

Gearing Toward Sustainability: Knowledge and Compliance of Local Tourism Business Operators in Southern Philippines on the Mandatory Regulations

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Abstract. This study examines the knowledge and compliance levels of local tourism business operators in Southern Philippines concerning mandatory sustainability regulations in terms of licensing and accreditation, sustainable tourism development, preservation of cultural heritage, community involvement initiatives, and consumer protection policies. As the tourism industry thrives, sustainable practices have become of greater importance to ensure environmental preservation and community well-being. A quantitative method was employed to investigate the extent of compliance of these local business operators about their knowledge of the existing mandatory regulations. The study reveals gaps in knowledge and different levels of compliance by employing a combination of surveys and interviews with the local business operators. Through a quantitative approach involving surveys, focus group discussions, and data analysis, key findings reveal a strong understanding of supporting cultural events among operators but a moderate knowledge of other regulatory aspects. The research highlights varying levels of knowledge and compliance with licensing and accreditation requirements, emphasizing the importance of responsible tourism practices for environmental and cultural preservation. The study recommends targeted educational programs, streamlined regulations, and stakeholder partnerships to enhance operators' compliance and support sustainable tourism development. By bridging knowledge gaps, addressing barriers to compliance, and implementing tailored interventions, strengthen its regulatory framework, foster industry professionalism, and advance toward sustainable tourism practices. This research contributes valuable information to the regulatory landscape and offers practical recommendations for promoting responsible tourism management and economic growth in the region.

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1 Introduction

The local tourism industry is pivotal in driving economic growth, attracting visitors, creating employment opportunities, and contributing significantly to local and national revenue streams. However, the effective regulation of tourism activities is paramount to ensure sustainable growth, protect natural resources, and uphold the quality of visitor experiences. Regulatory compliance stands as a cornerstone of this governance framework, as tourism businesses are mandated to adhere to regulations to operate legally and responsibly.

In the context of Southern Philippines, where tourism serves as a critical economic driver, the dynamics of regulatory compliance among tourism operators hold particular significance. Understanding the factors that shape operators' attitudes towards regulations in the region can offer valuable insights into the challenges and opportunities within the local regulatory environment. Delving into the motivations, barriers, and perceptions that influence operators' compliance behavior, this research investigates the region's regulatory landscape and provides practical recommendations for enhancing compliance mechanisms and supporting responsible tourism practices.

The implementation of tourism regulations among local tourism business operators is a critical component in fostering sustainable tourism development. This study aims to assess tourism business owners' knowledge and compliance with the local's regulations, aiming to identify potential interventions to improve implementation and support sustainable tourism practices. Understanding regulatory frameworks is essential for sustainable tourism development in the region as regulations play an essential role in ensuring compliance with in-placed laws, protecting natural resources and cultural heritage, supporting local communities, enhancing visitor experiences, creating a competitive advantage, fostering public-private partnerships, encouraging innovation, and enabling adaptive management.

In light of these considerations, this study seeks to fill the gap between regulatory theory and practice by examining the real-world experiences of tourism business operators in the southern Philippines. The research examines why these local tourism operators are hesitant to comply with regulations to inform regulatory reforms, interventions, and capacity-building initiatives that can improve regulatory compliance, advance industry professionalism, and support region's sustainable tourism development. Through a nuanced exploration of the regulatory challenges and compliance dynamics within the local tourism sector, this study aspires to contribute to the body of knowledge on regulatory issues in the tourism industry and offer actionable insights for policymakers, industry stakeholders, and researchers seeking to bolster regulatory frameworks and support sustainable tourism development.

1.1 Statement of the Problem

In this research study, the researchers assess the knowledge and compliance of tourism business operators/owners in Southern Philippines with local tourism regulations and their contribution to sustainable tourism development, to identify Interventions to improve the implementation of these regulations and promote sustainable tourism development.

1. What is the level of knowledge of the tourism business operators/owners regarding the local tourism policies and regulations?
2. What is the level of compliance of the tourism business operators/owners with the local tourism policies and regulations?

1.2 Conceptual Framework

This study utilized one theoretical framework. Weiss's Theory of Change (1995). The phrase "theory of change" was first used widely by Weiss (1995) to refer to the set of presumptions that explain the intermediate steps leading to the desired long-term end and the relationships between program activities and the steps' respective outcomes. Her task was to specify the theories of transformation that informed the work of designers of intricate community-based programs. She suggested that doing so would improve their overall evaluation plans and strengthen their ability to claim credit for outcomes predicted in their theory. The Theory of Change (ToC) approach allows the researchers to incorporate the perspectives and inputs of different stakeholders, including tourism business operators, government officials, community members, and other relevant groups, in the analysis.

In addition, the legal framework includes the context of the 1987 Philippine Constitution and the Tourism Act of 2009; the implementation of tourism regulations among tourism business operators in Southern Philippines plays a vital role in fostering the sustainable development program of the tourism industry. The Department of Tourism (DOT), as the primary government agency responsible for tourism, is tasked with overseeing the implementation of these regulations, along with support from both private and public sectors.

Figure 1 below reflects the interconnectedness of the variables and concepts of the study. This diagram represents the three boxes as interconnected circles, with lines indicating the relationships between the different components. The local tourism regulations (box 1) provide the framework and guidelines for tourism businesses to operate. The knowledge and compliance of tourism businesses (box 2) is at the center of the diagram, as it is the key to ensuring that tourism businesses follow the regulations and work towards sustainable development.



Fig. 1. Schematic Diagram of the Study

2 Research Methods

The study utilized quantitative methods of research to gather data. The researchers used this method to understand the data that was gathered in the course of the study. The quantitative method was used to determine, quantify, and analyze tourism business operators' knowledge and compliance with tourism policies and regulations.

2.1 Research Instruments

The study utilized a questionnaire by researchers to examine the current state of the tourism industry among local business operators in Southern Philippines. A survey method was the primary source of data for this study. The survey was distributed to tourism business operators. The data collected was analyzed using mean and standard deviation. Descriptive statistics were also employed to summarize the data and draw conclusions.

2.2 Data Gathering Procedure

The researchers secured a permit to conduct the study from the Dean of the College of Public Administration and Governance (CPAG), the Chairperson of the Government Affairs Department of Bukidnon State University, and the Head of DOT. The data-gathering process involves the collection of secondary data from existing sources, such as government reports, tourism statistics, and historical records. This additional layer of information will provide context and support for the primary data collected during surveys.

2.3 Scoring Guidelines

This portion explains the scoring procedures and interpretation of participants' level of knowledge and compliance in tourism policy.

Scale	Mean Interval	Qualitative Description	Qualifying Statement
5	4.50 – 5.00	Very High Knowledge	Participants have 80-100% or very high knowledge of tourism policy
4	3.50 – 4.49	High Knowledge	Participants have 60-79% or high knowledge of tourism policy
3	2.50 – 3.49	Moderate Knowledge	Participants have 40- 59 % or moderate knowledge of tourism policy
2	1.50 – 2.49	Low knowledge	Participants have 20-39% or low knowledge of tourism policy
1	1.00 – 1.49	Very low Knowledge	Participants have 0-19% or very low knowledge of tourism policy

Fig. 2. Scoring Guidelines

Scale	Mean Interval	Qualitative Description	Qualifying Statement
5	4.50 – 5.00	Very High Compliance	Participants have 80-100% or very high knowledge of tourism policy
4	3.50 – 4.49	High Compliance	Participants have 60-79% or high knowledge of tourism policy
3	2.50 – 3.49	Moderate Compliance	Participants have 40- 59 % or moderate knowledge of tourism policy
2	1.50 – 2.49	Low Compliance	Participants have 20-39% or low knowledge of tourism policy
1	1.00 – 1.49	Very low Compliance	Participants have 0-19% or very low knowledge of tourism policy

Fig. 2.1 Scoring Guidelines

3 Results and Discussion

This section presents the analysis and interpretation of the data of the study. It also assessed the level of knowledge of the tourism business operators in the local tourism policies and regulations. The data gathered are based on the survey extracted from the participants, who are the tourism business operators in the region. The table presents the results of the gathered data using the mean and standard deviation.

3.1 Problem 1. Level of knowledge of the tourism business operators/owners in the local tourism policies and regulations

Table 1. Level of knowledge of the tourism business operators/owners in the local tourism policies and regulations

No.	Tourism Regulation	Mean (μ)	StDev (σ)	Qualitative Description
1	Licensing and Accreditation	3.33	1.41	Moderate Knowledge
2	Sustainable Tourism Development	3.98	0.79	Moderate Knowledge
3	Preservation of Cultural Heritage	4.19	0.93	High Knowledge
4	Community involvement initiatives	3.86	1.06	Moderate Knowledge
5	Consumer protection policies	4.37	0.81	High Knowledge
Overall Total		3.95	1	Moderate Knowledge

As presented in the table, it can be observed that tourism business owners have moderate knowledge on community involvement, sustainable development and licensing and accreditation. On the other hand, the participants had high knowledge in terms of the preservation of cultural heritage and consumer protection policies. A very high score in licensing knowledge indicates a strong understanding of immediate business requirements. However, business owners might prioritize local regulations over national programs if the accreditation program’s benefits aren’t well-communicated or directly linked to daily operations. Charles' 2019 study highlights the challenges of coordinating regulatory agencies in Tanzania's tourism industry and the high compliance costs. Tourism business owners in the region have limited knowledge about the Department of Tourism accreditation, a result of fragmented regulatory frameworks. The study emphasizes the need for intergovernmental coordination to streamline processes and improve compliance. Increased awareness campaigns and educational programs could help bridge the knowledge gap and ensure stakeholders comply with national regulations. Compliance costs can be a significant burden on tourism enterprises.

In terms of sustainable tourism development and the use of sustainable materials and resources, the level of knowledge among tourism business owners is moderate. This suggests that while there is a reasonable level of familiarity with these concepts, there is also room for improvement and greater emphasis on promoting sustainable practices. Several factors might explain this high moderate knowledge. Firstly, responsible waste management and water conservation can lead to direct cost savings for businesses, providing a strong incentive for owners to learn and implement these practices. Secondly, the tourism industry thrives on cleanliness and hygiene, and these practices directly contribute to achieving that goal. The

study aligned with the research study by Borck. et al (2020). The study explores the factors driving businesses to participate in voluntary environmental initiatives and exceed regulatory compliance requirements.

In the preservation of cultural heritage tourism business owners have a high level of knowledge when it comes to respecting local dress codes and religious practices, maintaining sensitivity towards cultural landmarks and rituals, promoting cultural understanding and appreciation among customers, avoiding practices that exploit or misrepresent local culture, and respecting local customs and traditions with low standard deviations, indicating a high level of consensus among participants. These results are encouraging, as they show that tourism business owners recognize the importance of cultural sensitivity and are committed to promoting cultural understanding among their customers. Tourism thrives on positive visitor experiences, and businesses that respect local culture are incentivized to prioritize cultural sensitivity. Industry standards and best practices can also play a role, with tourism associations or training programs promoting responsible cultural practices. Local community engagement can also foster positive relationships between tourism and the community. This commitment to cultural sensitivity positions the region for sustainable and responsible tourism, aligning with UNESCO's (2019) focus on cultural preservation.

Tourism business owners have moderate knowledge about community involvement initiatives, suggesting room for improvement. They may benefit from further education and training to better understand and implement regulations. However, they have a high level of knowledge about supporting local cultural events and initiatives. Factors contributing to this gap include clearer or more accessible regulations for cultural events, a focus on cultural tourism in the region, and direct interaction with local artists. However, a lack of awareness about the economic and social benefits of employing residents or sourcing local products could hinder the wider adoption of these practices. This is aligned with the study by Li and Hunter (2014), which delves into the intricate dynamics of community involvement in sustainable heritage tourism operations. It underscores the critical role of empowering host communities to enhance their level of engagement in heritage tourism initiatives.

Tourism business owners are knowledgeable about consumer protection policies, focusing on safe products, fair advertising, accurate descriptions, respecting consumer rights, and upholding safety. This commitment builds trust and maintains a positive reputation among tourists, contributing to the long-term sustainability of tourism activities. Legal requirements and enforcement mechanisms likely play a role in this trend, as established regulations incentivize businesses to learn and comply. The tourism industry relies heavily on customer satisfaction and positive reviews, and prioritizing consumer protection through safe products, accurate information, and fair treatment builds trust and loyalty. Being knowledgeable about consumer rights allows travelers to make informed decisions about which businesses to patronize, ensuring quality services and products. This is aligned with the study of Hunt, r., & Polansky, h. (2011) The tourism industry relies heavily on consumer behaviour and preferences. As such, being knowledgeable about consumer rights and protections is crucial in ensuring that travelers have a positive experience and that businesses adhere to ethical standards. One of the primary benefits of being knowledgeable about consumer rights is that it enables travelers to make informed decisions about which businesses to patronize, thus ensuring they receive quality services and products.

3.2 Problem 2. Level of Compliance of the tourism business operators/owners in the local tourism policies and regulations

Table 2. Level of compliance of the tourism business operators/owners with the local tourism policies and regulations

No.	Tourism Regulations	Mean (μ)	StDev (σ)	Qualitative Description
1	Licensing and Accreditation	3.66	0.95	Moderate Compliance
2	Sustainable Tourism Development	4.30	0.75	Excellent Compliance
3	Preservation of Cultural Heritage	4.32	0.79	Very good Compliance
4	Community involvement initiatives	4.03	0.86	Very good Compliance
5	Consumer protection policies	4.54	0.05	Excellent Compliance
Overall Mean		4.16	0.68	Moderate Knowledge

The survey results reveal varying levels of compliance among participants with different aspects of tourism policy in the region. While the mean score for licensing and accreditation indicates a moderate level of compliance, with a notable standard deviation suggesting some variability in responses, the variables related to sustainable tourism development, preservation of cultural heritage, community involvement initiative, and consumer protection policies demonstrate higher mean scores indicating a high level of compliance. These elevated mean scores reflect strong compliance with sustainable practices, cultural heritage preservation, community involvement, and consumer protection within the tourism sector. The relatively low standard deviations for these variables indicate a higher level of agreement among participants regarding the importance of these aspects of tourism policy.

The compliance observed in sustainable tourism development, preservation of cultural heritage, and community involvement initiative underscores the commitment of tourism operators in the region to promote responsible tourism practices and preserve the region’s cultural and natural heritage. These findings suggest a positive trend towards sustainable tourism development and community engagement within the industry. Additionally, the exceptional compliance with consumer protection policies, as indicates a high level of compliance and a minimal standard deviation, highlights the prioritization of consumer safety and well-being by tourism business operators in the region. The survey results showcase varying levels of compliance with different aspects of tourism policy, resonate with the research findings of Siskawati et al. (2020). Their study emphasized the critical role of regulatory compliance in sustainable tourism management, aligning with the high mean scores observed in sustainable tourism development, preservation of cultural heritage, and community involvement initiatives. Siskawati et al. (2020) highlighted the importance of regulatory adherence for promoting responsible tourism practices and ensuring the long-term sustainability of the tourism sector. The positive compliance trends identified in the survey results reflect a shared commitment among tourism operators in the region towards sustainable tourism development and cultural heritage preservation.

Moreover, the exceptional compliance with consumer protection policies, as evidenced by the high mean score and minimal standard deviation, is in line with the principles of good

governance and accountability emphasized by Moric et al. (2021) in their study on tourism policy documents in Colombia. Moric et al. (2021) underscored the significance of consumer protection measures in enhancing the overall visitor experience and maintaining industry professionalism. The strong emphasis on consumer safety and well-being in the survey results aligns with the principles of transparency and accountability advocated by Moric et al. (2021), highlighting the importance of regulatory frameworks that prioritize consumer rights in the tourism industry.

Drawing on insights from Siskawati et al. (2020) and Moric et al. (2021), policymakers and industry stakeholders in the region can leverage these research findings to further enhance regulatory frameworks, promote sustainable tourism practices, and foster a culture of compliance within the tourism sector. The collaborative efforts guided by these studies can contribute to the continued growth and sustainability of the tourism industry in the region, ensuring that regulatory adherence and responsible practices remain at the forefront of industry operations.

The alignment of the survey results with the findings from Siskawati et al. (2020), Bazelaiz (2022), and Moric et al. (2021) underscores the consistent importance of regulatory compliance and responsible practices in the tourism industry. Siskawati et al. (2020) highlighted the critical role of compliance with regulations for sustainable tourism management, which resonates with the positive compliance trends observed in Sustainable Tourism Development, Preservation of Cultural Heritage, and Community Involvement Initiatives in the region. Similarly, Bazelaiz's (2022) study on U.S. legal and regulatory compliance for small businesses sheds light on the challenges and benefits associated with compliance, offering valuable insights that can be applied to understanding the compliance behavior of tourism operators in the region.

The exceptional compliance with consumer protection policies in the survey results, as emphasized by Moric et al. (2021) in their study on tourism policy documents in Colombia, reflects a commitment to transparency, accountability, and consumer safety within the tourism sector. The focus on enhancing the visitor experience and maintaining industry professionalism aligns with the principles of good governance advocated by Moric et al. (2021), highlighting the importance of regulatory frameworks that prioritize consumer rights and well-being. By integrating the insights from these studies with the survey results, policymakers and industry stakeholders in the region can further enhance regulatory frameworks, promote sustainable tourism practices, and cultivate a culture of compliance within the tourism sector to ensure long-term growth and sustainability.

Overall, the survey results provide valuable insights into the compliance landscape of the tourism sector in the region, identifying areas of strength and opportunities for improvement. Leveraging these findings, policymakers and industry stakeholders can work collaboratively to address any compliance gaps, enhance regulatory frameworks, and further promote sustainable and responsible tourism practices in the region. This concerted effort towards regulatory adherence and industry professionalism will not only benefit the local community and visitors but also contribute to the long-term sustainability and growth of the tourism sector in the region.

4 Conclusion

Based on the results and findings of the study, the researchers concluded that there needs to be more understanding among tourism business operators in the region regarding mandatory tourism regulations. This necessitates the introduction of specialized educational initiatives and awareness campaigns to close this gap and improve adherence to national standards. Tourism businesses exhibit a commendable awareness and compliance with local licensing regulations. This suggests that the clarity of requirements and enforcement measures

effectively ensure businesses secure the necessary local licenses for lawful operations. The commitment to cultural preservation and community involvement is evident among the participants. By hiring locals and participating in community projects, they reinforce the authenticity and societal benefits of the tourism sector in the region. Lastly, the tourism industry's dedication to consumer safety and satisfaction is commendable. Also, the adherence to regulations concerning product safety, honest advertising, and accurate service descriptions showcases a solid commitment to consumer welfare and trust-building.

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