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## **SUSTAINABILITY OF LA PAZ BATCHOY IN ILOILO CITY**

**EFREM JOY T. DIAZ**

*Bulacan State University / efremjoydiaz@rocketmail.com*

**FELICITAS G. MIRABUENOS, DPA**

*Bulacan State University*

### **Abstract**

The study aimed to provide insight into the sustainability of *La Paz Batchoy* noodle soup as iconic dish of Iloilo city. The study sought to answer the characteristics of *Ilonggo's La Paz Batchoy* businesses, attributes of *La Paz Batchoy* product in terms of taste authenticity, gastronomic experience, local and foreign food satisfaction, revisit intention, contribution in local economy as paid taxes, employment opportunity, local ingredients, their strategies, the challenges they encounter, and action plan that will sustain business operation and profitability.

The researcher believed that accurate result could be best obtained using the mixed method embedded approach in a one phase which the researcher wants to nest qualitative result to quantitative findings. These informants were the following: fifteen (15) business owners, three (3) Iloilo City Local Government Unit (LGU), one (1) Official of Food and Tourism Industry, one (1) worker for each *La Paz Batchoy* store and stall. While sixty (60) local and foreign tourist's respondents participated in survey in a period of two months.

Results revealed that *La Paz Batchoy* business operation in more than 15 years was profitable. The aid of enhanced program of Iloilo city local government can sustain the business operation and gain local economic growth. Through definite business action plan, entrepreneurs can further capitalize on *La Paz Batchoy* noodle soup and sustain its profitability.

### **INTRODUCTION**

Years ago, food quality sustainability was tough to maintain in different aspects of economic activity. Food supply one of the resources of the nation tends to become unstable because of their people needs and country's growth. To be able to meet the objective of each country in terms of food stability, an organization had a argument in the program 2030 of the United Nation Sustainable Development Goal (SDG's)n.2, 'zero hunger'- requires revisiting in the light of growing urbanization. Increase in urbanization is part of nation development

where's population size is changing which connected to government activities result in decrease or sustain or improve.

The Micro, Small, and Medium Enterprise (MSME) have been growing. Its contribution is evident as it plays a significant role in the economic development of one country through their contributions, mainly in rural development, rural industrialization and decentralization of industries, creation of employment opportunities and more equitable income distribution, use of indigenous resources, earning foreign exchange resources, creation of backward and forward linkages with existing industries, and entrepreneurial development.

However, the study only focused on microenterprises of local food delicacy sustainability. A microenterprise is a small business that employs a small number of employees. A microenterprise usually operates with fewer than ten people and started with a small amount of capital. Most micro-enterprises specialize in providing goods or services for their local areas. Thus, this small business can be easily found on every corner, mostly are stands in the streets and market sidewalks. Entrepreneurs engaged in this business are working for livelihood with fewer products, lesser capital, and somehow limited access to financial security and support. Food shows significance to a unique individual. This implication is based on symbolic aspects, aesthetic, historical, and social. It is important to take note the details contributed to community and how food develops and grows as part of the people's heritage (Mercado & Andalecio, 2020).

The above-mentioned issues portray the kind of business cycle that the micro food local delicacy entrepreneurs live and coping mechanisms were used. The study aims to gain insight into these issues by researching one of the known local food businesses in Iloilo city. The *La Paz Batchoy*, a delicious blend of unique ingredients shows the ingenuity of Ilonggo's combining influences from oriental food in La Paz district public market.

Nowadays, food establishments are growing rapidly where various neophyte local food businesses arise along with new and well-known food businesses. The food businesses will be highly competitive if the food served has a unique taste and strategies in attracting customers are used to have a better edge on food industries. Despite the success of a business, new competitors could enter the market at any time to steal the customers. It is seen in the study of Truong (2019) that the branding, finance, operation, and personnel value for customers is one of the successful features.

Therefore, the study aims to focus on *La Paz Batchoy* business' sustainability by its long-term survival and ability to have sustainable profits over a period despite having larger and longer-life competitors in the market.

The purpose of the research is to describe the extent of business practices in sustaining the operations of *La Paz Batchoy*. This aims to answer how this business overcomes the challenges in their day-to-day business operation.

## Statement of the Problem

The general problem of the study is: “How does sustainability of *La Paz Batchoy* businesses contribute to the growth and progress of Iloilo city?”

Specifically, this study sought answers to the following questions:

1. How may the characteristics of the *Ilonggo's La Paz Batchoy* businesses be described in terms of?
  1. years in operation,
  2. location,
  3. number of employees,
  4. start-up capital, and
  5. estimated monthly income?
2. How may the *La Paz Batchoy* noodle soup product in Iloilo city be described in terms of:
  1. taste authenticity,
  2. local and foreign tourist food satisfaction,
  3. gastronomic experience, and
  4. revisit intention?
3. How may *La Paz Batchoy* contribute in the local economy in terms of:
  1. paid taxes,
  2. employment opportunity, and
  3. local ingredient patronage?
4. What are the challenges encountered by the *Ilonggo's La Paz Batchoy* business owners in the operation of their business?

5. What are the business strategies being used by *Ilonggo's La Paz Batchoy* in business operation?
6. What action plan may be proposed to *Ilonggo's La Paz Batchoy* business owners to improve their existing business operations that will contribute to the economic development of Iloilo city?

To have a better and accurate findings, theories, literature and studies were gathered to gain insight into the current status, strategies, and challenges of *La Paz Batchoy* business.

Varga & Guignon (2020) proposed the term the 'authentic', used either in the strong sense of being "of undisputed origin or authorship", or in a weaker sense of life "faithful to an original". To say that something is authentic is to say that it is what it owns or reputed to be, in beginning or authorship.

Philippine Micro, Small and Medium Enterprises (MSMEs) help the rural and across the board areas to revive the economic development. They serve as providers and suppliers of large enterprises and also a stepping stone of known entrepreneurs of large corporation now a day (The MSME Sector at A Glance, 2012). The list of active operating business enterprises in the country was recorded by Philippine Statistics Authority (PSA) in 2021. It had a total percentage of 99.58% MSMEs and 0.42% large enterprises out of total business entity of 957,620. Micro enterprises established 90.54% of total MSME establishment, followed by small enterprises of 8.63%, and 0.41% medium enterprises. In addition to 2021MSMEs statistics for sector industry distribution, the accommodation and food services activities had earned the top 2 active business establishments. Thus, employment status generated by MSMEs for micro enterprises 32.46%, small enterprises 25.08% and medium enterprises 7.12 %. Meanwhile, 35.33% generated in large enterprises (2021 MSME STATISTICS, 2021).

Food businesses in the Philippines are flourishing as they served their product in every place of the country. They offer sumptuous dishes in a daily activity of the customers. Most of the businesses became successful in selling thru social media, other gained their name through time while small percentages of them were tested only for a short period of time and they were recognized (Prieto, 2018). Local companies invest in foreign food establishments rather than

local brands. Hence, foreign food establishment required payment for franchising and royalty fees as secured market acceptance and established business strategies. While foreign brands invade local food concept in order to uplift aesthetics food presentation. The competitions in local food cuisine to foreign food brand are constantly arising that creates more marketing strategy applied by local entrepreneurs. One of these strategies is online platform of local businesses as low-cost investments as they showcase the food and authenticity (Masigan, 2019).

Philippine Statistics Authority documented the economy growth of Western Visayas (Region 6) grew by 6.4% compared with Central Visayas (Region 7) regarding 5.3% followed by Eastern Visayas (Region 8) of 5.3% during the Regional Dissemination Forum on the 2019 Performance of the Regional Economy last November 23, 2020. The contribution of Western Visayas growth was more in Agriculture and Fishery sector at 0.1%, 1.3% Industry sector, and 5.0% Service sector. The services sector in accommodation and food service activities contribute the highest percentage which is 31.4%. The result significantly increased compared to the negative 10.5 % growth in the previous year. In addition to growth, it is 69, the number of BPOs under the Iloilo Federation of IT grew in 2019, accumulated investment of 54 million dollar with 26,820 employees. Furthermore, it showed great potentials in other subsectors of transportation and storage that will rapidly grow with the help of proposed improvements of airports and seaports to cater more flights and RORO vessels trips as new tourist destinations in the region were being developed (Region 6 is the Fastest Growing Region in the Visayas, 2020).

The Department of Trade Industry official prospect the possible investment of other countries in Iloilo city and province of Iloilo. The reason of the visitation is to assist the province in the developments and promotion for possible trade connection with other countries. It was seen that Iloilo city real estate increased vastly which led to not enough outsourcing process office spaces. The official concluded, if the needed gap will be remedied or addressed; possible investors will invest in the development. Thus, DTI VI Regional Director issued a statement that “local MSMEs have difficulty in reaching out to more markets in other countries” (DTI Explores Iloilo’s Market Potential, 2019).

The city has a gastronomic place which offers the country’s best dishes; the *La Paz Batchoy* and *Pancit Molo*, with the use of this delicacy, Iloilo city initiated to be part of creative city of gastronomy by the United Nations Educational, Scientific, and Cultural Organization (UNESCO) creative network 2021. The initiative of the Iloilo city government was supported by the Department of Tourism (DOT) to boost tourism and create environment and adoptive innovation which drives sustainability and development of the city (DOT backs Iloilo Bid for ‘Creative City of Gastronomy’ recognition from Unesco, 2021).

Sidali and Hemmerling (2014) introduced the relationship between local food consumers and their intention to consume food specialties which show some individual psychological traits (consumers' passion, identification with a product) as enablers in the perception of food authenticity. The freshness of the ingredients is part of the feature of food authenticity. Hence, unique taste of the product in a place cannot be imitated by other cities. Mostly, taste authenticity is on the flavor because it triggers the smell, taste and boosts the sensation characteristics. In this way, flavor enables customers to enjoy a unique and pleasurable sensation experience.

In addition, the study of Zhang (2019) explained the sustainability of country development in economic and environmental which have a relationship to local food as part of preserving the classical culture, tourist attraction, and supporting the regional economy. Hence, relationship of authenticity and quality of local food is not highly advantageous to the economy. The classical view of authenticity is the tourists' satisfaction and loyalty as basis of food tourism. Meanwhile, difference in relationship between characteristics of quality, tourist satisfaction, and tourist loyalty are dependent on which are perceived by the authenticity of country local food.

Iloilo food delicacies had its traditional spirit that is loved by tourists. Various businesses made and sell their native food. The delicacies discussed below are some from other food delicacies (The Ilonggo Entrepreneurs of Authentic Delicacies and Their Contribution to Tourism Industry, 2017).

The article of Guidelines for the Development of Gastronomy Tourism (2019) mentioned that the gastronomy has always part of tourism which significantly changes over recent years in relationship. It was seen in the relationship between gastronomy and tourism the interest in food that evolved towards new models and new segment of gastronomy tourism. Bogers and Jensen (2017) explore the variety of the gastronomic segment that can be a multitude alternative business models and characteristics which allow the sector to create product differentiation, market segmentation, and innovation.

Local and foreign tourist food satisfaction is the fulfillment of expectation towards consumption of local food. It is evaluation of before consumption expectation and perception after consumption. Extended memoirs were connected to travel experience memories in local food, local cultures, and histories satisfaction (Tsai, 2016). Mak et al. (2017) investigate the motives of tourist food consumption which developed seven motivational dimensions such as novelty, and variety, authentic experience and prestige, interpersonal and culture, price/value and assurance, health concern, familiarity and eating habit and sensory and contextual pleasure were important on food related personality traits on tourist food consumption. Therefore, local

cuisine is one of the factors which contributed on how tourists experience a destination which enhances the visitor's familiarity and satisfaction (Erkmen, 2019).

Revisitation of a place is rarely the priority of the tourist but some are related to authentic food without considering the distance of a place. Taking into the consideration to the stated pronouncement of Özdemir and Seyitoğlu (2017) that the factors enhance their satisfaction with local food experiences and these are the locality, authenticity, and novelty of food, which all create unique opportunities for learning local culture. Due to repeat visits, the destination's food culture becomes familiar to those and this helps them in consuming local foodstuffs. Eventually, a destination's local food image which has a familiar attribute is more desirable for them and enables their choice of a late destination because such an image is able to provide both a degree of authenticity and safety.

In the Philippines, there are ruling specifically regarding business registration and tax payment which include sole proprietorship. Certificate of Registration (COR) is a type of document that gives the legal right to operate one's business in the Philippines which is issued once registered with Bureau of Internal Revenue. Since income from *La Paz Batchoy* use not to exceed threshold, under Section 116 to 127 of the National Internal Revenue Code of (also known as Tax Code), as amended, and as required under special laws, percentage tax is a business tax imposed on persons, entities, or transactions specified. Accordingly, persons or businesses, who are NON-VAT-registered, who sell goods, properties or services, whose annual gross sales and/or receipts do not exceed three million pesos (Php 3,000,000.00) and are exempt from value added tax are required to file quarterly income tax (Assessment Program Division 1, 2020).

Harvie et al. (2013) noted that on top of access to credit, Small Medium Enterprises (SMEs) also face difficulties in obtaining other financing sources, such as leasing, particularly in developing countries. Access to finance is one of the most commonly-cited challenges faced by SMEs worldwide. In the Philippines, SMEs usually lack the collateral required for them to avail of loans, while financial institutions lack credit information that will help them identify credit-worthy SMEs. Access to technology is another challenge faced by SMEs to be competitive. The market access is another factor in which SMEs find difficult to reach and lastly, SMEs need to improve the quality of their products to be able to compete in other markets (Philippine MSME Development Plan 2017-2022, 2017).

Pineda (2019) outlined the qualities of a successful entrepreneur. Success requires tenacity and persistence, which are essential character attributes. Emerson Lim is a young, prosperous Ilonggo businessman who has already established himself in the city of Iloilo's food industry. It was difficult at first to introduce "Pares" to the Ilonggo gastronomic culture, but through

tenacity and dedication, the restaurant has been able to provide the general public with excellent dining experiences, according to Lim. Entrepreneurs, he repeated, are "calculated risk-takers," not "risk-takers." It is a must to analyze the pros and disadvantages, and if the pros outweigh the concerns, why not?"

Ratten (2020) said that although businesses are resilient by nature, the Covid-19 crisis's scope and duration have created unique difficulties for them in adjusting to the media landscape. These difficulties may be connected to how entrepreneurs handle ambiguity by being adaptable as well as with the assistance of an entrepreneurial ecosystem environment.

The task for Emil Diez, Gerry Guadarama, and Evelyn Que was to reimagine traditional cottage businesses as mid-able brands. Three distinct business success stories and three distinct failures, all connected by a same theme (Tinapayan Bakeshop, Biscocho Haus and JD Bakeshop). The incredible tale of Vincent "Dako" Yap for Roberto's Iloilo's Best-Kept Secret, Tedorico "Ted" Lepura's Ted's OldTimer *Lapaz Batchoy*, and Rommel Juan for Binalot Business (The Ilonggo Entrepreneurs of Authentic Delicacies and their Contribution to Tourism Industry, 2017).

Adelino and Robinson (2017) studied about creation of employment in business phase in response to local schemed opportunities. The study identified the strategies linked to local income to job creation in the non-tradable sector. It was found out that the local investment led to employment opportunities which arise in a business. Connection between new business, employment and economic growth were determined in general symmetry. Hence, the result was responsiveness which described the differences in employment as being shared with new business compared to resistance employment with established businesses.

Piramanayagam et al. (2020) A study on the relationship between tourists' local cuisine satisfaction and behavioral intention played an important role in giving a memorable tourism experience that made the tourists more satisfied and manifested intent to return. A total of 346 tourists answered survey questionnaires of the study that was done in New Delhi, India. The outcome was remarkably favorable in terms of the likelihood that visitors will return after having a fantastic dining experience.

Stankov et al. (2019) had their study on how to investigate and assess the influence of traditional Bulgarian cuisine in the choice of tourist destination. The approach was to conduct a survey from local and foreign tourists with the participants of 150 who visited the main cities of Bulgaria such as Sofia, Varna, and Plovdiv. Thus, the survey showed that the destination selection in three areas influenced by many factors such as local cuisine, natural and historical resources of the country, and cultural heritage while consumption of local cuisine were affected by destination image, local cuisine accessibility, eating and drinking habits of the locals in a destination.

Iloilo's *La Paz Batchoy* is a local delicacy and a significant local contributor to what the city is known for, and entrepreneurs can further capitalize on its inherent authenticity by introducing action plan that will improve and sustain business operations profitability.

## **METHODOLOGY**

The study's main objective is to investigate the sustainability of the *La Paz Batchoy* owned by business entrepreneurs in Iloilo city using mixed method research by the use of Embedded Survey Questionnaire as vital instrument; necessary details are obtained to evaluate the study.

The researcher chose different types of respondents that captured different scope of the study. The respondents were the following: three (3) LGU of Iloilo city officials with one (1) food and tourism industry official, and fifteen (15) business owners, one (1) worker for each business name. The researcher chose the above respondents because of their contribution to the city's local economy and as vital part of existing improvement of the city government.

The business owner's eligibility criteria are: (a) small businesses and entrepreneurs of *La Paz Batchoy*, (b) established business in Iloilo city, and (c) legally operating beyond 3 years with business permit. The researcher believes that more than 3 years of business operation of *La Paz Batchoy* noodle soup products has already established consumer satisfaction. All respondents were selected purposively. The researcher believed that these respondents provided accurate responses to the question in the interview guide.

The use of the quantitative approach, the researcher prepared a survey questionnaire guide for the outside Iloilo province respondents and information sheet form to business profile characteristics of *La Paz Batchoy* in Iloilo city. This survey was presented in Google template form with the inclusion of five-point Likert scale: (1) Strongly disagree; (2) Disagree; (3) Moderately agree; (4) Agree; (5) Strongly agree and applied the following questions; ten (10) items on taste authenticity, seven (7) items on gastronomic experience, eleven (11) items local and foreign satisfaction, and five (5) on revisit intention. The business profile was collected in terms of years of operation, location, number of employees, start-up capital, and estimated monthly income.

The interview guide was prepared for securing a response that is factual and provided information about certain knowledge. The first draft of the interview guide was forwarded to the adviser and other panels, expert in research for validation and approval. The suggestions and comments given were considered on its final draft. The interview guide composed of three

(3) main topics; these are contribution of *La Paz Batchoy* to local economy with six (6) subtopic questions, challenges encountered by the *La Paz Batchoy* business with three (3) subtopic questions, strategies of *La Paz Batchoy* business owners with three (3) subtopic questions. Questions were conducted in a semi-structured interview to gather aspects of the study that needed to be clarified and expounded and explore other possible significant aspects of the study by providing pre-determined and open-ended questions.

The validated interview questionnaires were sent to the qualified business owners included the consent form and with the invitation letter a few weeks before the interview. The phone call interviews were arranged to inform respondents about the length of the interview and what categories it would address. All interviews conducted with the interview-guide.

The Researcher used Cronbach's Alpha calculation for content validity which has a mean result of 0.980. It was analyzed and verified by statistician that the provided questionnaires are acceptable to assess the objective of the study while the qualitative interview guide was checked and validated by the local food business owner, Local government official, and a food enthusiast.

The researcher used the data analysis to evaluate, retrieving valuable facts and insights. It explained in a brief method how the study was going to be analyzed using the primary data. The mixed methods with the help of embedded approach were applied in the study.

The researcher used descriptive analysis for the *La Paz Batchoy* business profile (years of operation, location, number of employees, start-up capital, and estimated monthly income) and survey questionnaire in the collected data and analyzed the numerical result presented in a table using frequency distribution and descriptive measures. It was performed using the SPSS to identify the respondents' response in provided survey questionnaire. The Researcher used Cronbach's Alpha calculation for content validity has a mean result of 0.980. It was analyzed and verified by statistician that the provided questionnaires are acceptable to assess the objective of the study.

Moreover, phenomenological approach was used by the researcher in summarizing and reviewing the collected data, experiences, and information through qualitative method. The questions presented in a schematic form with relevance to the current status of *La Paz Batchoy* business; i.e How do the chosen respondents sustain their business? What are the business strategies being used by them to sustain their business? What are the challenges encountered by them as entrepreneurs in operating their business? and how does the business contribute to the local economy of Iloilo city? The researcher also observed the setting in a social situation to examine the people involved in providing responses to the questions.

## RESULT AND DISCUSSION

**Table 2**  
**Frequency and Percentage Distribution of Iloilo City *La Paz Batchoy* Noodle Soup Business Owners in Terms of Years of Operations**

Years of Operation	Business Owners	
	f	%
More than 15 years	5	33
10-15 years	2	14
5- 9 years	5	33
1-4 years	3	20
<b>Total</b>	<b>15</b>	<b>100</b>

From the presented data in Table 2, more than 15 years, 33% or 5 business owners are engaged to *La Paz Batchoy* noodle soup operation, same as to 5 – 9 years of operation with 33% or 5 business owners. While 10 – 15 years, 14 % or 2 business owners have their years of operation.

**Table 3**  
**Frequency and Percentage Distribution of Iloilo City *La Paz Batchoy* Noodle Soup Business Owners in Terms of Location**

Business Location	Business Owners	
	f	%
District of Lapaz	6	40
Within Iloilo City	9	60
<b>Total</b>	<b>15</b>	<b>100</b>

Table 3 shows that the total business owners engaged in *La Paz Batchoy* noodle soup is 60% or 9 business owners are within Iloilo city while 40% or 6 business owners are in the District of La Paz. Iloilo city has seven districts but the place of La Paz district is known for *batchoy*. The place itself has the trademark of the known delicacy and some business owners name their *batchoy* noodle soup product using the name of the place where the *batchoy* originated. Due to the popularly known soup, the businesses were spread in different areas of Iloilo city as the result of the gathered data, 60% or 9 business owners are within Iloilo city but not in the district of La Paz.

**Table 5**  
**Frequency and Percentage Distribution of Iloilo City *La Paz Batchoy* Noodle Soup Business Owners in Terms of Start-up Capital**

Start-up Capital	Business Owners	
	f	%
More than 90,000	2	13
50,001-60,000	1	7
40,001-50,000	2	13
30,000-40,000	3	20
20,000-25,000	2	13
Less than 10,000	5	34
<b>Total</b>	<b>15</b>	<b>100</b>

Table 5 shows the start-up capital; 34% or 5 business owners had their start-up capital of less than 10,000 php while 7% or 1 business owner's start-up capital of 50,001 – 60,000 php. In findings on the item start-up capital with Less than 10,000 php are in District of La Paz where *La Paz Batchoy* soup originated. Businesses located in Public Market have chairs, tables and small kitchen area with estimated start-up capital, businesses of less than 10,000 php.

**Table 6**  
**Frequency and Percentage Distribution of Iloilo City *La Paz Batchoy* Noodle Soup Business Owners in Terms of Estimated Monthly Income**

Estimated Monthly Income (Php)	Business Owners	
	f	%
50,001-60,000	5	33
40,001-50,000	5	33
30,001-40,000	3	20
25,000-30,000	1	7
15,001-20,000	1	7
<b>Total</b>	<b>15</b>	<b>100</b>

The findings on the years of operation, those with more than 15 years in business are one of the indicators that *La Paz Batchoy* business is profitable. If there are more number of personnel employed, it means more customers come to take out or dine in as the findings on the number of employees, number of personnel employed by the business owners, 47% or 7 owners had 4 - 5 numbers of personnel's 20% or 3 businesses employed 6 - 8 personnel.

**Table 10**  
**Frequency Distribution and Descriptive Measures on How Revisit Intention of *La Paz Batchoy* Noodle Product be Described**

No.	Items	Responses					Weighted Mean	Verbal Interpretation
		5	4	3	2	1		
1	Local ingredients	30	21	3	4	2	4.22	Strongly agree in revisit intention
2	Fresh and flavorful soup	35	16	5	2	2	4.35	Strongly agree in revisit intention
3	<i>La Paz Batchoy</i> noodle soup satisfaction	34	17	4	3	2	4.30	Strongly agree in revisit intention
4	Cooking style	34	17	4	3	2	4.30	Strongly agree in revisit intention
5	Famous Ilonggo Filipino noodle soup	38	12	6	3	2	4.40	Strongly agree in revisit intention
Total Mean						4.31	Strongly agree in revisit intention	

The total weighted mean was 4.31 has a verbal interpretation of **strongly agree in revisit intention** which all the participants approved for revisitation to taste *La Paz Batchoy* noodle soup. The highest weighted mean was 4.40 with verbal interpretation of **strongly agree in revisit intention** as famous Ilonggo Filipino noodle soup while the lowest weighted mean was 4.22 interpreted as **strongly agree in revisit intention** and in availability of local ingredients. The revisit intention was connected to findings on the taste authenticity, gastronomic experience, and local and foreign tourists' food satisfaction because of its being an iconic dish of Iloilo city. It was an indication that business owners gave a chance to present their taste of noodle soup whether old recipe or improved process and ingredients in Iloilo city. The findings on the years of business operation and business location where owners sell their noodle soup in Iloilo city. New entrepreneurs got into this business because of product sustainability and profitability as findings on the estimated monthly income.

**Table 11**  
**Matrix of the Proposed Action Plan to Ilonggo's La Paz Batchoy Entrepreneurs and Small businesses to Improve their existing Business Operation**

Plan	Objectives	Activities	Persons/Agency involved Stakeholders	Est. Budget	Expected outcome
Product fusion with other known authentic soup of Iloilo city	To innovate soup fusion of <i>La Paz Batchoy</i> noodle soup To enhance flavorful soup in Iloilo city	Conducting a competition for most innovative <i>La Paz Batchoy</i> soup fusion	1.Iloilo city Food and tourism Industry 2. <i>La Paz Batchoy</i> entrepreneurs 3.Local government 4.School with culinary arts	100,000Php.	New authentic taste and enhanced gastronomic tourism
Seminar on how to cope with economic crisis	To give information regarding the status of economic crisis strategies	Seminar to <i>La Paz Batchoy</i> business owners	1.Iloilo Food and tourism Industry 2. <i>La Paz Batchoy</i> owners 3.Local government Unit	50,000Php	New ideas and strategies on how to cope with economic crisis
Continue Promotion of <i>La Paz Batchoy</i> through food fair and Iloilo city festival events	To improve the marketing outlet of <i>La Paz Batchoy</i> entrepreneurs and to showcase the food and tourism industry.	Conducting a food Fair for <i>La Paz Batchoy</i> joined by entrepreneurs in Iloilo city & Iloilo province	1.Iloilo city Food and tourism Industry 2. <i>La Paz Batchoy</i> entrepreneurs 3.Local government 4.Iloilo province tourism	150,000Php	Strong marketing outlet and improved profitability of <i>La Paz Batchoy</i> business owners
<i>La Paz Batchoy</i> noodle soup food packaging	To develop a new packaging design and material suited for transportation in local and export clients	Conducting a competition for <i>La Paz Batchoy</i> best packaging innovation.	1. <i>La Paz Batchoy</i> entrepreneurs 2.Iloilo city Tourism 3.Packaging Engineering Students from CPU (Central Philippine University) 4.DOST (Department of Science & Technology) 5.Local government	200,000Php.	Internationally competitive for gastronomic taste of Iloilo city <i>La Paz Batchoy</i> noodle soup through suited packaging materials and design.
Enhanced LGU program for <i>La Paz Batchoy</i> business owners	To develop program to support <i>La Paz Batchoy</i> business owners	Seminar on how to come up with Program supporting <i>La Paz Batchoy</i> business owners	1. Iloilo city Food and tourism Industry 2. <i>La Paz Batchoy</i> entrepreneurs 3.Local government Iloilo province tourism	50,000Php.	Implemented program to support <i>La Paz Batchoy</i> owners to sustain their business.
Establish <i>La Paz Batchoy</i> business owners Association	To give assistance to business owners that are engaged in <i>La Paz Batchoy</i> business	Make an office available and intended for <i>La Paz Batchoy</i> business owners	1.Small business owners 2.Local government Iloilo of Iloilo city 3.Iloilo city Food and tourism Industry 4. <i>La Paz Batchoy</i> entrepreneurs 5.Local government 6.Iloilo province tourism	50,000 Php.	Give proper assistance to business owners and focus on batchoy business

The Table 11 presents the Matrix of the Proposed Action Plan to Ilonggos' *La Paz Batchoy* Entrepreneurs and Small Businesses to improve their existing Business Operation.

The Proposed Action Plan was based on survey and actual interviews; results gathered from the respondents which provide insights on how to sustain the *La Paz Batchoy* business in Iloilo city. Furthermore, the purpose of the Proposed Action Plan is to help the Ilonggo business owners, LGU, Food and Tourism Industry in their respective objectives on how to improve the iconic dish of Iloilo city.

**I. How the characteristics of the Ilonggo's La Paz batchoy businesses may be described in terms of years in operation, location, number of employees, start-up capital, and estimated monthly income.**

The *La Paz Batchoy* business owners take at least 2 to 3 years to be profitable and become truly successful once they hit the five (5) to nine (9) years operation. To date, family business has been passed down to generations. Iloilo city has seven districts which are known for *Batchoy*. Due to known soup, the businesses were spread in different areas of Iloilo city. Standard number of employees in *La Paz Batchoy* business is within four (4) to five (5). Only large scale of *La Paz Batchoy* business employed six (6) to eight (8) personnel. The initial investment of the business owners is less 10,000 php in which majority of this are more than 15 years in business while monthly income is mainly based on the seasons of festival, events and holidays of Iloilo city.

2. **How may the *La Paz Batchoy* noodle soup product in Iloilo city be described in terms of taste authenticity, local and tourist food satisfaction, gastronomic experience, and revisit intention?**

The *La Paz Batchoy* noodle soup product is an *Ilonggo's* famous dish which originated in La Paz district. The survey results found that the total mean of each verbal interpretation of *La Paz Batchoy* product were described in **agree in taste authenticity, strongly agree in gastronomic experience, strongly agree in local and tourist satisfaction, and strongly agree in revisit intention**. The aforementioned four factors described *La Paz Batchoy* in its uniqueness. Much significant help in the promotion of the distinctive taste of *La Paz Batchoy* comes from the local and foreign tourist who spread by word of mouth its unique characteristics and has become a potent tool for tourist destination city tourism marketing strategy. Hence, dining experience was satisfying even though the place of the original *La Paz Batchoy* was inside the public market.

III. **How may the *La Paz Batchoy* businesses contribute to the local economy in terms of paid taxes, employment opportunity, and ingredients patronage?**

*La Paz Batchoy* businesses hang their updated permit in the premises of their store as a proof of their abiding the regulation of the city. All businesses paid their taxes yearly. Likewise, not all business owners paid for the mandatory contribution of their employees SSS, Pag-IBIG, and Phil-health. Other taxes paid by business owners were tourism accreditation permit, garbage permit, and real property tax machineries. Employment opportunities were based on the number of *La Paz Batchoy* business operation, Iloilo city celebration, and Iloilo city food establishment development. Thus, ingredients patronage was based on the local and tourists' Iloilo city food consumption.

IV. **What are the challenges encountered by the *Ilonggos' La Paz Batchoy* business owners in the operation of their business?**

*La Paz Batchoy* business owners encountered challenges such as effect of Covid-19 pandemic crisis, innovation in taste fusion, sourcing of new local ingredients supplier, and lack of local government support.

V. **What are the business strategies being used by *La Paz Batchoy* business owners?**

*La Paz Batchoy* businesses owners' strategies such as owners take courage to open batchoy food stall, feasibility study in business location, taste innovation, only one (1) brand *La Paz Batchoy* business branches spread in Iloilo city areas, years of operation, advertisement, social media platforms, and tourist food satisfaction.

## **VI. What is the proposed action plan to Ilonggos' La Paz Batchoy entrepreneurs to improve their business operation that will contribute to the economic development of Iloilo city?**

The researcher proposed an action plan to *La Paz Batchoy* business owners which can develop sustainability and profitability. The action plan consists of different platforms with different objectives. The main objective is to help sustain business operation that can contribute to economic growth of Iloilo city.

## **CONCLUSION**

*La Paz Batchoy* business, a famous dish of Iloilo city known for the longest time; weakened during Covid-19 pandemic crisis while the estimated monthly income depreciated. The owner's passion to sustain the business is one of the motivating factor and source of the owners' daily expenses for their daily subsistence. The product taste of authenticity helps conclude that gastronomic experience was connected with tourist food satisfaction in which these two factors considered huge impact to revisit intention of the tourist attributes to economic growth and higher food consumption. The outcome of tourist impression was the effect of the improved and sustained heritage inherent from ancestors through business owners' family generation. It is a significant local economy contributor of Iloilo city with paid taxes, employment opportunity and ingredients patronage and other taxes imposed by the local government. Thus, taxes are main source of local government income which generates employment opportunity to the Ilonggos and more establishments develop to have more investors to come and visit. Ingredients patronage is part of the indicating factor of supporting local farmers. Every time consumers buy from local producers; the money helps improve the local economy. By local supplier's ingredient keeps money in a community which helps sustain local producers and creates local jobs. Doing effective strategies with business owners such as advertising, blogging, through word of mouth of the tourists. The local festivals sponsored by business owners together with media for the exchange of publicity and exposure of *batchoy* brand help business sustained and improved. Though challenges were constantly evident and recurring, those were not reasons for the business owners to continue their business journey. Earning profit with less cost and expenses and considering demand of *batchoy* business for both local Ilonggos and foreign tourists; this will be significant for *batchoy* businesses to continue, prosper and create positive effect on the environment and economy. Entrepreneurs can further capitalize on its inherent authenticity by introducing action plan that will improve and sustain business operations profitability.

Based on the result of the study, the researcher would like to recommend the following: Improved serving style of *La Paz Batchoy* noodle soup using the advanced technology in food service. Customers lately are more into digital world, Taste of unique soup found in Iloilo city can sustain through soup fusion in other local delicacy soup with the help of Iloilo city government program, and the ambience of the place which brings tourists first impression has an effect on revisit intention. Thus, this ambience of the place can be improved through air-conditioned store and modified store design to be more aesthetically artistic and by the help of Iloilo city tourism in the procurement of *La Paz Batchoy* ingredients guideline, tourists can appreciate the local ingredients of *La Paz Batchoy* noodle soup found only in Iloilo city.

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