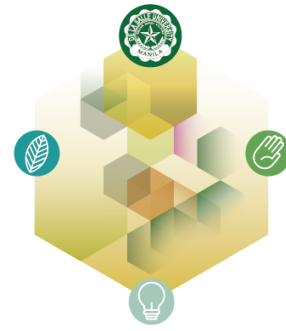


Fostering a Humane and Green Future: Pathways to Inclusive Societies and Sustainable Development



Feeding the Future: How Entrepreneurial Ecosystems Support Sustainability in Gastronomic Tourism - A Case Study of Tagum, Davao

Jessica Jaye Ranieses^{1*}, Ralph Anthony Cacal², Camille Cabatingan ²and Emilina Sarreal¹

¹ De La Salle University

² De La Salle Integrated School

*Corresponding Author: jessica.ranieses@dlsu.edu.ph

Abstract: Tourism is a key driver of the economy in many cities and regions, with food and beverage experiences playing an increasingly important role. Sustainable gastronomic tourism destinations are those that prioritize local resources and traditional expertise, and the development of a sustainable entrepreneurial ecosystem can support their growth. This ecosystem is made up of actors committed to sustainable development and can enhance the quality of food experiences for tourists while also contributing to conservation efforts. This article focuses on Tagum, Davao, and explores the city's journey toward becoming a sustainable gastronomic destination, with a specific focus on the role of the entrepreneurial ecosystem. The city launched a campaign to transform itself into a gastronomic destination in 2022, and this study examines the practices and strategies employed to achieve this goal. The case of Tagum provides insights into the important role of sustainable entrepreneurship in promoting gastronomic tourism and underscores the potential economic and social benefits of such initiatives.

Key Words: gastronomy tourism; sustainable development; entrepreneurial ecosystem; Tagum, Davao

1. INTRODUCTION

Tourism has emerged as a significant economic driver for many cities and regions around the world. In 2021, the share of tourism to the Philippine GDP was estimated at 5.2 percent, which is slightly higher than the previous year (Philippine Statistics Authority, 2022). Tourism has found its role again as a significant tool for development as economies begin to recover from the effects of the pandemic. Food and beverage experiences are increasingly becoming a significant part of the tourism industry (Nwokorie, 2015). For example, local food has been found to influence the choice of destination of travellers (Björk & Kauppinen-Räsänen, 2014).

This growing trend has led to the emergence of sustainable gastronomic tourism. A sustainable gastronomic tourism destination emphasizes using

local resources and traditional expertise (Bessière, 2002, as cited in Nistor & Dezsi, 2022) such as using locally-sourced ingredients, preservation of culinary traditions, and support for small-scale food businesses. As such, developing a sustainable entrepreneurial ecosystem can be pivotal in fostering the expansion of gastronomic tourism and its correlated economic and social advantages. A sustainable entrepreneurial ecosystem is defined as an "interconnected group of actors in a local geographic community committed to sustainable development through the support and facilitation of new sustainable ventures" (Cohen, 2006 as cited in Malecki, 2018, p. 6). These major entrepreneurs and businesses that run, coordinate, and carry out all of the necessary tasks to increase entrepreneurship in a region make up this set of actors. (Stam & Van de Ven, 2019). By promoting sustainable practices in the food industry, such as reducing food waste and supporting local food producers, a sustainable entrepreneurial

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ecosystem can enhance the quality of food experiences for tourists and contribute to the conservation of local culinary traditions and ecosystems.

In this context, this article will explore the case of Tagum, Davao, and examine the role of the entrepreneurial ecosystem in promoting sustainable gastronomic tourism and the development of Tagum as a gastronomic destination. This study aims to describe the practices of Tagum on its journey toward becoming a sustainable gastronomic destination through the entrepreneurial ecosystem the city has built.

2. METHODOLOGY

2.1 Framework

The development of a gastronomic destination depends on several factors such as access to local and quality ingredients, interaction with locals, and quality of dining experiences (Hillel et al., 2013; Widjaja et al., 2020). Among these factors, the most obvious would be the presence of good restaurants (López-Guzmán & Sánchez-Cañizares, 2012). This suggests the role a supportive environment for food businesses plays in developing a gastronomic destination. A city with a strong entrepreneurial ecosystem can provide the necessary support and resources for the growth and success of food-related businesses.

According to Cohen (2006), a “sustainable entrepreneurial ecosystem is defined as an interconnected group of actors in a local geographic community committed to sustainable development through the support and facilitation of new sustainable ventures” (as cited in Malecki, 2017, p. 6). These major entrepreneurs and businesses that run, coordinate, and carry out all of the necessary tasks to increase entrepreneurship in a region make up this set of actors. (Stam & Van de Ven, 2019).

The idea of the entrepreneurial ecosystem, first introduced by Van De Ven (1993), proposes that entrepreneurship transcends the singular focus on individual entrepreneurs or isolated socio-economic and political influences. Instead, it is a multifaceted undertaking involving a diverse array of public and private sector participants. Van De Ven (1993) identified four central pillars to this ecosystem:

Institutional Arrangements, Public Resource Endowments, and Proprietary Business Activities.

Building on this foundation, more contemporary research by Stam & Van de Ven (2019) emphasizes the necessity of a systemic perspective in comprehending entrepreneurial economies. They highlight the intertwined nature of ecosystem components and present evidence correlating the prevalence of high-growth firms in a region with the quality of its entrepreneurial ecosystem.

Within this framework, our focus shifts to Tagum, Davao, where we intend to scrutinize the influence of the entrepreneurial ecosystem on the development of sustainable gastronomic tourism. In 2022, Tagum embarked on a significant campaign to position itself as a gastronomic destination. We aim to delve into the city's approach and explore how the entrepreneurial ecosystem, comprising key elements such as institutional arrangements, public resources, and proprietary business activities, has fostered its transition towards becoming a renowned, sustainable gastronomic hub. This study will shed light on the intricate interplay between the various ecosystem components and the city's gastronomic ambitions.

2.2 Data Collection and Analysis

Data collection for this study primarily hinged on key informant interviews, a method of qualitative research that draws from comprehensive discussions with individuals possessing an extensive understanding of the area under study. These people, referred to as “key informants,” hold specialized insights and knowledge, significantly enriching the depth and breadth of the data.

For this study, key informants comprised those involved in the Tagum food value chain, local government officials, restaurateurs, among others who have a profound comprehension of the entrepreneurial ecosystem and the culinary sector of the city. These informants were chosen based on their importance to the research questions, their role and status within the food value chain, and their potential to provide comprehensive and insightful information. The interviews were conducted either in-person or via web conferencing platforms, depending on the availability and preference of the informants. Each discussion was framed around a series of open-ended questions prepared beforehand,

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providing informants the space to articulate their perspectives and share their experiences openly. To maintain the veracity of the information, each interview was recorded (with the consent of the informants) and transcribed. Post data collection, a thematic analysis technique was utilized to scrutinize the gathered data.

3. RESULTS AND DISCUSSION

3.1. Institutional arrangements in Tagum, Davao

Institutional arrangements refer to the formal institutions, informal institutions, social networks that legitimize, regulate, and incentivize entrepreneurship (Stam & van de Ven, 2021). These elements are interdependent and necessary for the success of the entrepreneurial ecosystem (Woolley 2017, as cited in Stam & van de Ven, 2021). Formal institutions refer to the regulatory framework within a country or a region, while informal institutions refer to the entrepreneurial culture. These institutions serve as a precondition that facilitates economic activity and allows the social network to distribute knowledge and resources among the actors.

In terms of formal institutions, Stam (2018) outlines four indicators such as the level of corruption, rule of law, government effectiveness, and voice & accountability” (p. 8). Audretsch et al. (2021) found that at the city level, productive entrepreneurship can increase by 1 unit from the public’s perception of the government’s effectiveness in assistance and initiative to entrepreneurship. Good governance is evident in Tagum. In 2017, the city ranked as the third most competitive city in the Philippines and as one of the top candidates for the honor of the most child-friendly city in the country speaks to the city’s attraction and competitiveness. Moreover, the city placed third on the Overall Competitive Component Cities in the Philippines in the 2021 Cities and Municipalities Competitiveness Index (CMCI), fourth on Infrastructure, second on Resiliency, thirteenth on Economic Dynamism, and first on Government Efficiency (Cities and Municipalities Competitiveness Index, 2022). These indicators encourage business activity in the city and maintain its reputation as a business hub.

Government policies are also supportive of tourism initiatives, especially during its way to recovery from the effects of the pandemic. In 2021, the Tagum City Tourism Arts Culture Council was formed to support each member of the community, especially local entrepreneurs. One of its strategies is to form associations that represent every sector in the city. As of 2022, Tagum City has a total of 50 associations since it began in June 2021. An association represents each possible community sector & industry in Tagum (e.g., restaurateurs, coffee shop owners, salon owners, etc.). This forms part of the social networks that allow local entrepreneurs to grow in their respective areas of business.

Membership in an association allows local entrepreneurs to gain access to government support such as assistance in gaining certifications (health & safety), access to training & mentoring, and more importantly funding. In return, this empowers and dignifies the small and medium enterprises with the community’s entrepreneurial initiatives. With the network of the associations and government units such as the Tagum City’s Economic Enterprises, ambulant vendors and wet market stall owners are given materials and seminars that will be beneficial promoting hygiene and food safety amongst businesses under the informal sector. This will then promote and help the targeted sector but also the association that collaborated with the government in organizing the activity. Primarily, the government promotes the association through the city official website, Facebook page and through the tourism office.

For instance, the Tagum Economic Enterprises Office were able to identify the weakness of the wet market in terms of hygienic appeal to the market as the common notion that wet markets have wet floors and foul smell from the meat compared to the commercialized market in privately owned malls. As a solution, associations held educational programs for meat handling as well as cleanup activities, events and competition for the stalls which would also encourage the community to support local wet markets and at the same time, promote the association involved in the activity. Additionally, with the recent developments for the wet market, a separate building was built for the meat processing to regulate and establish a more hygienic practice as meat processing before was done within the wet

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market's stalls which is less hygienic as the meat is exposed. "

The entrepreneurial ecosystem of Tagum is also characterized by what the City officials call as "business matching". This enhances the interconnectivity among entrepreneurs in the city, fostering a robust social network that enables effective collaboration (Stam, 2018). In Tagum, distribution of knowledge and resources within the network is facilitated through a government initiative referred to as 'business matching'. Local entrepreneurs are encouraged to support each other through mentoring and carrying each other's products, especially those from the informal sector and the indigenous community. For example, coffee shop owners are encouraged to collaborate with informal vendors of local delicacies by including their products at the coffee shop menu. This not only strengthens the network's collaboration but also allows the city to promote its local delicacies while integrating them into more modern establishments. To adhere to government regulations regarding food safety, associations and local government offices host seminars that instruct vendors on proper sanitation procedures and food packaging. This action highlights the interdependence of various actors within the ecosystem, reinforcing the essential role they play in selling local delicacies safely and responsibly.

3.2. Resources

Resources are characterized by the ecosystem's physical infrastructures, access to financing, entrepreneurial leadership, human capital, the purchasing capacity of the population, and the presence of intermediate services. Geographically, Tagum City is a strategic location for business activity. It is considered a commercial crossroad that connects the various cities in the region. The city has made considerable investments to develop farm-to-market roads, making it easier for farmers to convey their produce to the center of the city. Public utility buses and jeeps are used for transportation to and from any location, while trimobles and multi-cabs are used for transportation inside the city limits (Agriculture Profile Tagum City, 2017).

Tagum City, colloquially known as the "City of Festivals," has established itself as a major tourist attraction, boasting a rich tapestry of cultures and a dynamic social atmosphere. With its strategic location at the heart of the Davao Region, it serves as a vibrant commercial hub and a melting pot of diverse cultures. Annually, the city hosts a total of 16 festivals illustrating its commitment to community engagement and cultural celebration. Some notable festivals that showcase culture and creativity of the community are Ugmad Festival, Musikahan Festival, Pride Festival, Hugpong Serbisyo Para sa Tagumenyos Festival, Araw ng Tagum, Kaimunan Festival and Paradyakan Festival (Tagum City Tourism, 2018). This gives rise to a high demand for diverse culinary experiences, particularly during these events, attracting both locals and tourists alike.

Ease of access to finance is one factor that the city pays attention to. During the pandemic, the government encouraged local entrepreneurs to start a new business by withholding the payment of taxes and fees for a year. Other than this, there are regular events and festivals that associations hold in order to provide opportunities for local entrepreneurs to do business while also encouraging local tourism activity. One of these is the food bazaars organized by the restaurant association. Each food sector has the opportunity to showcase its products, including farmers and the indigenous community. For example, in partnership with the city agricultural office, local farmers were given the opportunity to sell fresh produce. The annual Kaimunan Festival, on the other hand, showcases the Indigenous people's unique food technique and preparation. Through these festivals featuring the regional cuisine, the restaurant owners become knowledgeable of cultural food, which paves the way to collaborations between sectors. The restaurants were able to add unique food items rooted from the heritage of the IPs cooking techniques and the IPs usually selling under the informal sector would have the opportunity to learn merchandising through the restaurant sector. The idea of selling *kakanins* in cafes makes the IPs food items more inclusive to the urbanized masses.

Emphasizing the crucial role of intermediaries, the restaurant sector, through its association network, partners with the city's agricultural office. This collaboration enables the fresh produce from local farmers to be prominently

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featured in the food bazaars organized by the restaurant association. This collaborative effort involving restaurateurs, government offices, and the agricultural sector creates opportunities and provides support for local farmers. The exposure gained from these food bazaars inspires farmers to adopt an entrepreneurial mindset, beginning with their own produce.

Another instance of entrepreneurial initiatives was exemplified on this instance where the government initiated the farmers to start planting sweet corn on vacant lots in Madaum originally allotted for schools while the plan for the space is still on hold. From this initiative the farmers were able to produce a great amount of corn from the vacant/ on hold properties of the government. With the overproduction of sweet corn in Tagum, restaurateurs thought of a way how they could still utilize the corn so it would generate income for the farmers. These corn were utilized creatively and cooked in different ways such as making it into cheese corn, grilled sweet corn rolled in chips also known as “Cochi” and such innovations were launched in the city’s food avenue. With the display of new and unique corn products, the restaurateur sector wanted to encourage and influence local street vendors to replicate this practice of innovation in order to promote consumption and sales of sweet corn to benefit the Madaum farmers and resolve concern on overproduction.

Human capital is also developed through training and mentoring. Membership in an association allows entrepreneurs to gain access to government support such as assistance in gaining certifications (health & safety), access to training & mentoring, and more importantly, funding. In return, this empowers and dignifies the small and medium enterprises with the community’s entrepreneurial initiatives. With the network of the associations and local government units, ambulant vendors and wet market stall owners are also given materials and seminars that will be beneficial in promoting hygiene and food safety amongst businesses under the informal sector.

4. CONCLUSIONS

The intricate fabric of Tagum City’s culture, a beautiful tapestry woven from diverse customs and

traditions, injects vitality and distinctiveness into its entrepreneurial landscape. The wealth of this cultural diversity becomes evident in the city’s numerous festivals and community gatherings, influencing the local demand for a wide range of gastronomic experiences and fueling the growth of the culinary sector.

Tagum is anchored in a solid institutional framework and benefits from a wealth of resources that sustain its entrepreneurial environment. The city’s commendable governance, proactive government policies, and intricate social networks cultivate an optimal setting for business endeavors. The entrepreneurial mindset of the city resonates with the spirit of community, cooperative initiatives, and the innovative and creative drive of local entrepreneurs.

The city’s dynamic ambiance, influx of tourists, and bustling local population create a strong demand for an array of food experiences. This demand surges particularly during the city’s various festivals, offering ample opportunities for local food businesses to expand and innovate. The symbiotic efforts of local entrepreneurs, the agricultural sector, and government offices have resulted in numerous inventive solutions, elevating the city’s culinary sector. An example of this can be seen in how the surplus production of sweet corn led to the creation of unique corn products, carving out a fresh market niche that advantages both local farmers and restaurateurs.

Further bolstering the city’s economy is its sturdy physical infrastructure, availability of financing, and nurturing of human capital. The city’s collaborative networks, built through associations representing a broad spectrum of community sectors, play an instrumental role in shaping Tagum’s entrepreneurial ecosystem. These networks facilitate knowledge exchange, resource sharing, and the dissemination of best practices among local entrepreneurs.

Tagum’s initiatives, such as business matching, food bazaars, and festivals, spotlight its rich culture and foster collaboration among diverse sectors. These efforts strengthen the entrepreneurial community and promote the city’s local products, including those from the informal and indigenous sectors.

In conclusion, the entrepreneurial ecosystem



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in Tagum City is a product of the interplay of various elements, including institutional arrangements, resources, culture, demand, and networks. These elements work together to support and drive the growth of the city's entrepreneurial activities, particularly within its thriving food sector. The city's strong governance, supportive policies, strategic location, rich cultural heritage, robust demand for food experiences, and collaborative networks create a conducive environment for entrepreneurship. This well-orchestrated interplay has not only fostered a vibrant local food scene but has also empowered local farmers, entrepreneurs, and the broader community, paving the way for a sustainable and inclusive growth of the city's entrepreneurial ecosystem.

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Credit authorship contribution statement

Investigation: Jessica Jaye Ranieses, Ralph Anthony Cacal, Camille Cabatingan **Visualization:** Emilina Sarreal, Jessica Jaye Ranieses **Analys:** Emilina Sarreal, Jessica Jaye Ranieses. **Writing - original draft:** Jessica Jaye Ranieses, Ralph Anthony Cacal, Camille Cabatingan . **Preparation:** Jessica Jaye Ranieses **Writing - review & editing:** Jessica Jaye Ranieses. **Supervision:** Emilina Sarreal.