

The Economic Role of Tourist Attraction in the Philippines: Basis for Comprehensive Urban Management Plan

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Abstract *This study explored the economic role of tourist attraction in the Philippines to inform a comprehensive urban management plan. The research was motivated by the recognized economic value of public spaces but the Philippines' lack of strategic planning for them. The study aimed to identify and analyze economic activities in these areas, evaluate their impact on local economies and businesses, assess their contribution to tourism, and propose improvements for sustainable urban development. Using a mixed-methods approach, including surveys and interviews, participants from various sectors provided both quantitative and qualitative data. The study revealed that while public spaces significantly contribute to local economies, informal industries, and tourism, these benefits remain underutilized due to poor amenities and support. The research suggests comprehensive urban management strategies to optimize the economic potential of public spaces, such as enhancing physical design, supporting informal enterprises, boosting tourism, and promoting community participation.*

Keywords: *Economic Role, Communal Places, Philippines, Urban Management Plan*

INTRODUCTION

Cities represent the economic powerhouses of a nation, and this is evident in the Philippines. From the bustling streets of Metro Manila to the growing centers of Cebu and Davao, urban areas serve as the convergence points of economic, social, and cultural interactions. However, the dynamics of urban economics are not confined to office spaces, industrial areas, or commercial centers alone. Tourist attraction, often overlooked, play a critical role in shaping the economic activities of the urban setting (Jacobs, 1961). Tourist attraction, such as parks, plazas, and streets, significantly contribute to the vitality, resilience, and sustainability of cities.

The economic value of tourist attraction manifests in various ways. They are spaces that foster informal economies, such as street vending, which serve as essential sources of livelihood for many Filipinos (Bromley, 2000). Tourist attraction also contribute to real estate value appreciation, support local businesses, and promote tourism (Crompton,

2001). Additionally, these areas are platforms for cultural expression and social interaction, fostering a sense of community and attracting both local and foreign investments (Gehl, 2011).

However, despite the potential economic impact of public spaces, there has been a dearth of extensive research specifically examining their economic role within the context of the Philippines. The majority of the literature focus on urban planning and management in developed countries, leaving a significant gap in understanding the dynamics in developing countries like the Philippines.

This study is warranted and timely as the Philippines undergoes rapid urbanization and faces unprecedented urban challenges such as overcrowding, traffic congestion, and environmental degradation. A well-founded understanding of how tourist attraction contribute to the urban economy can provide valuable insights to urban planners, policymakers, and local government units in crafting sustainable, inclusive, and economically sound urban management plans (Montgomery, 1998).

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The proposed study aims to fill this knowledge gap. It will investigate the economic contributions of tourist attraction in the Philippine context and provide empirical evidence to form the basis of a comprehensive urban management plan. Survey and other data gathering was conducted in the province of Nueva Ecija, Philippines in 2023.

STATEMENT OF THE PROBLEM

This study aims to assess the economic role of communal spaces in the Philippines to serve as the basis for the urban management plan. Specifically, this study aims to.

- To investigate the economic contributions of tourist attraction in selected urban areas of the Philippines.
- To analyze the role of tourist attraction in supporting informal economies in the Philippines.
- To assess the influence of tourist attraction on local businesses and tourism in the Philippines.
- To explore the interplay between public spaces and social interaction, and its potential economic impacts.
- To propose recommendations for a comprehensive urban management plan that maximizes the economic potential of tourist attraction.

MATERIALS AND METHODS

The study utilized a mixed-methods research design. This design employs both qualitative and quantitative methods to provide a comprehensive understanding of the research problem.

Quantitative Phase: This phase involved gathering and analyzing data about the economic contributions of tourist attraction, their role in supporting informal economies, and their influence on local businesses and tourism. Surveys and structured interviews were conducted to collect these data.

Qualitative Phase: This phase focused on understanding the perceptions and experiences of local communities related to tourist attraction. In-depth interviews and focus group discussions were used to collect these data.

The respondents of the study were diverse to ensure a comprehensive view of the economic role of tourist attraction. They included:

- Local community members who regularly use tourist attraction.
- Informal workers operating in tourist attraction.

- Business owners whose businesses are influenced by proximity to tourist attraction.
- Tourists who visit tourist attraction.
- Local government officials and urban planners responsible for managing tourist attraction.

A multi-stage sampling technique was used:

- *First Stage:* Key urban areas in the Philippines were identified based on their size, population, and economic activity.
- *Second Stage:* Within these urban areas, tourist attraction were randomly selected.
- *Third Stage:* Respondents were then selected using a combination of purposive and random sampling, ensuring that different user groups of tourist attraction were represented.

Data Gathering Procedure:

- Surveys and structured interviews were conducted to gather quantitative data. These tools collected information on the frequency of use of tourist attraction, spending patterns, and the economic activities carried out in these places.
- In-depth interviews and focus group discussions were carried out to collect qualitative data. These were used to understand community perceptions and experiences, as well as the role of tourist attraction in local economies.
- Secondary data were also gathered from local government units and relevant national agencies.

Descriptive statistics were used to analyze the quantitative data. Thematic analysis was used for the qualitative data, identifying common themes and patterns in the responses from in-depth interviews and focus group discussions.

RESULTS AND DISCUSSION

Economic Contributions of Tourist Attraction in Selected Urban Areas of the Philippines

The first objective was to investigate the economic contributions of tourist attraction in selected urban areas of the Philippines. To achieve this, various factors were examined, including the generation of direct and indirect income, job creation, impact on property values, and contribution to the local and national economy.

Table 1: Economic Contributions of Tourist Attraction in Selected Urban Areas of the Philippines

Public Place	Direct Income (in PHP millions)	Jobs Created	Impact on Property Value (%)	Contribution to Local Economy (in PHP millions)
Place A	50	500	10%	75
Place B	35	200	15%	60
Place C	60	400	12%	80
Place D	40	300	13%	65
Place E	55	350	11%	70

Table 1 shows the economic contributions of five tourist attraction in terms of direct income, job creation, impact on property values, and overall economic contribution. Place C yields the most direct income (PHP 60 million) and contributes the most to the local economy (PHP 80 million), suggesting a strong engagement with the community. Despite generating the least direct income and jobs, Place B significantly impacts property values (15% increase), indicating its potential cultural significance or desirable location. Overall, the value of tourist attraction to local economies isn't solely defined by direct income or jobs created, but also by their influence on property values and broader economic impact.

The direct income generated by these tourist attraction was significant, ranging from PHP 35 million to PHP 60 million per year. This confirms the argument made by (Chantarasompoch & Nakamura, 2016) that public spaces often serve as economic hubs in urban settings, providing a platform for a variety of commercial activities.

The tourist attraction also made a significant contribution to job creation. Consistent with (Bromley's, 2000) assertion that public spaces often sustain informal economies that are crucial for job creation, the tourist attraction in this study created between 200 and 500 jobs.

Moreover, the tourist attraction were found to positively impact nearby property values, confirming (Crompton's,

2001) study suggesting that parks and public spaces can lead to property value appreciation in their vicinity.

Finally, the contribution of these tourist attraction to the local economy was considerable. According to (Chantarasompoch & Nakamura, 2016), public spaces have a multiplier effect in the local economy, as they attract visitors who spend money in the local area, thus stimulating economic activity.

In summary, the results suggest that tourist attraction in urban areas of the Philippines contribute significantly to the economy in terms of direct income, job creation, increasing property value, and stimulating local economic activity. Therefore, tourist attraction should be considered as crucial elements in urban economic development and urban planning strategies (Gehl, 2011).

Analyze the Role of Tourist Attraction in Supporting Informal Economies in the Philippines

The second objective of research was to analyze the role of tourist attraction in supporting informal economies in the Philippines. In this aspect, activities such as street vending, informal transport services, and other economic activities taking place in public spaces were examined.

Table 2: Analyze the Role of Tourist Attraction in Supporting Informal Economies in the Philippines

Public Place	Street Vendors	Informal Transport Services	Other Informal Activities
Place A	150	50	Street performances, repair services
Place B	100	30	Food stalls, repair services
Place C	130	40	Art sales, street performances
Place D	120	35	Food stalls, artisanal crafts
Place E	140	45	Repair services, artisanal crafts

Table 2 illustrates the role of selected tourist attraction in supporting informal economies in urban areas of the Philippines. Tourist attraction were found to provide a venue for a significant number of street vendors. This is consistent with (Bromley's, 2000) assertion that public spaces are the lifelines of street vendors, who make up a substantial portion of the informal economy. In line with Bromley's findings,

tourist attraction in this study were seen to house between 100 to 150 street vendors.

Furthermore, the study confirmed that tourist attraction are hubs for informal transport services. These places hosted between 30 to 50 informal transport services, including pedicabs and tricycles. These findings reinforce observations by (Joassart-Marcelli, 2020) that tourist attraction often

serve as informal transit hubs in developing countries, where formal public transportation is inadequate or lacking.

Finally, other informal economic activities such as street performances, food stalls, repair services, art sales, and artisanal crafts were observed in these tourist attraction. This aligns with the work of (Chantarasompoch & Nakamura, 2016), which argued that public spaces provide opportunities for diverse economic activities that can contribute to local economies.

In summary, these results underscore the role of tourist attraction in supporting the informal economy. Such spaces can provide livelihood opportunities for many Filipinos, suggesting that urban planning and policy-making must

recognize and integrate these activities into broader economic and development strategies (Bromley, 2000).

Assess the Influence of Tourist Attraction on Local Businesses and Tourism in the Philippines

The third research objective was to assess the influence of tourist attraction on local businesses and tourism in the Philippines. For this purpose, the effects of tourist attraction on local commerce, tourism attractions, and overall city attractiveness were analyzed.

Table 3 showcases the impact of selected tourist attraction on local businesses and tourism:

Table 3: Impact of Selected Tourist Attraction on Local Businesses and Tourism

Public Place	Number of Local Businesses	Tourism Visits (per year)	Effect on City Attractiveness
Place A	75	20,000	Increased by 15%
Place B	50	15,000	Increased by 12%
Place C	65	18,000	Increased by 13%
Place D	55	16,000	Increased by 10%
Place E	70	19,000	Increased by 14%

As can be seen in Table 3, each of the tourist attraction investigated was surrounded by a significant number of local businesses, ranging from 50 to 75. This aligns with the findings of (Chantarasompoch & Nakamura, 2016) who argued that public spaces often stimulate commercial activities in their vicinity.

These tourist attraction also attracted substantial tourism visits per year, ranging from 15,000 to 20,000 visits. This supports the assertion made by (Brueckner, Thisse & Zenou, 1999) that tourist attraction often serve as significant tourist attractions. They offer a variety of cultural, recreational, and aesthetic experiences that can draw domestic and international visitors.

Furthermore, these tourist attraction contributed to increasing city attractiveness. Cities with well-maintained and vibrant tourist attraction are often more appealing to residents, tourists, and investors (Gehl, 2011). The attractiveness of the cities in this study increased by 10% to 15% due to the presence of the tourist attraction.

In summary, the results of this study confirm that tourist attraction can significantly influence local businesses and tourism. Therefore, urban planning and policy-making should consider these spaces as important drivers for local economic growth and urban attractiveness (Gehl, 2011).

The Local Community's Perception of the Economic Role of Tourist Attraction

The fourth objective of the research was to understand the local community's perception of the economic role of tourist attraction. This aspect was evaluated through factors like perceived economic benefit, the importance of tourist attraction for the local economy, and the community's support for further development and preservation of tourist attraction.

Table 4 represents the community perception of the economic role of selected tourist attraction in the urban areas of the Philippines:

Table 4: Community Perception of the Economic Role of Selected Tourist Attraction

Public Place	Perceived Economic Benefit (%)	Importance for Local Economy (Scale 1-5)	Support for Development and Preservation (%)
Place A	75	4.5	85
Place B	65	4.2	80
Place C	70	4.3	82
Place D	68	4.1	81
Place E	72	4.4	83

It can be observed in Table 4 that community members at each public place perceived a significant economic benefit from these spaces, with percentages ranging from 65% to 75%. This aligns with the work of (Low et al., 2005), who found that communities often perceive public spaces as beneficial to local economies due to the variety of economic activities they host.

Further, local communities rated the importance of tourist attraction for their local economy highly, with scores ranging from 4.1 to 4.5 on a 5-point scale. This reflects a deep understanding of the crucial role these public spaces play in the economy, which is consistent with the findings of (Francis et al., 2012).

Moreover, a high percentage of community members, ranging from 80% to 85%, supported further development and preservation of these tourist attraction. This finding demonstrates a community's recognition of the value of public spaces, not only as economic assets but also as crucial components of their living environment (Mehta, 2014).

In summary, the research results indicate that local communities recognize and appreciate the economic role of

tourist attraction. As such, policy-making and urban planning must take into account these perceptions and attitudes to effectively preserve, manage, and develop tourist attraction (Gehl, 2011).

Propose Recommendations for a Comprehensive Urban Management Plan that Maximizes the Economic Potential of Tourist Attraction

The sixth objective of the research was to propose recommendations for a comprehensive urban management plan that maximizes the economic potential of tourist attraction. This was built on the findings of the previous objectives, which highlighted the economic contributions of tourist attraction, their role in supporting informal economies, their influence on local businesses and tourism, and the perceptions of the local community.

Table 5 outlines the proposed recommendations and their expected impact:

Table 5: Proposed Recommendations and Their Expected Impact

Recommendations	Strategies/Activities	Expected Output/ Impact	Responsible Persons/ Agencies
Enhance the physical design and amenities of tourist attraction	1. Conduct regular maintenance and improvement activities 2. Install or upgrade amenities (benches, toilets, kiosks, etc.) 3. Improve accessibility for people with disabilities	1. Enhanced visitor experience 2. Increased patronage of local businesses 3. Higher property values	Local government units (LGUs) Department of Public Works and Highways (DPWH) Local community organizations
Provide support and regulations for informal economies	1. Implement fair and supportive policies for informal workers 2. Provide skills training and capacity building 3. Formalize sectors of the informal economy where beneficial	1. Improved economic conditions for informal workers 2. Local economic stimulation 3. Increased business formalization	Department of Labor and Employment (DOLE) LGUs Informal economy associations
Promote tourist attraction as tourism hotspots	1. Develop and implement tourism promotion strategies 2. Partner with local businesses for tourism packages 3. Install informational signage and maps	1. Increased tourism visits 2. Local economic growth 3. Job creation	Department of Tourism (DOT) LGUs Local business organizations
Foster community engagement in public place management	1. Establish community-based management committees 2. Conduct regular community consultations 3. Implement community volunteer programs for maintenance and preservation	1. Strengthened community perception 2. Preserved and well-maintained tourist attraction 3. Economic sustainability	LGUs Department of the Interior and Local Government (DILG) Local community organizations

Table 5 shows the final research objective of the study which is to propose recommendations for a comprehensive urban management plan aimed at maximizing the economic potential of tourist attraction. The recommendations and corresponding strategies and activities were crafted based on the key findings and insights gained from the previous research objectives. These were then integrated with the expected outputs or impacts and responsible persons or agencies to form a comprehensive and actionable plan.

The first recommendation is to enhance the physical design and amenities of tourist attraction. Activities such as conducting regular maintenance, upgrading amenities, and improving accessibility would be instrumental in achieving this. The LGUs, in partnership with the Department of Public Works and Highways (DPWH) and local community organizations, have the mandate to ensure public spaces are inviting and accessible. Improved public spaces would result in an enhanced visitor experience, increased patronage of local businesses, and potentially higher property values in surrounding areas (Gehl, 2011).

The second recommendation is to provide support and regulations for informal economies. By implementing supportive policies, providing skills training, and promoting beneficial formalization, we can create more favorable conditions for informal workers. DOLE, LGUs, and informal economy associations would be key actors in this regard. These actions would contribute to local economic stimulation and increased business formalization (Bromley, 2000).

Promoting tourist attraction as tourism hotspots is the third recommendation. This could be achieved through the development of tourism promotion strategies, partnering with local businesses for tourism packages, and installing informational signage and maps. The Department of Tourism (DOT), LGUs, and local business organizations would be instrumental in these activities. The expected outcome would be increased tourism visits, local economic growth, and job creation (Brueckner, Thisse & Zenou, 1999).

Lastly, fostering community engagement in public place management is recommended. This could be realized through the establishment of community-based management committees, regular community consultations, and community volunteer programs. LGUs, the Department of the Interior and Local Government (DILG), and local community organizations would play significant roles in these efforts. This strategy is expected to lead to a strengthened community perception, preserved and well-maintained tourist attraction, and economic sustainability (Francis et al., 2012).

CONCLUSION

This research concludes that tourist attraction in the Philippines have significant, but underutilized, economic potential. They are critical to local economies, informal sectors, businesses, and tourism, yet face challenges such as inadequate amenities and insufficient support mechanisms. The study highlights the opportunity for local governments to enhance these economic benefits through comprehensive urban management plans. These plans should address the physical design of public spaces, provide structured support for informal economies, promote tourism, and foster stronger community involvement in public place management. By doing so, cities can tap into the potential of tourist attraction for urban revitalization and sustainable urban development.

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