

REVISITING  
SUSTAINABLE  
TOURISM

---

*in the*

---

PHILIPPINES

*Towards a Better Normal*

---

*Edited by*

JOHN PAOLO R. RIVERA  
EYLLA LAIRE M. GUTIERREZ  
FERNANDO MARTIN Y. ROXAS

NEW PERSPECTIVES IN TOURISM  
AND HOSPITALITY MANAGEMENT

# **Revisiting Sustainable Tourism in the Philippines: Towards a Better Normal**

# NEW PERSPECTIVES IN TOURISM AND HOSPITALITY MANAGEMENT

*New Perspectives in Tourism and Hospitality Management* positions organizational change and behavior in the tourism and hospitality sector at its heart, providing interdisciplinary research in this field and joining the areas of organizational studies and tourism/hospitality management.

After years of disruption, the tourism and hospitality sector is an increasingly important area of study, encompassing topics such as sustainability, the environment, climate change, terrorism, cultural studies, and more. New trends, challenges, and developments, as well as the application of new ideas that are likely to affect the tourism and hospitality industry are analyzed with a particular focus on organizational behavior, responsible management and governance, sustainability, and ecotourism.

*New Perspectives in Tourism and Hospitality Management* provides alternative philosophies for organizational change and development in hospitality. It encourages the exploration of philosophies including critical theory and is interested in qualitative and quantitative analyses of change management and change practices in touristic destinations and organizations.

## Previous Volumes

*Sport and Tourism: Strategies to Develop Tourist Destinations*

Edited by: Marco Valeri

*Tourism Innovation in the Digital Era: Big Data, AI and Technological Transformation*

Edited by Marco Valeri

## Forthcoming Volumes

*Destination Conscience: Seeking Meaning and Purpose in the Travel Experience*

Edited by: Harald Pechlaner, Natalie Olbrich, and Giulia Isetti editing on behalf of EURAC

*The Regenerative Tourism Industry: The Relationship Between Gender Equality, Tourism*

Edited by: Geetanjali Sageena and Suneel Kumar

*Competitiveness of Tourism SMEs in Post Pandemic Times: A Multidisciplinary Analysis*

Editor by: Antonio Emmanuel Pérez Brito and Martha Isabel Bojórquez Zapata

# Revisiting Sustainable Tourism in the Philippines: Towards a Better Normal

EDITED BY

**JOHN PAOLO R. RIVERA**

*Philippine Institute for Development Studies, Philippines;  
Asian Institute of Management - Dr. Andrew L. Tan  
Center for Tourism, Philippines*

**EYLLA LAIRE M. GUTIERREZ**

*Asian Institute of Management - Dr. Andrew L. Tan Center for  
Tourism, Philippines*

AND

**FERNANDO MARTIN Y. ROXAS**

*National Power Corporation, Philippines;  
Asian Institute of Management - Dr. Andrew L. Tan  
Center for Tourism, Philippines*



United Kingdom – North America – Japan – India – Malaysia – China

Emerald Publishing Limited  
Emerald Publishing, Floor 5, Northspring, 21-23 Wellington Street, Leeds LS1 4DL

First edition 2024

Editorial matter and selection © 2024 John Paolo R. Rivera, Eylla Laire M. Gutierrez and Fernando Martin Y. Roxas.

Individual chapters © 2024 The authors.

Published under exclusive licence by Emerald Publishing Limited.

**Reprints and permissions service**

Contact: [www.copyright.com](http://www.copyright.com)

No part of this book may be reproduced, stored in a retrieval system, transmitted in any form or by any means electronic, mechanical, photocopying, recording or otherwise without either the prior written permission of the publisher or a licence permitting restricted copying issued in the UK by The Copyright Licensing Agency and in the USA by The Copyright Clearance Center. Any opinions expressed in the chapters are those of the authors. Whilst Emerald makes every effort to ensure the quality and accuracy of its content, Emerald makes no representation implied or otherwise, as to the chapters' suitability and application and disclaims any warranties, express or implied, to their use.

**British Library Cataloguing in Publication Data**

A catalogue record for this book is available from the British Library

ISBN: 978-1-83753-679-5 (Print)

ISBN: 978-1-83753-678-8 (Online)

ISBN: 978-1-83753-680-1 (Epub)



INVESTOR IN PEOPLE

# Contents

List of Figures and Tables	ix
About the Editors	xi
About the Contributors	xiii
Foreword	xvii
Preface	xix

## I: A Value Chain Approach to Sustainable Tourism

<b>Chapter 1 Shifting Paradigms: An Empirical Analysis of the Tourism Value Chains in the Better Normal</b>	3
<i>Ray Justin A. Villanueva</i>	
<b>Chapter 2 Unlocking Tourism's Potential for Business Sustainability</b>	31
<i>Winston Conrad B. Padojinog, Viory Yvonne T. Janeo and Diana Rueda</i>	
<b>Chapter 3 The Tourism Value Chain as Framework for Sustainable Tourism Economies: Challenges and Future Opportunities for Destinations</b>	45
<i>Ramon Benedicto A. Alampay and Omme Atiyah B. Gonting</i>	
<b>Chapter 4 Situating the Informal Sector in the Philippine Tourism Value Chain: Evidence, Opportunities, and Contentions in the Case of Binondo, Manila</b>	67
<i>Jovito Jose P. Katigbak and April Joy E. Dopeño</i>	

## II: “Thinking Small” as a New Pillar of Sustainable Tourism

- Chapter 5 Going Small Yet Getting Big: Paradigm Shifts in Business Models Toward Inclusivity, Sustainability, and Long-Term Resilience and Proofing in Micro and Local Tourism** 87

*Luisito C. Abueg, Ma. Janda Ira Felina M. Benedictos and Claire Therese B. Villafruerte*

- Chapter 6 “Thinking Small”: Exploring the Opportunities of Tourism During the Post-COVID-19 Era Using the Systems Thinking Paradigm** 107

*Daryl Ace V. Cornell, Ethelbert P. Dapiton and Liwliwa B. Lagman*

- Chapter 7 Active Transport for Low-Carbon Tourism** 135

*Jonna C. Baquillas, Marie Danielle V. Guillen and Edieser DL. Dela Santa*

- Chapter 8 Women and Sustainable Tourism: Experiences of Environmental Protection and Conservation in the Philippines** 149

*Eylla Laire M. Gutierrez*

## III: Recalibrating Tourism Products and Services Through Customization

- Chapter 9 Revisiting Resiliency and Sustainability of the Tourism and Built Environment Nexus: Macroeconomic and Microlevel Evidence From the Philippines Toward the “Next Normal”** 161

*Luisito C. Abueg and Iris L. Acejo*

- Chapter 10 Pedaling Toward a Sustainable Intramuros: Assessing Cycle Tourism’s Impact on Cultural Awareness and Environmental Preservation** 181

*Lilibeth C. Aragon, Jocelyn Y. Camalig and Ivy Charisse T. Pagulayan*

- Chapter 11 Sustainable Tourism Development Through Value and Rights-Based Approaches: The Case of Samar Island Natural Park, Philippines** 197

*Jame Monren T. Mercado, Avi Ben P. Andalecio and Gezzez Giezi G. Granado*

<b>Chapter 12 Ecotourism Destinations in Nueva Ecija: Concepts and Practices Toward Tourism Marketing and Sustainability</b>	219
<i>Celyrah B. Castillo and Marie Jel D. Bautista</i>	
<b>Chapter 13 Revisiting the Regulatory Function of Government Toward Tourism Sustainability and Resilience: Basis for Policy Formulation</b>	237
<i>John Paolo R. Rivera and Warner M. Andrada</i>	
Epilogue	251
Index	253

This page intentionally left blank

# List of Figures and Tables

## Figures

Fig. 1.1.	Author Recommendations in Establishing the New Normal TVC.	14
Fig. 1.2.	Role of Coopetition in Transitioning to the New Normal and its Benefits.	19
Fig. 3.1.	The Tourism Value Creation System.	47
Fig. 3.2.	Tourism Value Chain Interventions to Catalyze Sustainable Tourism Development.	58
Fig. 3.3.	The Tourism Economy as a Web of Supply Chain Inputs and Value-Creating Processes.	61
Fig. 4.1.	Tourist Attractions in Binondo, Manila.	75
Fig. 4.2.	Binondo's Informal Tourism Economy.	78
Fig. 5.1.	Tourism Domestic Gross Value Added (in Current Million PHP, Left Axis) and Share to Gross National Product (in Percent, Right Axis), 2000–2022.	91
Fig. 5.2.	[Left] BES and CES Overall Indexes, First Quarter of 2019 to Third Quarter of 2023. [Right] Share of Investments in Tourism and Government Spending in Tourism to Total Investment and Government Spending, Respectively, Both in Percent, 2012–2022.	99
Fig. 6.1.	CLDs – Author Constructed.	113
Fig. 9.1.	[Left] Total Domestic Gross Value Added of Tourism, Inbound Tourism Receipts, Domestic Tourism Expenditures, and Internal Tourism Expenditures in Current Prices, Units in Million PHP, 2017–2023. [Right] Gross Value Added (GVA) in Real Estate (RE) and Ownership of Dwellings (OD) in Constant 2018 Prices, Units in Million PHP.	163

Fig. 9.2.	[Left] Total Water Consumption of Tourism Sector (Inbound and Domestic) in Million Cubic Meters, 2012–2022. [Right] Total Energy Consumption of Tourism Sector (Electricity, Petroleum, and Other Oil Products) in Kilotonnes of Oil Equivalent (KTOE) and Carbon Dioxide (CO <sub>2</sub> ) in Gigagrams, 2012–2022.	172
Fig. 10.1.	The Bambike on the Streets of Intramuros.	184
Fig. 10.2.	Japanese Canon, PC Barracks, the Manila Cathedral, and Puerto Real.	185
Fig. 11.1.	Figural Representation of the SINP Ecotourism Sites and Attractions and Its Location in the Philippines.	201
Fig. 11.2.	SINP’s Sustainable Tourism and Strategic Development Plan 2022–2031.	213
Fig. 12.1.	IFAS/EFAS Strategy Coordinate.	230

## **Tables**

Table 1.1.	The Functional Levels of the TVC.	11
Table 1.2.	Sample Fundamental Policy Changes and Interventions That Functional Levels Can Adapt in Restructuring the Industry.	15
Table 2.1.	Top 10 Inputs and Outputs Using Food and Beverage Service Activities as Proxy for Tourism and Backward Linkages and Selected Sector Output Multipliers.	37
Table 5.1.	Tourism Indicators for the Philippines, 2019–2022.	90
Table 6.1.	Empirical Evidence.	120
Table 10.1.	Visitors Overall Experience of Using Bambike in Intramuros in Terms of Satisfaction Rate.	189
Table 10.2.	Recommendations.	192
Table 11.1.	Tabular Representation of the SINP Ecotourism Sites and Attractions.	202
Table 11.2.	Tabular Representation of the Brief Description of the Five Themes and Its Categorical Identities.	205
Table 12.1.	IFAS and EFAS SWOC Factors and Coordinate Calculations.	229

## About the Editors

**John Paolo R. Rivera** is an Educator, Researcher, and Consultant in the areas of economics, management, and tourism. He is the President and Chief Economist of Oikonomia Advisory & Research, Inc. and is a Senior Research Fellow at the Philippine Institute for Development Studies. He was OIC Executive Director at the AIM-Dr. Andrew L. Tan Center for Tourism.

**Eylla Laire M. Gutierrez** is a Program and Research Manager at the Asian Institute of Management (AIM) Dr Andrew L. Tan Center for Tourism. Her research interests include sustainability, community development, gender studies, and tourism management.

**Fernando Martin Y. Roxas** is the President of the National Power Corporation and a Professor at the Asian Institute of Management, where he teaches operations and services management, supply chains, systems thinking, and sustainable tourism.

This page intentionally left blank

## About the Contributors

**Luisito C. Abueg** is an Assistant Professor at the University of the Philippines Los Baños (UPLB). His research interests are mathematical economics, economic statistics, economic history, and gender economics.

**Iris L. Acejo** is a Research Associate with Seafarers International Research Center in the School of Social Sciences at Cardiff University. Her research interests are welfare and vulnerability of seafarers.

**Ramon Benedicto A. Alampay** is an Associate Professor at the UP Asian Institute of Tourism (AIT). His research interests are local and regional economic development, regenerative approaches to placemaking, and tourism strategy.

**Avi Ben P. Andalecio** is an Academic Staff and a Researcher at the University of Santo Tomas (UST) College of Tourism and Hospitality Management (CTHM). His research interests are tourism and hospitality, public policy, and administration.

**Warner M. Andrada** is the Department of Tourism (DOT) OIC-Assistant Secretary for Tourism Development. His research interests are tourism policies and plans, analysis of tourism data, and measuring tourism impact on the economy.

**Lilibeth C. Aragon** is the Dean of the Lyceum of the Philippines University (LPU) Manila's College of International Tourism and Hospitality Management.

**Jonna C. Baquillas** is an Associate Professor at the Department of Marketing and Advertising of De La Salle University (DLSU). Her research interests are sustainable consumption and production, circular economy, sustainable tourism, climate resilience, and just energy transition.

**Marie Jel D. Bautista** was an Assistant Professor at the Department of Hospitality and Tourism Management of Central Luzon State University (CLSU), Nueva Ecija.

**Ma. Janda Ira Felina M. Benedictos** is an Instructor at UPLB handling undergraduate courses on elementary economics, macroeconomics, microeconomics, and human resource economics.

**Jocelyn Y. Camalig** is the Chairperson of the Hotel and Restaurant Administration at LPU Manila. She is a Certified Hospitality Educator, Certified Guest

Service Professional, ServSafe Practitioner, and National Master Trainer/ Assessor for the Food and Beverage Service Division.

**Celyrah B. Castillo** is a Professor and the Dean of the College of Home Science and Industry at CLSU. She worked in various research and development projects on internationalization of Higher Education Institution through education tourism.

**Daryl Ace V. Cornell** is a Professor at the Polytechnic University of the Philippines (PUP). His research interests are sustainable operations in tourism and hospitality and leisure and recreation management.

**Ethelbert P. Dapiton** is a Visiting Professor at Swinburne University of Technology, Victoria, Australia. His research interests are education, tourism, and hospitality management.

**Edieser D. L. Dela Santa** is a Professor at the UP AIT. His research interests are politics of tourism policy formulation and implementation, representation of culture and heritage, tourism and hospitality curriculum development, and tourism governance in protected areas.

**April Joy E. Dopeño** is an Academic Staff at the Department of International Studies, Institute of Arts and Sciences of FEU Manila.

**Omme Atiyah B. Gonting** is a Tourism Operations Officer at the Provincial Tourism Office of La Union, Philippines and a Master's student at the UP Asian Institute of Tourism. Her research interests are sustainable tourism value chains, destination marketing, and cultural tourism.

**Gezzez Giezi G. Granado** is the Dean of UST CTHM and a Professor of Law at UST CTHM and UST Faculty of Civil Law. His research interests are sustainable tourism, legal policy issues in tourism and hospitality, and tourism and hospitality education.

**Marie Danielle V. Guillen** is an Associate Professor at UP AIT and is an International Development Professional and a Consultant in the field of policy and planning sciences, specifically transport, tourism, gender, and climate change.

**Viory Yvonne T. Janeo** is the Vice Dean and Faculty at University of Asia & the Pacific (UAP) School of Economics.

**Jovito Jose P. Katigbak** is a Lecturer at the Department of Political Science and Development Studies of DLSU Manila. He is a Senior International Finance Specialist at the Bangko Sentral ng Pilipinas. His research interests are women and development, sustainable development, e-commerce, governance and public policy, and international relations.

**Liwliwa B. Lagman** is an Associate Professor of Tourism and Hospitality at University of Mindanao. Her industry experience includes managing daily operation of front office and housekeeping departments as Hotel Duty Manager.

**Jame Monren T. Mercado** is an Academic Staff and a Researcher at UST CTHM. His research interests are cultural heritage tourism management and sustainable development; and intangible cultural heritage.

**Winston Conrad B. Padojinog** is the President of UAP. His research interests are industrial dynamics and policy.

**Ivy Charisse T. Pagulayan** is the Chairperson at LPU Manila's College of International Tourism and Hospitality Management. Her industry experience includes working as Front Desk Officer, Barista, and Restaurant Crew at Portofino Bay Hotel, Orlando, Florida.

**Diana Rueda** is an Instructor at UAP. She teaches International Business Economics, Intermediate Microeconomics, and Macroeconomics.

**Claire Therese B. Villafuerte** is a Teaching Associate at the UPLB College of Economics and Management. Her research interests are economic development, human resource economics, and gender economics.

**Ray Justin A. Villanueva** has an undergraduate degree in Economics with an informal minor in Tourism Management from UP Diliman. His areas of interest include tourism marketing and value chains, redesigning of local tourism marketing campaigns, and assessment of community tourism policies.

This page intentionally left blank

# Foreword

*Fernando Martin Y. Roxas*

We are pleased to introduce “Revisiting Sustainable Tourism in the Philippines: Towards a Better Normal.” In a world marked by dynamic shifts and unprecedented challenges, this book delves into the transformative journey of sustainable tourism in the Asian context, examining its evolving landscape against the backdrop of technological advances, the COVID-19 experience, and the increasing sensitivity to sustainability.

Technology is a powerful enabler for sustainable tourism. From digital platforms that connect travelers with eco-friendly accommodations to advanced data analytics aiding in destination management that reduce our carbon footprint, technology is empowering both businesses and tourists to make responsible choices.

The shockwaves of the pandemic have reverberated globally, prompting the opportunity to prioritize resilience and adaptability in the face of unforeseen challenges. We explore how the lessons learned during the global crisis can be harnessed to create a tourism sector that is more adaptable, inclusive, and considerate of local communities.

Our society’s heightened awareness to sustainability is another beacon guiding the evolution of tourism. On one side, communities, governments, and businesses are recognizing the necessity to balance economic benefits with environmental and social responsibility. On the other side, conscious travelers are increasingly seeking experiences that align with their values, driving a demand for destinations that support community engagement, cultural preservation, and the protection of our planet.

We tackled postpandemic issues hindering sustainability pursuits in the better normal. Tourism management and development have become more profound with the growing significance of tourism as an economic pillar, particularly in Asia – a region teeming with ridge-to-reef experiences. Asia is home to major tourism and investment source markets such as the People’s Republic of China (PRC), Republic of Korea (ROK), Japan, India, and the member economies of the Association of Southeast Asian Nations (ASEAN). Economic opportunities from tourism brought about by hyper-globalization are driving changes in the strategies of national tourism organizations (NTOs), policymakers, destination managers, private enterprises, local communities, and tourists. The challenges of meeting these opportunities have become more pronounced given consequences of unsustainable tourism practices. Thus, we present challenges, opportunities,

and approaches of pursuing sustainable tourism in a postpandemic situation within the framework, principles, and practices of tourism management and development as applied to the diverse yet fragile nature-based tourism sector of the Philippines. We showcase an anthology of research focusing on the Philippine experience, which other economies can learn from.

In 2005, the Philippine Institute of Development Studies (PIDS) – Philippine APEC Study Center Network (PASCN) published the book *Challenges of Sustainable Tourism in the Philippines*.<sup>1,2</sup> A handful of books on tourism economics and economics of sustainable tourism also presented case studies from developed and less developed tourism destinations. They focused on market demand estimations, host communities, and environmental impact analysis. However, in 2023, the Asian Institute of Management – Dr Andrew L. Tan Center for Tourism (ALT-CFT), through De La Salle University Publishing House (DLSUPH), released the book *People, Planet, Profit: Principles and Practices of Sustainable Tourism* highlighting more Philippine and Asian cases.<sup>3,4</sup> As a follow-up, we continue the trajectory of underscoring less developed tourism destinations and less discussed issues, which are value-adding for policymakers, private sector, local community, civil society, academe, and the public.

We structured this book to guide you through essential chapters, including a fresh and in-depth preliminary exploration of sustainable tourism, a paradigm shift toward value chain integration, a call to think small for effective management, the customization of services to meet changing demands, and a compelling conclusion advocating for quality over quantity. It adopts a unique management and practical perspective. By merging theoretical frameworks with real-world experiences, our contributors offer tangible insights that can be applied by professionals, policymakers, and stakeholders alike. The book analyzes the current state of sustainable tourism and contributes to the discourse on how it can be realized.

We thank the contributors who shared their insights, experiences, and expertise. We hope that this encourages you to reflect on the profound implications of the main themes, foster constructive dialogues, and spark collective action toward a more sustainable and resilient future for tourism.

---

<sup>1</sup><https://www.pids.gov.ph/>

<sup>2</sup><https://pascn.pids.gov.ph/>

<sup>3</sup><https://aim.edu/research-centers/dr-andrew-l-tan-center-tourism>

<sup>4</sup><https://www.dlsu.edu.ph/research/publishing-house/>

# Preface

*John Paolo R. Rivera*

This book tackles the postpandemic theoretical, conceptual, empirical, and systemic issues faced by tourism stakeholders in their pursuit of sustainability in the new and better normal. More than ever, the role of tourism management and development has become more profound with the growing significance of tourism as an economic pillar, particularly in Asia – a region teeming with ridge-to-reef experiences anyone can partake. Moreover, Asia is home to major tourism and investment source markets such as the People’s Republic of China (PRC), Republic of Korea (ROK), Japan, India, and the member economies of the Association of Southeast Asian Nations (ASEAN). The economic opportunities from travel and tourism brought about by hyper-globalization are driving changes in the behavior and strategies of national tourism organizations (NTOs), policymakers, destination managers, private business organizations from micro to large enterprises, local communities, and tourists themselves. Likewise, the challenges of meeting these economic opportunities have become more pronounced given the negative repercussions of unsustainable tourism practices on the people and the environment. Thus, this book explicates not only the challenges and the opportunities of pursuing sustainable tourism in a postpandemic situation but also the approaches by which sustainable tourism in Asia can be achieved within the framework, principles, and practices of tourism management and development as applied to the diverse yet fragile nature-based tourism sector of the Philippines. Through this book, we present a collection of peer-reviewed research works focusing on the experiences of the Philippines, which other economies heavy on tourism can learn from.

The key objective in preparing this book is for it to serve as key evidence-based resource material for achieving a broader and deeper understanding of the current challenges and opportunities of sustainable tourism. This is anchored on the lessons learned from the COVID-19 pandemic and how the tourism industry can move forward sustainably and resiliently. It compiles and structures in one anthology pertinent enquiries, issues, solutions, and lessons encountered by stakeholders in driving sustainable tourism. Equally important, this book also reinforces the research culture in the tourism industry. While research can be basic, applied, or developmental, it can generate patents, innovations, and new methodologies that can contribute to the development of the industry in the long run.

While sustainability has become more than a buzzword, this book bridges a significant gap in the literature of sustainability particularly in tourism. There is inadequacy of major scholarly references synthesizing the application of economic and management principles and techniques in a postpandemic sustainable tourism paradigm: (1) a value chain approach to sustainable tourism; (2) “thinking small” as a new pillar of sustainable tourism; and (3) customization to recalibrate tourism products and services. These facets have not yet been covered in the form of a book. Hence, this book offers value-added through exploring the applications of economics and management as well as providing relevant case studies on sustainable tourism in the Philippines that other countries can benchmark with.

In 2005, the Philippine Institute of Development Studies (PIDS) and the Philippine APEC Study Center Network (PASCN) published a book on *Challenges of Sustainable Tourism in the Philippines*.<sup>5,6</sup> In the international market, there are quite a handful of books on tourism economics and economics of sustainable tourism that present case studies from developed tourism destinations and a few from less developed destinations. Chapter topics focus largely on market demand estimations, host communities, and environmental impact analysis. However, in 2023, the Asian Institute of Management – Dr Andrew L. Tan Center for Tourism (ALT-CFT), through De La Salle University Publishing House (DLSUPH), released a book on *People, Planet, Profit: Principles and Practices of Sustainable Tourism* that sought to highlight more of Philippine and Asian case studies.<sup>7,8</sup> As a follow-up, this book continues the trajectory of underscoring less developed tourism destinations and less discussed issues, which can be a useful guide for policymakers, private sector, local community, civil society, academe, and the public.

---

<sup>5</sup><https://www.pids.gov.ph/>

<sup>6</sup><https://pascn.pids.gov.ph/>

<sup>7</sup><https://aim.edu/research-centers/dr-andrew-l-tan-center-tourism>

<sup>8</sup><https://www.dlsu.edu.ph/research/publishing-house/>

I

# **A Value Chain Approach to Sustainable Tourism**

This page intentionally left blank

## Chapter 1

# Shifting Paradigms: An Empirical Analysis of the Tourism Value Chains in the Better Normal

*Ray Justin A. Villanueva*

University of the Philippines Diliman – School of Economics, Philippines

### Abstract

The COVID-19 pandemic resulted in significant declines in international tourist arrivals and receipts. It has also influenced destination preference, tourist demographic, travel motivation, and behavior. Recognizing health and safety as the new considerations in pursuing tourism activities in the better normal, this necessitated a reassessment of the current tourism industry by directing the attention from the usual destination-centric perspective to a value chain perspective. This chapter proposes a new paradigm for the better normal value chain by deconstructing the concepts of travel, tourism, and travel sectors and revisiting the concept of the tourism value chain (TVC) by mapping out the chain and its functional levels and integrating travel, tourism, and hospitality sectors in one value chain. Policymaking approaches such as reorganizing the value chain, empowering stakeholder involvement through coopetition, and resilience building in the face of possible adversities in the future should be adapted to achieve this suggested paradigm's goals. This analysis provides stakeholders with a broader understanding of the needed interventions in future-proofing the industry backed by industry trends in the better normal while fostering collaboration and offering flexibility to cope better in other possible shocks in the future.

*Keywords:* ASEAN tourism; value chain; coopetition; better normal; functional levels

## Impact of COVID-19 on ASEAN Tourism

The COVID-19 pandemic highlighted the various weak links in the various global value chains *affecting economies and industries, as well as the unprecedented changes in the demand and supply bases of these industries* (Tasnim et al., 2022). While many industries have been drastically affected by the pandemic, the global TVC has been one of the deadliest hit due to the repercussive consequences of the border restrictions, paralyzing labor markets, hospitality and tourism segments, leading to changes in traveler behavior and tourism preferences, evidenced by documented literature of Chakraborty and Kar (2021), Kaushal and Srivastava (2021), and Lew et al. (2020), leaving a profound impact on the economies of many economies, as tourism is a significant source of employment and revenue especially in the Association of Southeast Asian Nations (ASEAN) Region.

According to the 2022 report of the World Travel & Tourism Council (WTTC), Southeast Asia has been considered as a vibrant tourism hub with almost 140 million international tourist arrivals back in 2019. The industry has employed 41.8 million individuals or 13.2% of the region's total employment and contributed 11.7% to the ASEAN economy. Specifically, Cambodia, the Philippines, and Thailand were among the top countries in the region highly dependent on tourism in terms of total gross domestic product (GDP) contribution, constituting 25.8%, 22.5%, and 20.3% of their respective GDPs (WTTC, 2023). However, considering this major reliance of the region to the industry, the COVID-19 pandemic brought significant disruption and impacted different tourism sectors from the travel, tourism, to the hospitality sectors.

In the travel sector, per se, transportation and mobility has been considered as a major vector of pathogen distribution (Stavroulakis et al., 2021) which led for many economies within the region to temporarily cease global mobility through restrictions on the use of transportation, border closures, and shutdowns of major transportation systems from airlines, and trains, to public transportation. These lockdowns have resulted in a 49% decline in activity and a loss of close to \$4.5 trillion (£3.7 trillion) compared with 2019 (Machiarelli, 2022) triggering a large decline in international tourist arrivals of 70% between January and October 2020 as compared to the same period in 2019 (UNWTO, 2020), and a huge decline in the travel industry profits of over \$200 billion in Asia alone and a loss of \$730 billion in export revenues globally (UNWTO, 2020). While there have been efforts to facilitate recovery by containing the virus and gradually easing restrictions, the persistent threat of higher global inflation has posed further challenges. This inflationary pressure has decreased household purchasing power, resulting in less pent-up savings. As incomes fail to keep pace with rising prices, there has been a noticeable stall in the travel demand (Machiarelli, 2022).

In the ASEAN region, the travel sector faces multiple challenges, as highlighted by Bowerman (2022) and Rodolfo (2022). Ongoing border closures in China, geopolitical tensions leading to higher jet fuel prices and airfares, European Air bottlenecks, concerns about the quality of airline services, and immigration issues are all contributing to disruptions in the industry. These factors

collectively pose significant obstacles for the travel sector in the region, requiring careful attention and proactive measures to ensure its resilience and recovery.

The paralyzed travel sector has had far-reaching consequences, including stagnation in many tourism businesses and decline in tourist receipts (Chen et al., 2021), decline in consumer demand, low cash reserves, shutdowns in the hospitality centers (Florida, 2020), and a general massive decline in tourist visits, resulting in severe impacts on the tourism and hospitality sectors due to their interconnected nature. In the tourism sector, economies, livelihood, public services, and opportunities have been drastically impacted by the shift in tourist arrivals and operational challenges brought by the lockdowns, travel bans, and imposed physical restrictions (Karabulut et al., 2020). Export revenues from international tourism have plunged 63% in 2020 and 61% in 2021 amounting to a combined loss of US\$ 2.1 trillion in these 2 years (UNWTO, n.d.a). The huge decline has put millions of jobs and livelihoods at risk, where small businesses, women, youth, and the informal economy are at the biggest risk. While no nation was unaffected, destinations and economies that have been most reliant on tourism for job and economic growth have been hit the hardest including Small Island Developing States (SIDS), Least Developed Economies (LDCs), and African economies. The further decline of the sector has resulted in larger consequences including budget cuts on biodiversity conservation, a rise in poaching, looting, and in consumption of bushmeat due to decreased enforcement of tourism rules, pressure on heritage conservation, and postponement of many intangible cultural heritage practices such as traditional festivals and gatherings and closure of tangent markets (UNWTO, n.d.b).

In ASEAN, tourist numbers dramatically decreased by trifold compared to the pre-pandemic numbers (Alisya et al., 2021) as most economies pursued draconian measures to prevent the spread of the virus bearing a huge impact both socially and economically. While some economies have successfully kept their numbers down like in Thailand and Vietnam, other economies such as Indonesia, Malaysia, and the Philippines have constantly struggled to keep their cases in check and contain the virus leading to the prolonged spur of the virus (Vichit-Vadakan, 2021) which kept various tourist destinations temporarily halted for a longer period.

Although the pandemic has spurred new developments and innovations in the travel industry, such as the surge in teleconferencing and communication technologies, artificial intelligence, digital border management such as e-visas and e-gates, the concept of travel bubbles; revenge travel, a term used to describe a surge or boom in tourism following the COVID-19 pandemic (Liu & Wang, 2023); and the gradual recovery of destinations through domestic tourism and niche-based tourism, these developments cannot fully offset the significant losses incurred by the industry due to the decline in international tourism. While they have provided some relief and opportunities for recovery, the industry continues to grapple with the far-reaching impact of the reduction in international travelers, affecting not only the sector itself.

The closure of numerous destinations and the decline in tourist arrivals have devastated the hospitality sector, particularly due to its heightened vulnerability

to health-related risks. This resulted in a sharp decline in hotel occupancy rates, reaching almost 50% in 2020. This led to the closure of hotel operations or their conversion into quarantine facilities, as observed in various economies, including the Philippines. Other establishments, such as restaurants and theme parks, also faced similar challenges. To cope with the situation, cost reduction measures were implemented, jobs were terminated, and loan repayment deferments were arranged to compensate employee salaries, leading to dismay in hotel stock performances and skill misalignment, reminiscent of the experience during the severe acute respiratory syndrome outbreak in 2003 (Kaushal & Srivastava, 2021). The hotel industry in Asia alone endured a staggering 57% drop in hotel occupancy rates, resulting in 63.4 million job losses and a revenue loss of US\$1.041 billion due to massive booking cancellations (Agustina & Yosintha, 2020). These statistics underscore the severe hardships faced by the hospitality sector in the wake of the pandemic.

As such, the COVID-19 pandemic shed light to numerous vulnerabilities within the tourism industry framework, notably its pronounced reliance on a destination-centric approach, where tourists' sole focus is to rely on their destination rather than the way to reach them and the other factors affecting their tourist experience. Although the destination-centric focus of the tourism industry provides tourists with immersive and authentic travel experiences and contributes to the economic growth of destinations, it also exposes certain drawbacks and gravely affects destinations in times of crisis like the COVID-19 pandemic. One prominent concern is the strain it places on local infrastructure development by overwhelming existing facilities such as roads and transportation options, water, and other natural and manmade resources due to sudden influx of tourists. This leads to worsened congestion, environmental degradation, and stretching of the current capacity of infrastructures beyond its limits.

Additionally, this approach can commodify intangible tourism assets by changing and treating culture and other assets as a touristic attraction or an economical commodity in general (Greenwood, 1978), which potentially undermines their cultural value. Focusing on the destination aspect (tourism) alone leads to insufficient efforts in enhancing other umbrella sectors, such as travel and hospitality, resulting in an uneven growth within the broader tourism ecosystem, which affects the overall sustainability of the industry.

Given this context, a paradigm shift becomes imperative in achieving a more sustainable new normal tourism industry. The post-COVID-19 era demands a comprehensive reevaluation of the TVC, necessitating a transformative approach to align the sector with forthcoming health and environmental challenges (Machiarelli, 2022). Although this has been considerably gaining attention in the academia, the focus of most literature has predominantly centered on developing resilient supply chains (Chowdhury et al., 2021; Dubey et al., 2021), stakeholder participation and governance (Roxas et al., 2020) and assessing of the current industry scenario (Brouder et al., 2021; Lew et al., 2020). Some literature also made speculations and recommendations for the rebuilding of industry based on present trends and mindset (Gössling et al., 2020; Gowreesunkar et al., 2023).

Exploring the intersection of these areas holds a huge potential to establish a more inclusive and integrated value chain. This entails establishing a harmonious and cooperative linear chain framework enhancing the end-to-end experiences for the new-normal tourists. However, to achieve such, it is necessary first to distinguish the travel, tourism, and hospitality sectors from one another as they are often get lumped together due to their interconnected and complementary elements. Avoiding interchange or lumping of their definitions in academic discourse is essential for a nuanced understanding of the post-COVID-19 tourism framework and guiding policy actions within these sectors.

Guided by this objective, the chapter builds on developing a novel paradigm for the TVC. The chapter commences through a deconstruction of the travel, tourism, and hospitality sectors – scrutinizing their definitions and functions while addressing overlaps. The chapter also revisits the TVC concept using Partale’s model (2020), mapping its functional levels, and proposing enhancements for a sustainable tourism model in the better normal.

To address the concerns surrounding the present TVC, the chapter proposes strategies for establishing the new normal framework. This framework integrates discussed models, emphasizing sustainability while aligning with the current tourism. The chapter caps off by presenting some case studies from ASEAN destinations illustrating practical applications of the framework, enhancing the new normal tourist experience standards while prioritizing sustainability and inclusivity; and resilience against future crises like pandemics.

## Deconstructing – Travel, Tourism, and Hospitality

‘When I use a word,’ Humpty Dumpty said in a rather scornful tone, ‘it means just what I choose it to mean – neither more nor less.’ – Lewis Carroll, *Through the Looking Glass and What Alice Found There* (p. 124).

This approach to the question of definition has been widely referenced in discourses relative to approaches to defining tourism. A few academics subject themselves to this Humpty Dumpty approach in defining this term.<sup>1</sup> While language is considered subjective and fluid, Heeley (1980) stresses the importance of having a “terminological exactitude” (p. 11) in defining this term. However, with tourism being a complex industry, deconstructing the various sectors, such as travel, tourism, and hospitality, can potentially expose overlapping boundaries

---

<sup>1</sup>Humpty Dumpty approach is a semantic approach where words are assigned with meanings based on the speaker’s intention or personal interpretation rather than the established definition or shared convention – posing a problem in communication since this led to ambiguity and misunderstanding. It originated from Lewis Carroll’s “Through the Looking-Glass”; however, its origin in the academic discussions cannot be traced and presumably coined by academics themselves.

and intricacies. This lack of clarity can lead to diverse interpretations and debates on what constitutes tourism and its various components.

Clawson and Knetsch (2013), Mitchell (1984), Baggio (2008), and Jakulin (2018) highlighted the complexity of the tourism industry and its socioeconomic system's deep interconnectedness, while Fennell (2015) discusses the intimate intertwining of life's economic, sociocultural and environmental fabric. Disparities and ambiguities in economic and technical definitions further complicate delineating boundaries among the three sectors: travel, tourism, and hospitality. Hence, there is a need to disentangle these nuances and establish distinct demarcations. Recent efforts have aimed to simplify and define these terms more broadly.

According to Medlik (2012) from the Dictionary of Travel, Tourism, and Hospitality, travel refers to the most common activity for people, involving a journey from one place to another using varied mode of transport undertaken for leisure and any purpose by a range of individuals.

Tourism, however, is a more complex term. Scholars like Mathieson and Wall (1982), Fennell (2015), and Leiper (1979) have attempted to define it. Leiper (1979) views tourism as an open system consisting of five elements interacting with the larger environment. This definition appears to be like Mathieson and Wall (1982), which integrated three elements in defining tourism: (1) a dynamic element, which involves *traveling* to a specific destination, *staying*; and (3) *economic, social, and physical consequences of the above*. Fennell (2015) includes market, travel, destination, and marketing as part of the tourism system, although this can blur the line between travel and tourism in the absence of purpose of travel.

Consequently, the United Nations World Tourism Organization (UNWTO) defines tourism as "the movement of people to economies or places outside their usual environment for personal or business/professional purposes." For travel to be considered tourism, it must extend beyond 24 hours but not exceed 1 year in duration. Medlik (2012) simplifies this as "travel for pleasure with an overnight stay," (p. vii) highlighting that while all tourism involves travel, not all travel is tourism.

On the other hand, hospitality can be defined as the practice of being hospitable, which involves the reception and entertainment of guests with goodwill Wharton (2006). The Dictionary of Travel, Tourism, and Hospitality defines hospitality as providing accommodation, food, and drink for people away from home in exchange for a reward. Hospitality has been found crucial in the success of service institutions and tourism providers, distinguishing them and enhancing guest satisfaction (Walters et al., 2021).

By acknowledging the interconnection and overlap among travel, tourism, and hospitality sectors and adopting simplified definitions, their distinct roles in the global value chain are clarified.

All things considered, applying these concepts and ideas in assessing the effects of the COVID-19 pandemic in the industry plays a crucial part in the process of shifting paradigms. Reevaluating the existing value chain in these sectors is an imperative to disentangle potential confusions and guide appropriate actions needed. Historically, especially pandemic and prepandemic policies have focused predominantly on destination-centric actions, neglecting the equally vital aspects of travel and hospitality leading to inconsistencies in the overall tourist experience.