	.802	Widely considered & implemented
3.Developing a clear-cut understanding between the public and private sectors on responsibilities and roles in the ASEAN regional marketing effort	3.47	.718	Considered but implemented w/limitations	3.75	.736	Widely considered & implemented
4.Endorsing a marketing strategy that is supported by all stakeholders: ASEAN Tourism Ministries, ASEANTA, travel and tourism establishments	3.45	.761	Considered but implemented w/limitations	3.73	.831	Widely considered & implemented
5.Developing a strategy for the region that is practical (budget-wise) and sustainable in the long term	3.47	.740	Considered but implemented w/limitations	3.63	.835	Widely considered & implemented
6.Creating ASEAN brand recognition in non-Asian market sources	3.36	.760	Considered but implemented w/limitations	3.45	.905	Widely considered & implemented

Table 6: Implementation of ATSP 2011-2015 in terms of Development of Regional Products and Experiences

Particulars	DOT, TIEZA, TPB			Private Stakeholders		
	X	S.D.	Verbal Interpre-tation	X	S.D	Verbal Interpre-tation
1.Developing a coherent product within the region to remain competitive in the global tourism environment	3.40	.778	Considered but implemented w/limitations	3.88	.837	Widely considered & implemented
2.Making products more interactive to meet the needs of the changing consumer	3.56	.667	Widely considered & implemented	3.96	.837	Widely considered & implemented
3.Increasing water-based activities	3.69	.769	Widely considered & implemented	3.77	.794	Widely considered & implemented
4.Developing cruise tourism and river-based tourism	3.33	.778	Considered but implemented w/limitations	3.51	1.01	Widely considered & implemented

Table 7: Implementation of ATSP 2011-2015 in Terms of Public Relations and Promotion

Particulars	DOT, TIEZA, TPB			Private Stakeholders		
	X	S.D.	Verbal Interpretation	X	S.D	Verbal Interpretation
1.Identifying all possible distribution channels	3.51	.801	Widely considered & implemented	3.80	.905	Widely considered & implemented
2.Assessing the effectiveness of the "Visit ASEAN" logo	3.26	.867	Considered but implemented w/limitations	3.54	.919	Widely considered & implemented
3.Assessing the effectiveness of the "Southeast Asia—Feel the Warmth" slogan	3.21	.792	Considered but implemented w/limitations	3.53	.988	Widely considered & implemented
4.Assessing the effectiveness of the ASEAN portal	3.19	.721	Considered but implemented w/limitations	3.51	.908	Widely considered & implemented
5.Raising international awareness on the ASEAN as a single destination	3.33	.811	Considered but implemented w/limitations	3.46	.996	Widely considered & implemented

Table 8: Implementation of ATSP 2011 – 2015 in Terms of Creation and Implementation of ASEAN Tourism Standards

Particulars	DOT, TIEZA, TPB			Private Stakeholders		
	X	S.D	Verbal Interpretation	X	S.D	Verbal Interpretation
1.Streamlining airport arrival/departure procedures	3.33	.892	Considered but implemented w/limitations	3.73	.973	Widely considered & implemented
2.Improving transportation service in general (bus, taxi, rail, boat, air)	3.34	.801	Considered but implemented w/limitations	3.78	.993	Widely considered & implemented
3.Increasing levels of attention and service in accommodation and F&B sectors	3.67	.672	Widely considered & implemented	3.97	.832	Widely considered & implemented
4.Determining indicators and set measurable tourism standards in general (homestay, green hotels, spa service, public restrooms, tourism heritage sites, etc.)	3.67	.736	Widely considered & implemented	3.91	.825	Widely considered & implemented
5.Developing HRD programs for Housekeeping, Front Office, Food & Beverage, Food Production, Travel Agency and Tour Operation Divisions	3.55	.815	Widely considered & implemented	3.95	.790	Widely considered & implemented
6.Developing basis and procedures to be used for assessment and selection process comparable from country to country	3.42	.780	Considered but implemented w/limitations	3.80	.763	Widely considered & implemented

Table 9: Implementation of ATSP 2011 – 2015 in Terms of Travel Facilitation and Connectivity

Particulars	DOT, TIEZA, TPB			Private Stakeholders		
	X	S.D	Verbal Interpre-tation	X	S.D	Verbal Interpre-tation
1.Overcoming barriers of technology, political issues, security	3.49	.840	Considered but implemented w/limitations	3.80	.759	Widely considered & implemented
2.Adopting "open skies" in ASEAN cities	3.47	.959	Considered but implemented w/limitations	3.65	.882	Widely considered & implemented
3.Liberalizing market access and control requirements for carriers	3.39	.912	Considered but implemented w/limitations	3.75	.834	Widely considered & implemented
4.Adopting the ASEAN Multilateral Agreement on the Full Liberalization Passenger Air Services (MAFLPAS) of 2010	3.45	.862	Considered but implemented w/limitations	3.56	.859	Widely considered & implemented
5.Coordinating the ASEAN highway network and the Singapore-Kunming Rail Link	3.09	.892	Considered but implemented w/limitations	3.45	.976	Considered but implemented w/limitations
6.Enhancing deep sea cruises and coastal cruises as a form of connectivity	3.17	.813	Considered but implemented w/limitations	3.51	1.06	Widely considered & implemented
7.Improving port handling and immigration procedures	3.27	.756	Considered but implemented w/limitations	3.75	.872	Widely considered & implemented
8.Developing port facilities	3.29	.797	Considered but implemented w/limitations	3.67	.973	Widely considered & implemented
9.Establishing an integrated network of tour and travel services to maximize complementary nature of region's tourist attractions	3.33	.701	Considered but implemented w/limitations	3.79	.896	Widely considered & implemented
10.Enhancing policies and programs dealing with transport linkages	3.25	.745	Considered but implemented w/limitations	3.77	.840	Widely considered & implemented