Introduction to the Tourist Destination

It’s more fun in the Philippines. We tend to think of tourism in terms of competition among countries. Our media also tends to see tourism development from a country perspective by often comparing how many international visitors the Philippines gets compared to Malaysia (Truly Asia) or Thailand (Amazing Thailand). Institutions like the United Nations World Tourism Organization (UNWTO) and the World Economic Forum (WEF) can encourage such mindsets by emphasizing country level statistics and measures.

But that is not how tourists think. Singapore notwithstanding, when tourists say that they are visiting another country, what they really mean is that they are going to one or more destinations within that country. When planning for a trip to the United States, they’re really planning to visit New York, or California, or some combination of destinations in the States. They plan to travel somewhere, where they will engage in some specific activities. Those activities will take place in a particular location. In a specific destination or community.

Tourism – at least, that which is tangible to people – happens at the local level. Not at the central or national level. Tourism happens in destinations.

The word “local” comes from the Greek word “localis”, which means “pertaining to a place.” In tourism development, there are two types of places that we are most interested in: the destination and the tourist site.

When tourists recall their visit to the Philippines, they will remember the hotel that they stayed in, the fire jugglers on the beach, the driver who picked them up at the airport, the guide who made their tour more enjoyable and meaningful at the same time. They will tell stories of people they met on the road, in the shops, at the sites, and in the communities. It is that interaction between the visiting tourists and the workers and residents in the host destinations that is the heart of the tourist experience.

Presyo (prices). Trabaho (Jobs). Kita (Income). These are the economic benefits that tourism development can bring. Benefits that are felt on the local level. Tourists spend their money in the locality where their activities happen. They pay for services of tourism establishments based in specific cities and provinces. These establishments create jobs for residents from specific communities.

However, it is also at the local level where the ugly side of tourism and economic development can be seen most clearly. Garbage, sewage problems, disrespect for natural and cultural heritage, etc. can all be exacerbated by increased tourism activity. And if (or when) these happen, it will be the local communities who suffer. Similarly, it will be the residents – especially women, children, and indigenous people – who may be at real risk from the unsavory social activities that tourism may bring to their communities.

This guide to tourism circuit planning is based on the framework of the Philippines’ National Tourism Development Plan (NTDP). The NTDP revolves around a planning approach to two main kinds of places: tourism sites and destinations.

In the NTDP framework, tourism sites are the specific places that contain natural, cultural, and built attractions which tourists come to see and experience through different activities. Two or more tourism sites that are located closely enough that they can be grouped together for development and/or marketing purposes make up a tourism development area (TDA). These TDAs provide the initial definition of the destinations that tourists will associate as the location of specific sites.

The NTDP associates each TDA with a regional gateway, or the regional airport that serves as the international transportation hub to and from the area. The TDAs associated with a specific regional gateway are then said to comprise a tourism destination cluster (TDC).
Given this framework, this guide is meant to be used by local government units (and their development partners) to plan for the development of their TDAs and the sites in them. In other words, the TDA will be the “destination” that we are interested in planning for.

This guide defines destinations as tourism circuits. Tourism circuits help to highlight the inter-relationships and common tourism opportunities among the cities and municipalities that are part of the same destination. The tourism circuit helps identify how the LGUs in a destination are linked together as a tourism value chain. LGUs can be host communities for tourists and/or supplier communities for the tourism industry in this value chain.

By mapping the tourism circuit and assessing the key tourism sites in it, LGUs and their private sector partners can identify – and locate -- the opportunities for generating jobs and investments in the destination. By identifying where the poor are in relation to the tourism sites of a destination, the tourism circuit approach can enable the inclusion and protection of vulnerable groups in the growth and sustainable development of a destination.

The tourism circuit approach also encourages LGUs to visualize the businesses in their destination as a value chain of tourism enterprises stretched across the various sites within it. This helps the cities and municipalities to determine not only HOW but also WHERE to support their private sector partners in the tourism industry. The challenge for LGUs then becomes one of enabling the growth, expansion, and competitiveness of its local tourism industry – as it grows on top of the interconnected natural and cultural sites of the destination or TDA.
GUIDE TO TOURISM CIRCUIT PLANNING

1 MAP THE TOURISM CIRCUIT
Plot the following:

- **TOURISM SERVICE CENTER** ★
  areas near or within attraction sites where there is concentration of tourism establishments

- **ATTRACTION SITES**
  natural, cultural, or historical sites that tourists visit

- **TRANSPORTATION GATEWAYS** ▼
  air or sea gateway into destination

- **INTERNAL CIRCULATION**
  land or sea transport links from gateways and service centers to sites

Identify and describe the state of other tourism infrastructure, such as power, water, and telecommunications.

2 ASSESS EACH TOURISM SITE

- **ACCOMMODATIONS**
  Determine capacity, location concentration, and describe the general quality

- **ATTRACTIONS**
  Describe conditions of resources, facilities, and visitor activities

- **TRAVEL AND TOURISM SERVICES**
  Discuss availability, diversity, and quality of complementary services

3 ASSESS THE ENABLING ENVIRONMENT

- **GENERAL ENVIRONMENT FOR LED**
- **ENABLING POLICIES, PLANS, PROGRAMS FOR TOURISM**
- **POLICY ENVIRONMENT FOR SUSTAINABILITY AND INCLUSIVE GROWTH**
- **PUBLIC AND PRIVATE INSTITUTIONS**

4 IDENTIFY AND TARGET TOURIST MARKETS

- **PROFILE CURRENT VISITORS**
  By source markets and purpose

- **ANALYZE MARKET OPPORTUNITIES**
  Identify emerging market trends

- **DEVELOP AND ANALYZE PRODUCT-MARKET MATRIX**
  Identify emerging market trends

5 RECOMMEND ACTION PLAN

Plan the next steps in tourism circuit development by recommending the most important upgrades, investments, and strategies.

- **INFRASTRUCTURE**
- **PRODUCT DEVELOPMENT**
- **WORFORCE DEVELOPMENT**
- **DESTINATION MARKETING**
- **ENABLING ENVIRONMENT**
**Step 1: Map the Tourism Circuit**

The tourist experience at a destination involves a whole chain of events, activities, and transactions that start from their arrival and include their various activities as they continue travelling around the destination. The first step in the process entails plotting and connecting the sites where these activities occur into a circuit that explains the destination in terms of how tourists experience (or could experience) the place.

1. **Establish the Gateway** to the destination.

   The gateway is the point of arrival for tourists. It is the hub or point in the destination that connects it -- via transportation services -- to the visitors' point of origin. Mark the major transportation hubs, i.e. airport, seaport, train or bus terminal, that connect the destination to other ports in the country and abroad, and from where visitors can be connected to the local transportation system that circulates within the destination.

2. **Determine the Tourism Sites** in the destination and mark their location on a map.

   Tourism sites are the specific places that tourists come to see and experience. There are two kinds of tourism sites: attraction sites and tourism service centers.

   An attraction site is a place from which visitors can appreciate or experience the key natural, cultural, or historical assets that give people a reason to visit. It may be an existing natural attraction (e.g. volcano); an area of natural scenic beauty (e.g. national park); a place associated with the area's culture and history (e.g. a historic district or an indigenous community); or even a complex of artificial, man-made attractions (e.g. entertainment complex or theme park).

   Areas within the destination where hotels and resorts tend to concentrate are its tourism service centers, which are many times attraction sites themselves. Their most important role in the destination is that they are the locations of many tourism-related establishments – hotels, restaurants, banks, transport services, shops, and other services that visitors require. Tourism service centers often account for the bulk of visitor spending as well as employment generation in the destination.

   - **Mark the Tourism Service Centers**, often conveniently accessible to and from the area’s transportation gateway such as a city’s business district. However, service centers can also rise in parts of resort areas where tourists and activities tend to congregate.

   - **Mark the key Attraction Sites** starting with key natural, cultural, or historical attractions. Pay particular attention to the popular places where tourists engage in specific activities (e.g. dive spots, festival venues).
• Highlight or circle **Attraction Clusters** where attractions are located close enough to each other that tourists often bundle or combine them into one activity.

**TIP:** Find out which sites and attraction clusters are popular or becoming popular by talking to the people who interact most frequently with visitors: frontline tourism workers such as hotel concierges, local guides, drivers, etc. What sites are visitors asking about? What activities and sites do they recommend when visitors ask them for suggestions? What clusters of attractions do tourists often visit together or in combination?

3. Plot the **Circulation Network** within the destination.

How are tourists able to reach the attraction sites? Access infrastructure (e.g. ports and roads) are essential enabling elements to tourism. If tourists cannot reach the destination and travel around the sites in the circuit, no tourism can take place.

• Plot the road, sea, or river connections:
  a. From the airport or seaport to the tourism service center and to the attraction sites.
  b. From the tourism service centers to the attraction sites
  c. Between attraction sites.

• Mark the main transportation hubs for local travel within the destination, e.g. wharves, bus and ***jeepney*** terminals, etc.

**Sample: Tourism Circuit Map of Negros Occidental**

![Tourism Circuit Map of Negros Occidental](image)

4. Plot and identify **Other Tourism-Related Infrastructure** in the destination.

National and local government infrastructure investments in public utilities and services are key considerations for investors (in any sector) since they have a significant impact on the cost of doing
business and development capacity in the destination. Discuss the state of these utilities, i.e. power, water, telecommunications, etc., and identify major providers and their capacity. Describe as well the quality of their services and indicate where upgrade is needed.

5. Map out the **Tourism Circuit**.

Map out the tourism circuit by showing the locations of the transportation gateways, tourism service centers, and attraction sites as well as roads and water systems that connect them to each other. Also indicate the presence or absence of other tourism-related infrastructure in the map. The circuit approach helps identify common infrastructure needs such as power, water, and communications among multiple LGUs in a destination.

**Case Study: The Allah Valley Tourism Circuits**

The Allah Valley Landscape spans 9 municipalities and 1 city in the 2 provinces of South Cotabato and Sultan Kudarat. As part of the Allah Valley Landscape Development Alliance (AVLDA), the LGUs are committed to protect and manage the land area drained by the Allah and Banga Rivers and their tributaries.

The main air gateway to this landlocked destination is General Santos City, with air services by the country’s major airlines connecting to the cities of Manila, Cebu, and Iloilo.

There are two service centers in the Allah Valley Landscape: Koronadal City and Tacurong City. Though not geographically part of Allah Valley, Koronadal serves as the main service center for South Cotabato since it is where most hotels and other primary tourism establishments are located. Located 45 kilometers from Lake Sebu, Koronadal is the administrative center of Region 12 and the nearest destination to the Allah Valley LGUs for MICE (Meetings, Incentives, Conventions, and Exhibitions) venues. Tacurong City, 33 kilometers from Koronadal, is the Allah Valley’s alternate service center for the Sultan Kudarat side of the destination.

Lake Sebu is the core attraction of South Cotabato, offering iconic imagery and the T’boli culture combined with Southeast Asia’s highest zip line at the 7 Falls Park and trekking to Lake Holon (formerly Lake Maughan) and Mt. Melibingoy (also known as Mt. Parker). Meanwhile, Tacurong City offers the Baras Bird Sanctuary with at least 20,000 birds. Other attractions in Sultan Kudarat include the famed Provincial Capitol in Isulan as well as the Hot and Cold Springs in Marguez, Esperanza.

After mapping the tourism sites across the Landscape, the AVLDA tourism stakeholders identified two market-ready tourism circuits: from Koronadal to Lake Sebu (South Cotabato side) and from Tacurong to Esperanza (Sultan Kudarat side). These became the foundation for the AVLDA LGUs and their private sector partners to develop sustainable eco-cultural tourism in the destination.
These tourism circuits made it easier for South Cotabato and Sultan Kudarat stakeholders to formulate and implement their tourism action plans and to strategically focus their limited resources on the most critical factors for growth of the destination. These include priority areas for infrastructure development in the tourism circuits, such as hydroelectric and biomass power plant projects to improve power generation.
Step 2: Assess Each Tourism Site of the Circuit

After defining the destination as a tourism circuit, the next step is to take a closer look at every tourism site within the circuit. This step is also an assessment of the competitiveness and market-readiness of the destination’s tourism industry, considering the location and distribution of the primary tourism establishments across the attraction sites and service centers of the destination.

Thus we evaluate the competitiveness and market-readiness of each site in terms of the supply, quality, and general condition of its attractions, visitor facilities, and services. We also assess the state of on-site infrastructure such as access roads to the specific attractions, local safety and sanitation infrastructure, site-specific power and water utilities.

1. **Accommodations.**
   - How many hotels and other types of commercial accommodation establishments are within or near the site? What is the combined number of rooms that are available? You may also break down these numbers by classifying the different types and levels of accommodations.
   - Where are the accommodation establishments concentrated within the destination? These clusters confirm where the service centers are likely located.
   - Are there important attraction sites located more than 3 hours from the tourism service centers? If so, these sites may be potential locations for investments in commercial accommodations.
   - Assess the overall quality of the accommodation establishments' facilities and services in terms of providing at least the minimum requirements in hospitality, i.e. standard rooms with good customer service.

2. **Attractions.**
   - Assess the natural, cultural, and historical attractions in each identified site. You can also specify where the attractions are concentrated.
   - Describe the conditions of the resources themselves and mention any problems and threats to these resources (e.g. garbage, absence of maintenance).
   - Assess the supply and quality of on-site visitor activities, facilities, and services (e.g. visitor centers, rest areas, restrooms).
   - Are there any investment or development constraints that should be taken into consideration?

3. **Travel and Tourism Services.**
   - What are the available travel and tourism services that complement the attractions in each site? These services include, but are not limited to,
tour operators and travel agencies, tour guides, *pasalubong* shops, local restaurants, tourist transportation services, and other tourism-related enterprises.

- Are there tour guides within the sites? Specify the number of general and special-interest tour guides within the attraction sites. Have they been trained and/or accredited by reputable institutions?
- Assess the availability and quality of transportation services in the destination, including public transportation modes and those specifically intended for tourists (e.g. car rentals, vans, tricycles, boats, etc.).
- Shopping and dining are significant revenue streams in tourism. What is the current state of *pasalubong* shops and local restaurants in each site? Comment on the variety and quality of the food, beverage, and souvenir products that are offered in each site.

**TIP:** Site assessment is best done through a combination of methods. The most obvious approach is through actual physical inspection of each site. Another is to conduct focused group discussions or planning workshops with stakeholders and industry experts. One convenient desktop exercise can be to read the reviews and comments about the attractions, activities, and tourist facilities in your destination that are posted in various websites ranging from Tripadvisor.com to Lonely Planet and even social networks like Facebook. These can be rich sources of consumer feedback about what needs to be improved or fixed in the key sites of the destination.

**Example: Site Assessment of Japanese Tunnels in Mount Kitwinan**

The historical Japanese war tunnels in Mount Kitwinan, Camalig in the Province of Albay have been identified as eco-historical tourism attractions within the tourism circuit that covers the environs of Mayon Volcano and Legazpi City to the marine coastal zone of Donsol and Pilar in Sorsogon Province. This network of tunnels beneath the mountain was constructed by Japanese soldiers during the height of their occupation of Albay to transport equipment and mobilize troops during the Second World War. The site assessment revealed the following findings:

- Mount Kitwinan itself offers a picturesque view of Mayon Volcano, but there is a need for view decks as both safety feature and capacity management facility for visitors who want to take photos.

- There are limited activities offered in Mount Kitwinan and the Japanese Tunnels with some all-terrain vehicles (ATV) and horses available for rental. Food and beverage options for guests are also limited.

- The trail to the tunnel entrance needs improvement for easier navigation and safety of hikers. Visitor parking area is limited.

- On-site experience and heritage interpretation needs improvement. Visitor reception and handling standards of site staff are not yet to DOT standards of service. Staff has limited training on basic first aid and rescue.

- No standardized commentary from local tour guides on the heritage and significance of the tunnels.

- There are only two accommodation establishments with a total of 60 rooms in Camalig.
Step 3: Assess the Enabling Environment for Tourism in the Destination

The local government policies and programs within the circuit can provide a picture on how convenient tourism development can be facilitated and what local institutions can be tapped for partnerships.

Well-designed and effective LGU policies, programs, plans, and systems can create a business climate that empowers existing enterprises and new investors to build a stronger local tourism sector that creates jobs and livelihood opportunities for residents. At the same time, these LGU policies may provide the incentives as well as controls that can ensure that the kind of development that results from tourism expansion will be sustainable, inclusive, and in keeping with the community’s vision for their culture and home. For investors, LGU prioritization of tourism will also indicate the degree to which they can expect the LGU to support or even partner with them on their initiatives for tourism.

1. The General Environment for Local Economic Development

   This deals primarily with the enabling policies and programs for the business sector in general. These include LED-enabling policies and programs that any business-friendly LGU should have regardless of their priority economic sector.

   - Streamlining and computerization (when ready) of LGU transactions, starting with business-permit and licensing systems (BPLS)
   - Enactment of Local Investment and Incentives Codes (LIIC)
   - Designation of LGU Local Economic and Investment Promotions Officers (LEIPO) as well as establishment of LED and Investment Promotion Centers or Offices
   - Workforce Development programs and services, including establishment of local Skills Registry Systems.
   - National and local government infrastructure investments in public utilities and services such as water, power, telecommunications, etc. The presence or absence of such essential infrastructure would have a significant impact on the cost of doing business in the destination as well as the LGUs in it. (The circuit approach also helps identify common infrastructure needs that can serve multiple LGUs in a cluster)

2. Enabling Policies, Plans, and Programs for the Tourism Sector

   Local enabling policies and programs specific to the travel and tourism sector can indicate how important tourism is to the LGUs. They indicate the degree to which new investors and local businesses can expect
the LGU to support or even partner with them on their initiatives for tourism. Enabling policies, programs, and services specific to tourism include:

- Designation of LGU Tourism Officers as well as establishment of full-time LGU Tourism Offices or Centers.
- Local tourism statistics and information systems institutionalized in the LGU or in partnership with local academe/private sector.
- Local tourism development plan integrated into the LGU Comprehensive Development Plan (CDP) and Comprehensive Land-Use Plan (CLUP).

3. The Policy Environment for Sustainability and Inclusive Growth

Other policy and program themes that must be considered are those related to Gender and Development (GAD) to reduce the risks on women and children associated with tourism and Environmental Sustainability since the tourism industry is highly vulnerable to climate change risks.

4. Public and Private Institutions

Partnering with institutions can maximize not only financial resources, but also technical knowledge and social networks that aid in tourism development. These partners can and should be involved from the start of the tourism circuit planning and development process. The tourism circuit plan can provide the impetus and platform for harmonizing and converging the programs of these different institutions for more efficient and impactful delivery of funds and services to the priority sites and target communities of the destination.

- **Private Sector Institutions** - Tourism councils, local business chambers, civil society groups, and non-government organizations offer excellent networking opportunities that may lead to collaborative projects and investments. Private sector groups contribute the market and investor perspective to tourism circuit planning and development. In addition, civil society groups can often serve as champions for the social equity (including gender equality and poverty reduction) and environmental sustainability dimensions of inclusive growth – that all the destination stakeholders should always consider.

- **Academic Partners** - Universities and other local educational institutions are ideal partners for skills training and workforce development as their trainees and graduates can provide the human resource needs of the local industry. Through their research and extension faculty, local academic institutions provide the industry with a pool of experts on a wide range of industry needs and concerns.

- **National and Local Government** - Many national government agencies and local government offices provide funds through various programs and services that can be tapped for many tourism circuit development needs. These range from large needs such as public infrastructure to smaller, softer needs such as training or technical assistance for product development, skills training, and policy development.
**Example: Enabling Environment for Tourism in Negros Oriental**

The Provincial Government of Negros Oriental has been enjoying increasing tourism arrivals of approximately 10-15% annually over the last 5 years. However, almost two-thirds of these visitors were concentrated in Metro Dumaguete. The province is seeking to develop a tourism circuit principally involving the cities of Dumaguete, Bais, and Tanjay, as well as the municipalities of Manjuyod and Dauin in order to enhance and diversify Negros Oriental’s tourism product portfolio and spread the economic benefits from tourism to more communities.

Aside from having one of the top diving destinations in the country, i.e. Apo Island, Negros Oriental has the potential for developing adventure activities such as spelunking, trekking, bird watching and mountain climbing to complement sea-based products in Dauin, Manjuyod, and Bais City. The potential for cultural tourism exists with heritage tours and visits to well-preserved Spanish houses, haciendas and other sites with historical significance in Dumaguete, Bais and Tanjay. Farm tours to sugar plantations and local organic farms may also be organized along with culinary exploration of signature delicacies (e.g. budbud kabug from Tanjay) and pastries (e.g. silvanas from Sans Rival in Dumaguete City).

Negros Oriental’s tourism circuit mapping exercise identified many areas for improvement and investment in the priority sites of the destination including:

- Lack of quality tourist facilities (e.g. toilets, shower kiosks, parking, payment facilities)
- Need for skills upgrading in the hospitality industry (e.g. frontline services of hotels/ accommodation and restaurants)
- Disaster risks in some sites
- Poor safety and security measures
- Lack of women participation in skills training
- Limited access to capital for women
- Overcharging of tourists for transportation

There is a business-friendly and industry-supportive policy environment in the destination with several important tourism and local economic development programs and policies already in place. These include a Provincial Tourism Code, a Provincial Tourism Road Map (tourism plan), as well as LGU Tourism Offices in all cities and municipalities of the circuit. The Provincial Tourism Office has also been active in promoting the destination and doubling its marketing efforts to increase arrivals. However, there is no formal marketing organization for the TDA, such as a Tourism and Visitors Bureau. Some of the key areas for policy development include providing support regulations and policies for business and tourism growth. Tourism circuit mapping and assessment indicated that most LGUs in the circuit did not have enabling ordinances such as local investment and incentives codes and local tourism codes.

The assessment also identified the private sector and academic institutions that could be key partners in sustainable development of the tourism circuit. These include the Provincial Tourism Council, Dumaguete City Tourism Council, several business chambers and associations of tour operators and travel agencies, as well as Silliman, St. Paul’s, Negros Oriental State University, and other universities, colleges, and training institutions in the destination. There is also an existing Tourism Educators Council whose members include faculty from Negros Oriental as well as the nearby province of Siquijor.
Step 4: Identify and Target Tourist Markets

Sustainable tourism development is not only about plotting and improving tourism sites and circuits but also, and more importantly, ensuring that these improvements meet the needs and expectations of the tourists who will eventually visit your destination and spend their money on your circuit's attraction sites. What is the point of having a destination with all the attraction sites, activities, amenities, facilities, and accommodation if the tourists you seek may not be interested or excited by what you have to offer? Understanding your target markets and planning around their needs can ensure effective matching of the destination’s products with their interests and preferences.

1. Profile your current and potential tourist markets.

   • Identify where the destination’s visitors come from and how they reach your destination. List down the major cities linked to the destination’s gateway by air, sea, or land. These can indicate your main source markets.
   • Review the kinds of activities that visitors currently (or may potentially) engage in based on your destination’s natural, cultural, and historical attractions. These will suggest the product- or activity-based market segments whom the destination should be targeting.

   **TIP:** The NTDP identifies a product portfolio based on the activity-based market segments with the most potential for Philippine tourism. Assess which of these market segments can your destination target most effectively:

<table>
<thead>
<tr>
<th>Mass Market</th>
<th>Special Interest or Niche Segments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sun-and-Beach</td>
<td>Divers</td>
</tr>
<tr>
<td>Nature-based Tourism</td>
<td>Bird and wildlife watchers</td>
</tr>
<tr>
<td>Cultural Tourism</td>
<td>Adventure tourists (includes caves,</td>
</tr>
<tr>
<td>Shopping, Leisure, &amp; Entertainment (Urban)</td>
<td>mountaineering, etc.)</td>
</tr>
<tr>
<td>MICE</td>
<td>Honeymooners</td>
</tr>
<tr>
<td>Health and Wellness</td>
<td>Culture explorers</td>
</tr>
<tr>
<td>Education</td>
<td>Educational tours</td>
</tr>
<tr>
<td>Cruise</td>
<td></td>
</tr>
</tbody>
</table>

2. Analyze emerging market opportunities.

   • Decide which source markets can be immediately targeted based on how convenient it is for them to reach your destination.
   • Identify those source markets with high potential for growth but still require more promotions and marketing support. Factors that you might want to consider include the development of airports and seaports and the number of flights or land/boat trips from a source market.
   • To further identify emerging market segments, determine what new activities and sites are becoming more popular (e.g. cruising, ecotourism, triathlons) in your destination – or similar destinations.

   **TIP:** Employ different techniques for discovering emerging market trends. Interview or conduct FGDs with your frontliners. Talk to smaller, special interest tour operators to find out which new
products are getting increased interest. Scan social media platforms like Facebook, Instagram, Pinterest, etc. and take note of which kinds of activities, attractions, and sites are trending.

3. **Build and analyze a product-market mix for the destination.**

   - Using data from the previous two sections, match the source markets with current and potential activities of interest to create a two-dimensional product-market matrix.
   - Identify the activity or interest segments within each geographic market (both key growth markets and potential/ emerging markets) that your destination should prioritize (see example below).

<table>
<thead>
<tr>
<th>Key growth markets (immediate priority)</th>
<th>Nature-based</th>
<th>Sun &amp; Beach</th>
<th>Cultural</th>
<th>Shopping, Leisure &amp; Entertainment</th>
<th>Health &amp; Wellness</th>
<th>MICE</th>
<th>Education</th>
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<tr>
<td>Balikbayan from US West Coast</td>
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<tr>
<th>Strategic markets (potential and emerging)</th>
<th>Nature-based</th>
<th>Sun &amp; Beach</th>
<th>Cultural</th>
<th>Shopping, Leisure &amp; Entertainment</th>
<th>Health &amp; Wellness</th>
<th>MICE</th>
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<td>Emerging market 4?</td>
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**Example: The Island Garden City of Samal in Davao del Norte**

The Island Garden City of Samal (IGaCoS) in the province of Davao del Norte is an island group made up of the main island of Samal and seven (7) other islets located in the northeastern part of Davao Gulf. IGaCoS has almost 120 kilometers of continuous coastline and a land area of 30,130 hectares.

Majority of the visitors (97%) of Samal are domestic. Because of its proximity, IGaCoS is a favorite leisure destination for Davao City residents as well as visitors to conferences and conventions held there. Aside from leisure and MICE travelers, key market segments include sun, sea, adventure tourists, festival attendees, and educational-environment conservation researchers.

With the increasing number of South Koreans visiting the Philippines, Samal decided to target English-as-Secondary-Language (ESL) students as a potential market. Another emerging market is the retirees especially expatriates who have been living in the island on a semi-permanent or transient basis, many of them having invested already.
Step 5: Develop the Action Plan for Tourism Circuit Development

Planning the development of the tourism circuit requires gathering as much helpful information as possible, which the previous sections should have accomplished. Using the information to guide you, the next step involves determining the priorities in this development and working out the next steps for implementing priority actions.

A. Infrastructure

Summarize the infrastructure repairs, upgrade, and investments that are necessary to improve access and other tourism infrastructure, i.e. power, water, telecommunications, etc.

B. Product Development

Describe the most important and urgent tourism products that must be developed. Classify these developments according to improvements on:

- Accommodation establishments
- Attraction sites, including facilities and amenities within sites
- Enterprise development
- Pro-poor tourism development

Consider as well how new or improved tourism products can promote gender equality and strengthen environmental sustainability.

Case Study: Baclayon Heritage Cafe

The stakeholders of the Panglao-Dauis-Baclayon Bohol Marine Triangle (PADAYON) Management Council were set on improving the market-supply chain linkages between local farmers, fisher folk, and tourism establishments within the LGUs. After the 2013 earthquake in Bohol, the efforts focused on creating livelihood opportunities for PADAYON residents, especially those affected by lay-offs and the short-term downturn of Bohol tourism. For Baclayon, the challenge was to rebuild tourist interest in the town as a heritage attraction site (and platform for local souvenir and food products).

The stakeholders of Baclayon, particularly the Baclayon Entrepreneurs Association (BEA) and the Association of Ancestral Home Owners of Baclayon (BAHANDI) sought to revive and re-market the cultural tourism activities in the municipality. By convincing tourists and tour groups that Baclayon’s heritage tourism identity remained despite the earthquake ruins, they hoped to also revive consumer and industry demand for tourist souvenirs and merchandise produced by local MSMEs.

BEA recognized that the Baluarte de Baclayon, the municipal wharf complex across from the historic Baclayon Church could be a key attraction site for the town. As public open space and seaside park, it was already popular among residents as a promenade area and relaxation spot from sunset to early evening. The Church was an important stop on the popular Bohol Countryside Tour from the capital city of Tagbilaran to the world-famous Chocolate Hills. The Baluarte was also the jump-off point for dolphin watching packages to nearby Pamilacan Island. These tourist traffic flows, combined with demand from residents, suggested an opportunity for what became the Baclayon Heritage Café. In November 2014, a little more than a year after the earthquake, BEA opened the Café as a center for tourists to buy local
delicacies, souvenirs, and other Boholano tourism products. Within Baclayon, the Café provided a strategic link to connect other tourism establishments, operators, and offerings such as the ‘Baclayon Heritage Walk’ to the town’s growing number of visitors.

C. Workforce Development

How can human resources in the circuit match the demand of the tourism industry? Recommend knowledge and skills that the workforce needs to learn in order to be equipped for and employable within the circuit’s tourism industry.

Case Study: Workforce Development Training in Bohol

As another strategy for inclusive growth in Bohol, PADAYON, in partnership with the Bohol Association of Hotels, Resorts and Restaurants (BAHRR), collaborated to train the local residents from the three municipalities on tourism skills that matched the needs of tourism establishments in the area to ensure gainful employment. The training program would target marginalized sectors (e.g. women, poor) so they could get hired or be able to start small tourism-related enterprises.

From June 2013-March 2014, the BAHRR implemented the Training for Tourism Skills Enhancement and Employment Program which included modules on food safety, waiter services, commercial cooking and culinary arts, housekeeping and front office services, customer service, massage therapy, bartending, management and supervisory skills upgrading, environmental management services, inventory management, marketing. After receiving training, BAHRR and the public employment offices of Panglao, Dauis, and Baclayon immediately matched the beneficiaries with tourism establishments operating in PADAYON, and neighboring areas.

Mrs. Liduvina Jumangit, owner of Vina’s Homemade Bakeshop and a BEA member, was among the entrepreneurs trained through this program. After the training, and participation in trade fairs supported by DTI and the Provincial Government, she was contracted to supply Boholano delicacies for popular resorts like The Bellevue Resort in Panglao.

D. Destination Marketing

Discuss how the destination should be branded and promoted to convince the target markets to visit it. Before deciding to create a new brand, evaluate the current destination marketing efforts and assess whether it only needs to be improved or it needs a total overhaul.

Case Study: Marketing Metro Naga as a Tourist Destination

In April 2011, tourism in Camarines Sur was defined by two attraction sites (i.e., the provincial government’s CamSur Watersports Complex (CWC) in Pili, the “Survivor” islands of Caramoan, and the September Peñafrancia religious festival of Naga. There was no specific mention of Metro Naga in the 2010 National Tourism Development Plan of the Department of Tourism. Today, Metro Naga is now a priority TDA of the Bicol Region. 

Metro Naga has now been positioned as an emerging tourism destination within the private tourism industry. Its Naga X brand and logo is prominently displayed in many of the leading hotels, souvenir shops, and travel establishments of Metro Naga. Through selling missions as well as participation in travel trade
events, the MNDC LGUs and members of the Naga X consortium have now established selling relationships with travel agencies, media, and other marketing intermediaries in Manila who continue to carry and promote Metro Naga and Naga X.

Metro Naga’s tourism brand ‘Naga X’ is a shortened version of “Naga eXcursions”. When the stakeholders were brainstorming for Naga’s brand name, they recalled how their parents would reward them with “excursions” or day tours for doing well in school. This prompted them to use the term “excursion” for the Naga brand.

The colorful brand represents the Peñafrancia Festival, the most important celebration in the region. The colors are also metaphors for Metro Naga’s four main eXperiences: Red for heritage, Gold for religious pilgrimage, Green for land-based eco-adventures such as to Mt. Isarog, and Blue for marine and coastal tours to Caramoan and other nearby sites. Thus, the brand highlights the accessibility of a diverse set of attractions located around the Naga City gateway.

To collectively sell the Naga X tour packages and drive the destination brand, the group decided to form the Naga Excursions Consortium. The Consortium consists of tour operators, travel agencies, and hoteliers. Through their efforts combined with other factors, visitor arrivals in Naga increased by approximately 30% per year from 2011 to 2015.

E. Enabling Policies and Programs

Recommend policies and programs that could be added in addition to the existing ones within the circuit. In doing so, remember to recommend policies and programs that support the following pillars:

• Business-friendliness and sector competitiveness
• Gender equality in the tourism sector
• Environmental sustainability
• Disaster resiliency
• Pro-poor tourism