

BIBLIOGRAPHY

CALDERON, JOLLIBEE B. APRIL 2013. Communication Methods Applied by the Entrepreneurs in the Promotion of Kalinga Coffee as the Provincial One-Town-One-Product (OTOP) of Tabuk City, Kalinga. Benguet State University, La Trinidad, Benguet.

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ABSTRACT

Coffee is the One-Town-One-Product of Tabuk City in the province of Kalinga. With the development of the coffee business in the place, it was noteworthy to document the communication methods applied by the coffee entrepreneurs in the promotion of their products.

Specifically, this study identified the socio-demographic profile of the respondents, business profile of the respondents based on the type of ownership, coffee production processes, availability of technology for processing and packaging; communication methods in promoting Kalinga Coffee, outlets of Kalinga Coffee, and the people/groups who are involved in the promotion of the Kalinga Coffee; and, the challenges encountered by the entrepreneurs in the promotion of Kalinga Coffee.

Respondents of the study were nine entrepreneurs, all were from Tabuk City, Kalinga, and owners of registered Coffee Brands under DTI-Kalinga. These were the Kalinga Brew,



Kalinga Blend, Kalinga's Best Coffee, Kalinga Mountain Coffee, Kape De Kalinga, Mananig Wild Coffee, Magallaya Mt. Specialty Coffee, Matambong Pure Ground Coffee and Patiking Ground Coffee.

Most of the Coffee Brands were managed under Sole Proprietorship and the rest were under Cooperative ownership. Sole Proprietorship was the most applicable type of ownership because according to the owners, they can easily manage the business and decide on their own. All of these coffee brands own their own farms from which their coffee beans come from. The coffee products were processed either as Pure Ground or Brewed Coffee and came from different varieties of coffee such Robusta, Arabica, and Excelsa.

Technologies used in producing coffee beans include trucks, trailers, coffee blenders, coffee grinders, and coffee roasters. For the packaging, the entrepreneurs used the brand sealer and the vacuum sealer. Furthermore, vending machines were used during fairs for coffee tasting.

It was also revealed that the communication methods used in the promotion of Kalinga Coffee were radio, television and newspapers (both national and local) that published and aired on Kalinga Coffee. The outlets of the Kalinga Coffee were found at the different vicinities within and outside Tabuk City, Kalinga.

Challenges encountered by the respondents included moral degradation from fellow entrepreneurs, lack of advance technologies for packaging, lack of impact of their packaging to the buyers; and the low quality of green coffee beans used for processing the coffee.



It is recommended that Sole Proprietorship be still used as the most appropriate type of ownership; that the coffee brands continue to strengthen their promotion using different communication methods; and that government agencies continue to support the coffee industry.



INTRODUCTION

Rationale

Every place wants to be recognized for something especially for development purposes. And it is also a fact that communication strategies do play a central role in high performance. Thus, identifying the one-town-one-product (OTOP) of a province is significant in the promotion of the community itself.

As Gasingan (2012) puts it, a strategy is a method or plan chosen to bring about a desired future or end of a decision, such as achievement of a goal or solution to a problem.

A breakdown in the communication channel leads to an inefficient flow in information. Entrepreneurs are unaware of what the customers expects of them. They just keep on doing things in improving their products just to make sure they have regular buyers or costumers that will come back (Drucker, 2005).

Farming is one of the dominant professions in Asian countries where farmers could gain profit and produce high quality of yield. As modernization comes, farmers are searching for technologies, farm implements and methods to be used to have good quality of produce especially in the Philippines (Calisaan, 2008).

In the Cordilleras, particularly in Kalinga, the climate and topography have been found out to be conducive for raising various kinds of tropical and some temperate fruits such as mango, santol, rambutan, citrus, coffee and many others.

The main economic activity of Kalinga Province is on agriculture. The province is recognized as the rice granary of the Cordillera.



According to Jeffrey Pasikan, Trade and Industry Development Specialist of DTIKalinga, the former governor of Kalinga Macario Duguiang and co-officials were the one who identified coffee as the OTOP of the province in the year 2003. Since, all the municipalities of Kalinga are producers of coffee except in the municipality of Rizal.

However, it is sad to note that coffee production as the chosen OTOP of the province, is not recognized by the community due to the lack of information dissemination and as well as the minimal supply of the product in the market.

In the Tabuk market, Tabuk rice is the widely sold product of the town. On the other hand, one needs to roam around first before finding stalls selling Kalinga Coffee.

Some entrepreneurs of coffee in Tabuk City explained that this may be because Kalinga coffee sold in the market are processed by the farmers and they directly sell it to the consumers.

Because most of the products are in good packaging, the Department of Trade and Industry (DTI) recommended for them to use it. Still, the products are not yet distinguished for some as the chosen OTOP.

With this, Department of Agriculture (DA) is furthering its efforts in promoting the production of coffee, not only for local consumption but for export as well. Latest records of the Bureau of Agricultural Statistics (BAS-CAR) showed 0.34% increase in coffee production in 2011. From 5,608.13 in 2010, coffee production in the region grew to 5,627.13 in 2011 with Kalinga as the top producer followed by Ifugao, Benguet, Mountain Province, Abra and Apayao.



Today, the DA-CAR is now moving to help revive the coffee industry in the region and in the country (Agri Cordillera, 2012).

Further, the increase in productivity and profit has always been the motivating factor for entrepreneurs and businessmen. Such motivation has led them to initiate changes in their daily activities or in marketing itself (Cruz, 2005). Communication is even more valuable in a business environment as there are several parties involved. Various stakeholders, whether they are customers, employees or the media, are always sending important information to each other at all times.

It is important to always remember the importance of communication in an organization. The methods of communication you choose in a sense that make or break the management structure of the organization or your business and could also affect relationship with customers, if not chosen carefully.

It is therefore essential to study the communication methods used by the entrepreneurs for being the primary promoters of the product, the Kalinga Coffee will be recognized and popularized leading to an increase in the demand of potential consumers. Using the right communication methods may help the entrepreneurs in promoting the product in the market not just for business but also for tourism and development of the community.

Statement of the Problem

This study sought to identify the communication methods in the promotion of the Kalinga Coffee as provincial One-Town-One-Product (OTOP) in Tabuk City, Kalinga through the entrepreneurs.



Specifically, the study sought to answer the following questions:

1. What is the socio-demographic profile of the respondents?
2. What is the business profile of the respondents based on the:
 - a. Type of Ownership;
 - b. Coffee Production processes;
 - c. Availability of technology for processing and packaging
3. What are the communication methods in promoting Kalinga Coffee, outlets of Kalinga Coffee, and the people/groups involved in the promotion of the Kalinga Coffee?
4. What are the challenges encountered by the entrepreneurs in the promotion of Kalinga Coffee?

Objectives of the Study

In general, the study aimed at documenting the communication methods in the promotion of Kalinga Coffee as provincial One-Town-One-Product (OTOP) in Tabuk City, Kalinga.

Specifically the study was able to:

1. identify the respondents' socio-demographic profile
2. identify the business profile of the respondents based on the type of ownership, coffee production processes, availability of technology for processing and packaging;



3. identify the communication methods in promoting Kalinga Coffee, outlets of Kalinga Coffee, and the people/groups who are involved in the promotion of the Kalinga Coffee;
4. identify the challenges encountered in the promotion of the Kalinga Coffee.

Importance of the Study

The result of the study may contribute to the awareness and understanding of the role of communication in promoting Kalinga Coffee. This would emphasize the importance of communication in the activity.

Identifying the communication methods in the promotion of the Kalinga Coffee as provincial OTOP in Tabuk City, Kalinga may help in its improvement and development of the coffee industry in the region. It also determines the strengths and weaknesses of the entrepreneurs as the initial promoter of the Kalinga coffee in the region. Aside from this, it may help in suggesting better communication methods to those interested individual who plan to engage business in coffee.

In addition, results of this study may be used by the DA and DTI and other agencies regarding agricultural practices and business marketing for development purposes.

This may help serve as a guide in maintaining or improving a local processed coffee business and study results may serve as references for future or the same type of research by the students and other researchers.



Scope and Limitations of the Study

The study was conducted from December 2012 to February 2013.

The study focused only on the existing communication methods in the promotion of local processed coffee by the respondents in Tabuk City, Kalinga as provincial OTOP in terms of the type of ownership, coffee production processes, availability of technology for processing and packaging; Identify the communication methods in promoting Kalinga Coffee, outlets of Kalinga Coffee, and the people/groups who are involved in the promotion of the Kalinga Coffee; Identify the challenges encountered in the promotion of the Kalinga Coffee, and; identify the challenges encountered in the promotion of the Kalinga Coffee.

On the other hand, this research will not include the other local processing coffee in other municipalities of Kalinga because of the time constraints of the study. The accessibility of the other municipalities like Pinukpuk, Lubuagan, Balbalan, Pasil and Tinglayan from Tabuk City is not convenient to travel with the given time.

In connection with the study, key informants from the DA-Kalinga, DTI-Kalinga and the entrepreneurs of coffee in Tabuk City, Kalinga will serve as the respondents.



REVIEW OF LITERATURE

Importance of Socio-demographic Profiling

The profile of the respondents is an important factor in a study.

According to the Upland Development Working Group (1991), development is viewed as an endless process of learning, problem solving and change. Information needed to make good development decisions constantly change as situations change. Gathered data as faithfully and as comprehensively as possible is defined (Upland Development Working Group. 1991).

In a related study, Gunnad (1980) as cited by Baluscang, Jr. (1988) stated that the more number of years in working experience one had, the greater were his knowledge, skill, experience and methods in the adoption of new practices that could be influenced by the social, psychological, and economic factors of the new generation.

Socially, they must associate themselves with other people for an interchange of ideas and for possible suggestions or solutions to problems they are most concerned with (Baluscang, Jr., 1988).

Relevance of OTOP

Kalinga province is recognized as the rice granary of the Cordillera (Agri Cordillera, 2012). However, according to Pasikan, Trade Industry Development Specialist of DTI-Kalinga said that the former Kalinga governor and co-officials identified Coffee as the One-Town-One-Product (OTOP) of the province. Since all the municipalities of Kalinga are producers of coffee except the municipality of Rizal.



Another also is the rice of the province is not being chosen as the recognized OTOP because not all the municipalities of Kalinga is a sufficient producers of rice. The municipality of Tabuk only has the greatest numbers of produce rice since the topography of the place is favorable. This is according to the final report of DOST-CAPE Coffee rehabilitation project done by the officers' in-charge of the Office of the City Agricultural Services (OCAS) of Tabuk City, Kalinga.

In 2004, the coffee industry of Kalinga has landed one of the top three priority areas for development along with the woodcarving of Paete and High Value Vegetables of Bukidnon at the national level. The active participation of the local chief executives in identifying, developing and promoting the Kalinga Coffee Industry has significantly pushed the province to be CAR's model OTOP.

Moreover, throwing important light on the contribution of marketing to a nation's growth and development, Peter F. Drucker, acknowledged authority on management, is quoted to have stated the following: "Marketing occupies a critical role with respect to the development of 'growth' areas. Indeed, marketing is the most important 'multiplier' of such developments. It is in itself in every one of these areas, the least developed, the most backward part of economic system. Its development, above all others, makes possible economic integration and the fullest realization of whatever assets and productive capacity an economy already possesses. It mobilizes latent economic energy. It contributes to the greatest needs: that for the rapid development of entrepreneurs and managers, and at the same time it may be the easiest area managerial work to get going". With the influence of western culture, having been previously colonized by Spain who introduced trading business, as well as having been colonized, too, by the Americans, it can be expected that



in the realm of entrepreneurship, that Filipinos stand to duplicate how its former colonizers really undertake its business. In fact, the generic views about entrepreneurship in the United States, according to Dr. Orcullo, Jr., as reported by Peter Drucker, “entrepreneurship is essentially starting a business of his own, new and small-scale business.” Being no purely copycat, however, there are some differences and/or variations principally brought about by culture and traditions which, unfortunately, some of which are constraints to entrepreneurship.

Kalinga Coffee

Coffee is about 7, 000 or 23% of total households in the province depend on coffee farming for livelihood. Coffee, Kalinga’s green gold, now, brings more income for farmers-local entrepreneurs set up their processing plants and coffee shops giving the farmers an alternative market, evading multi-national companies who dictate the price.

Coffee lovers, who find bias of taste on the renowned brewed coffee from Kalinga, would have savory coffee experience with the different local coffee brands in the market. The Kalinga Brew, Kalinga Blend, and Mananig Wild Coffee have perfect blends of the 3 coffee varieties namely: Robusta, Arabica, and Excelsa. This is a product of a unique roasting and grinding, which is the secret of the aromatic and tasty Kalinga Coffee. Kalinga Mountain Coffee and Magallaya Specialty Coffee will give the customer an option to taste the three varieties in separate packs.

Coffee grows in 70 countries, 60 of which are exporters. It has four varieties namely Arabica, Robusta, Liberica and Excelsa. Arabica, also known as ‘Kapeng



Tagalog' bears clean dry coffee beans in two to three years from planting, which is the earliest compared to other varieties. While Robusta yield the highest volume of clean dry coffee beans. Excelsa, on the other hand, is resistant to drought unlike Liberica

'KapengBarako' can tolerate and grow in wider soil types (DA, GMA-High Value Commerce Crops Program leaflet).

The Cordillera Administrative Region (CAR) is recognized as one of the top producers of quality coffee in the country, it is also a challenge to the region to step forward and increase its production to meet the growing demands of the market. Cordillera coffee has the tastiest as well as aromatic coffee in the nation; where in the coffee farmers are practicing organic method to maintain its natural nutrients.

Latest records of the Bureau of Agricultural Statistics (BAS-CAR) showed increased in coffee production for 2011 at 0.34%. From 5,608.13 in 2010, coffee production in the region grew to 5,627.13 in 2011 with Kalinga (3, 857.20mt) as the top producer followed by Ifugao (1,053.81 mt), Benguet (486.55 mt), Mountain Province (162.15 mt), Abra (54.05 mt) and Apayao (13.37 mt).

Large bulk of the production is Robusta Variety which is mostly grown in warmer areas such Kalinga and Ifugao. Robusta Variety is the bitterest taste among the varieties of coffee that are produce in the region. Most of the Kalingas are fond of sipping and drinking coffee first before starting the day and going to work in the farm. This is being observed in our province since I belong to the place that most elders preferred drinking coffee in the morning before and after their work. Coffee Arabica, on the other hand, is grown suitably in temperate and mountainous terrain areas like Benguet, thus majority of Arabica



production is derived here. Other varieties include Liberica and Excelsa which is grown in limited quantity (Agri Cordillera. Jan.-March 2012).

Moreover, the Kalinga coffee is being recognized to other places such as some parts of Manila like in the Megamall, Market Market, Glorietta and many “pasalubong” centers. With the growing demand of coffee in the local and global market, the coffee industry is seen to be potential contributor to the economy and it is said that coffee is branded to be the most famous beverage in the world. Aside from its economic importance, coffee is known to be beneficial to the health when taken in moderation.

Coffee is rich source of anti-oxidants that is linked with fighting heart disease and cancer. It is also rich in polyphenols which are valuable nutrients that help keep your body in good health over time (Agri Cordillera. Jan.-March 2012).

The Department of Agriculture-CAR is now moving to help revive the coffee industry in the region and in the country. Currently, the Philippines ranked 76th in the world in terms of coffee production, a very far cry from its third ranking two decades ago. But if the government and all the stakeholders will join hands to revive the coffee industry in the country, it won't take long for Philippines to get back on its feet. Thus the Kalinga coffee is having its participation in introducing the importance of coffee in our daily activities. There are many names of coffee produce in the province like the Kalinga

Brew, Kalinga Blend, Kalingas' Best Coffee, Kalinga Mt. Coffee, Kalinga Musang Specialty Coffee, Kape de Kalinga, Magallaya Specialty Coffee, Mananig Coffee and Robusta Premium Coffee (Coffee FIESTA June 2012).



In the world trade, coffee ranks first among non-staple food and is rated as fifth most important agricultural product. It is considered as one of the high-value commercial crops in the local and foreign markets. About half of the market demand is being imported to meet supply deficits due to lack of production. This shows that there are lots of rooms for new investors to penetrate the coffee industry and accommodate its consumers (DA, GMA-High Value Commercial Crops Program leaflet).

The Final Report of DOST-CAPE Coffee Rehabilitation Project held in different municipalities of Kalinga gathered some recommendations in order to continue the field monitoring and evaluation to the respective coffee farms of the DOST-CAPE farmerbeneficiaries, especially on the actual practice or application on coffee rehabilitation that was taught and demonstrated. Networking the coffee farmers to the LGU's and other non-government organizations interested on coffee for possible support financially and technically. Lastly, there will be an organization of coffee farmers in the barangay to facilitate technical and financial assistance addressing the problems of the coffee farmers.

Communication Methods in Promoting of Products

Entrepreneurs have proven over and over again to be the pioneers who convert ideas into products and dreams into reality. Entrepreneurs blend creativity, innovation and risk taking with hard work to form and nurture new ventures. In selecting a business, option should not be based on luck and immature thinking, but on thorough evaluation and systematic process. Start by developing long and short lists of potential business opportunities.



Likewise, the resources, skills, and technology available in the community are to be evaluated if these are not fully or efficiently utilized. In discovering business opportunities, the following factors on resources have to be evaluated:

Markets. This refers to the number of prospective buyers, competitors, the price, and the quality of goods and services that have to be analyzed. Business opportunities exist in areas where consumer satisfaction is weak or incomplete.

Individual interests. Business interest of individuals should match business opportunities. For example, if one is a good cook, he should venture in the food business.

Capital. This serves as the fuel that keeps the business operating. The availability of funds should fit the types of business to organize.

Skills. The entrepreneur should have the proper skills in the business he is going to undertake.

Suppliers of inputs. It is important that there are steady supplies of raw materials of other inputs to the business.

Manpower. The success of any business also depends on the efficiency of its employees.

Technology. Entrepreneur should be aware of the presence of technology to improve their products or services, introduce new innovation in the market.

Entrepreneurs should be aware of the duration of each stage of the product life cycle. Fajardo had emphasized in this book, entrepreneurship that excellent knowledge



about product life cycle provides entrepreneurs business opportunities to continuously stay in business.

Venturing into a business project demands a timely and clear decision as to which area or business concerned to deal with. In the selection process, one has to begin with choosing or focusing on a particular business by category or sector.

The service-based business. Common examples of service-based business are consultancy, barber shops, repair shoes, beauty parlors, care giving, designing works, rendering professional services, such as engineers, dentistry, medical doctor, and others where there is no need to manufacture something.

Trading or product-based business. This is a buy-and-sell transaction that can happen in your storehouse, showroom, or any other structure less environment. Selling involves a lot of customer contact and requires a great deal of persistence on the entrepreneurs' part. An example of this is putting up a grocery store, bakery products, or general construction materials.

Manufacturing business. This is a manufacturing or production based business by creating a product. Manufacturing can be as simple as creating hand-painted T-shirts or ceramic vases and now, the most popular is candle making, which can be done in your home.

Licensed business opportunities. If you find some difficulties in launching a product or service, it is a good idea to look for licensed business opportunities. Franchising is a business format somehow very similar to licensed business opportunities.



Distributorship. This is where independent entrepreneur, company, or individual enters into an agreement or contract to offer, sell, or distribute a particular product, but it is not entitled to use the manufacturer's trade name as part of its own trade name. In our country, distributor represents foreign companies who can sell products to dealers strategically located all over the country.

Rack Jobber. This involves an agent or buyer entering an agreement with a parent company to market its goods to various stores by means of strategically located store racks.

Wholesalers. These sell the product of manufacturers or producers to retailers and other distributors who have direct dealings with the end users or customers.

Subcontracting. This is a familiar form of business format in the garments sector, as well as the shoe industry. This involves signing up an arrangement with a major producer to complete a set of product components on a pre-agreed price.

Vending machine routes. These are placed in various places or locations. The entrepreneur needs to have substantial capital outlay as he had to pay for the vending machine, including the stocks to be vended.

Starting into a new business or doing any form of innovation in a business organization demands or necessitates a plan. A business plan that is well-researched and well-done is by itself an insurance against the illusive success that every entrepreneur is looking forward to. Preparing a business plan is not easy. It is a well-written, honest-to-goodness document prepared by the entrepreneur that will convince the investor to invest, or it is a tool to sell your business story to financial resources and should be recognized. It



is the direction and guide of the entrepreneur as to what is to be done and how to do it. It details out what is to be achieved over a certain period of time.

Planning and organizing enterprise demands proper evaluation of the resources, skills, interest and attitudes together with the needs of the community and degree of competition.

“A well-written business plan is one that contains all information necessary for the financing source to make a decision even without taking the entrepreneur.” Peter F. Drucker

Choosing the Legal Form of your Business/ Types of Business

Sole Proprietorship

A sole proprietorship is a business owned by only one person. It is the simplest organization to form. Most business, including large ones, started as a sole proprietorship. In a sole proprietorship, you and your business are one. Your income and the business income are one. In other words, your business income is taxed as personal income. Decision-making is centered on the owner or proprietor who assumes total responsibility for all decision. If the business succeeds, he reaps all the profits. If it fails, he suffers all the losses, including the obligation to pay the debts. When the sole proprietor dies, the life of the business also ends.



Cooperative

A cooperative is a group enterprise. It is made up of a number of producers, traders, or consumers who want to produce or trade as a group so that they may avail themselves of economies of scale, which individually, they will not be able to obtain.

Among the very first cooperatives are the consumers' cooperatives. These were formed by individuals or families who want to supply themselves with goods or services at cheaper costs than if they had bought these from a retailer or a middle man. Cooperatives then were established not primarily for the purpose of making a profit. However, any surplus that results from the operation of the cooperative is shared among the members.

Cooperatives are registered with the Cooperative Development Authority (CDA). Cooperatives may apply for tax-exemption, however, its members, to whom the profits of the cooperative ultimately go have to pay income taxes.

What is Production?

Production is the creation of goods and services. Or, it is the creation of utility. Utility means satisfaction. Goods and services are produced to satisfy human wants or needs. It requires a set of inputs to yield a set of outputs. These inputs may include materials, manpower, machinery, methods, management, money, and moment (or time) (Cabangbang, 1998).

The Importance of Marketing

There is one thing that entrepreneurs must embrace on a lifetime when he or she engages in a business. This is the concept of marketing. Marketing is an activity that the entrepreneur will be involved in for as long as the business exists. Marketing is more than



just advertising the fact that the entrepreneur is in the business of producing or providing something (Asor, 2009).

For a true and blue-blooded entrepreneur, market aspect should be given due importance, if not at all, the most important aspect when one gets into business. This postulation is for the simplest reason: No matter how good or excellent the product is technically, it is nothing if there is no buyer on the market.

Channel of Distribution

Channel of distribution refers to the marketing institutions and interrelationships responsible for the physical flow of goods and services from the producer or manufacturer to consumers or industrial users.

The entrepreneur can use any of the following modalities whichever is appropriate for his business:

Direct Marketing. This refers to a system of marketing by which an organization communicates directly with costumers to generate a response and/or transactions.

Wholesalers. This is where the producers or manufacturers generally dispose or sell their products, who in turn, sell the same to the retailers or end-users.

Agents. If a wholesaler is necessary, the entrepreneur must determine how to reach them.

The individual entrepreneur may find it impossible to contact and service the wholesalers without additional help. In many cases, manufacturer's representatives contact the wholesaling companies and are paid commissions on their sales.



Challenges in Promoting Coffee Business

Unlike the previous decades where technology, globalization, and trade liberalization did not play a dominant role, the third millennium is mainly characterized by globalized trading system and the predominance of the revolutionary information technologies. Thus- the business of venturing coffee in the region is affected by the globalization of the country or the global market (Asor, Winefreda B., Ph.D. 2009).

This is being observed by the big business coffee in the world like the Starbucks, Figaro, Nestle Company, and now the Mead Johnson which is experiencing difficulty in promoting but establishing new strategies to gain more profit. Specifically the vast approach of 3-in-1 coffee mix where people used to appreciate it and prefer than brewed coffee unlike before that you need first to grind and then boiled it (Science & Technology Magazine, vol.xii, 2008).

The Philippine Coffee Board including the Department of Agriculture stated that most of the problems that the coffee farmers experiencing is the rejuvenation of the old coffee trees. The answer to this stated problem arise from the observation of the agriculturist is that they need to rejuvenate and expand the coffee plantation in order to sustain the market demand of the product. Other also is the needs of advance technology to help the entrepreneurs and farmers to make them easy in harvesting as well as packaging the produce products. Lastly, the farmers must apply the correct way of picking the coffee beans like the red ripe beans of the coffee not applying the striping way method which is all the matured and not matured are all harvested (PCCAARD Monitor, 2011).



METHODOLOGY

Locale and Time of the Study

The study was conducted in the City of Tabuk, Kalinga (Figure 1).

Tabuk City is the only city among the 7 municipalities of Kalinga in the Cordillera Administrative Region (CAR) Luzon.

Tabuk is the capital of Kalinga and is bounded on the North by the town of Pinukpuk, on the Northeast of Rizal. On its westernmost section it shares border with the towns of Pasil and Lubuagan. On the southwest it borders with the town of Tanudan.

Tabuk is a border city of Kalinga with the provinces of Isabela and Mountain Province. In the East, it is bordered by the town of Quezon, Isabela, which is about 20 kilometers from the city center and the town of Paracelis, Mountain Province on the South.

The town is accessible by land transport via the following entry points such as from the Mt. Province through the Bontoc Road, from Baguio City through the Marcos Highway via La Union-Pangasinan-Nueva Ecija-Nueva Viscaya-Isabela Road, through the Benguet-Nueva Vizcaya Road of Kayapa, through Tuao, Cagayan-Pinukpuk Road, and through Tuguegarao City, Cagayan of Rizal Road.

Due to its landlocked condition, the fishery resource in Kalinga is limited to the existing communal bodies of water such as creeks, rivers, irrigation dams/canals, and small man-made fishponds. Based on the existing data, there is an estimated 44.75 hectares of fishponds which are scattered all over the province and 2.66 hectares of tilapia fish hatcheries.





Figure 1. Map of Tabuk City, Kalinga showing the location of the study

Tabuk City has total land area of 70, 025 hectares as of 2007. It is the second largest city in the Cordillera region. According to the latest census made in 2007, it has a population of 87, 912 people that depends on rice, coffee and corn as livelihood.

The study was conducted last December 2012 to February 2013.

Respondents of the Study

There were two groups who were interviewed for the study. The first group consisted of nine key informants from Department of Agriculture-Kalinga, Department of Trade and Industry-Kalinga and some officials from the Office of the City Agricultural Services (OCAS) of Tabuk City, Kalinga.



The key informants were selected based on their involvement in the planning and monitoring of the development of the OTOP. They are: Grace Baluyan, the Provincial Director of DTI-Kalinga, leader of the promotion of the Provincial Coffee Development Plan; Jeffrey Pasikan of Trade and Industry Development and Specialist, the sector in charge or point person of Kalinga Coffee Industry Development Program; Charlotte Balisang, Cooperative Development Specialist of the Provincial Cooperative Office, in charge of the organization of the cooperatives on coffee production; Caesar Lagon, Agriculturist of the Province, in charge of the technical support in coffee production and post-production; Dexy Catacutan of DOST-Kalinga, responsible in processing, upgrading equipment, improved packaging and labelling; Remedios Wanason, City Agricultural Specialist of Tabuk, person-in-charge in organizing the coffee entrepreneurs whenever there is an activity regarding coffee development; Jerome Garming, Agriculturist from the Planning and Development Office of the province, responsible in assisting coffee technology to the entrepreneurs; Gilbert Cawis Sr., Tabuk City Agriculturist; Lolita Camma, Provincial Plan Development Officer, responsible in allotment of budget for coffee technologies.

The respondents consist of nine (9) entrepreneurs who are owners of the Kalinga Coffee brands produced in Tabuk City.

Data Collection

Generally, this study used an interview schedule to facilitate the face-to-face interview with the respondents.



The researcher personally gathered data with the assistance from the key informants to have accurate information. The guide questions were translated into 'Kalinga' dialect for easier the understanding between the researcher and the respondents upon questioning.

Data Gathered

Gathered data were the communication methods used by the respondents in promoting Kalinga coffee in Tabuk City, in terms of identifying the socio-demographic profile of the respondents'; identifying the business profile of the respondents' business based on the type of ownership, coffee production processes, availability of technology for processing and packaging, outlets of Kalinga coffee, and the people/ groups involved in the promotion of Kalinga Coffee; identifying the challenges encountered by the entrepreneurs in the promotion of Kalinga Coffee.

Data Analysis

The data was gathered were analyzed, consolidated, and interpreted according to the study using descriptive statistics such as frequency counts. Tables were used to present the data gathered that were created to show the accurate usage of the communication strategies in promoting the Kalinga coffee as the chosen OTOP of the province.



RESULTS AND DISCUSSION

Socio-demographic Profile of the Respondents

Table 1 shows that there were nine coffee entrepreneurs in Tabuk City as identified by the Department of Trade and Industry.

These were Antuza Refalda, Grace Agtina, Estrella Balnao, Zita Degay, Rolando Esposito, Penelope Daluson, Froilan Albert and Teresita Baawa. Most of the entrepreneurs were female and finished their college degree.

Majority of them engage in planting rice and corn before involving in coffee production.

Seventy-seven point seventy-eight percent (77.78%) of the respondents were aged 41-50 years old and all of them were married.

They were engaged in coffee production for more than two years. All of them own their coffee production including the cooperative coffee processing.

Most of them were planting the Robusta variety of coffee, although, there were coffee brands who use three blends of coffee variety like the Arabica, Excelsa and Robusta in one package.



Table 1. Socio-demographic profile of the respondents

CHARACTERISTICS		FREQUENCY n = 9	PERCENTAGE %
Sex			
	Male	4	44.44
	Female	5	55.55
TOTAL		9	100.00
Age			
	30-40 years old	1	11.11
	41-50 years old	7	77.78
	51-60 years old	1	11.11
TOTAL		9	100.00
Educational attainment			
	Elementary	1	11.11
	College	8	88.89
	Vocational	0	0.00
TOTAL		9	100.00
Civil Status			
	Married	9	100.00
TOTAL		9	100.00
Number of years in coffee business			
	1-3 years	7	77.78
	4-7 years	2	22.22
TOTAL		9	100.00

*Activities before engaging in coffee production



The Business Profile of the Entrepreneurs Kalinga Coffee

Table 2 shows that there were nine brands of Kalinga Coffee namely: Kalinga Brew, Kalinga Blend, Kalinga's Best Coffee, Kalinga Mountain Coffee, Magallaya Mt. Specialty Coffee, Mananig Wild Coffee, Kape De Kalinga, Matambong Pure Ground Coffee, and Patiking Ground Coffee.

Antuza, owner and the processor of the Kalinga Brew said that there are two types of ownership of the Kalinga Coffee business in the City of Tabuk. These are Sole Proprietorship and Cooperative. The Sole Proprietorship is mainly observed by the entrepreneurs of the Kalinga Coffee in Tabuk City. The first known coffee brand business in town is the Kalinga Brew, a Sole Proprietorship, which is now exporting produce to other counties like Singapore, China and South Korea. Other brands also under Sole

Proprietorship are the Kalinga Blend, Kape De Kalinga, Kalinga Mountain Coffee, Magallaya Specialty Coffee and the Mananig Wild Coffee. It is because they find it as appropriate for themselves in handling their coffee business.

On the other hand, there were three cooperatives that are engaged in the coffee business in Tabuk City. These are the Kalinga Mountain Coffee, Matambong Pure Ground Coffee and Patiking Ground Coffee. Kalinga Mountain Coffee is owned by

Estrella Balnao at Bagumbayan, Tabuk City, Kalinga. The Matambong Pure Ground Coffee is headed by Teresita Baawa at Balawag Proper, Tabuk City, Kalinga. Patiking Ground Coffee is also headed by Froilan Albert at Patiking, Dupag, Tabuk City and these were started as a Chili Paste Business before they incorporate Coffee as a part of their product.



There are two types of grinding coffee: Pure Ground and Brewed.

Table 2: The Business Profile of the Entrepreneurs of Kalinga Coffee

Brand	Type of Ownership	Cooperative Chairman/Owner	Address
Kalinga Brew	Sole Proprietorship	Antuza Refalda	Poblacion West, Dagupan, Tabuk City, Kalinga
Kalinga Blend	Sole Proprietorship	Grace Agtina	Poblacion, Dagupan, Tabuk City, Kalinga
Kalinga's Best Coffee,	Sole Proprietorship	Penelope Daluson	Balawag, Tabuk City, Kalinga
Kalinga Mountain Coffee,	Cooperative	Estrella Balnao	Bagumbayan, Tabuk, Kalinga
Magallaya Mt. Specialty Coffee,	Sole Proprietorship	Zita Degay	Poblacion West, Dagupan, Tabuk City, Kalinga
Mananig Wild Coffee,	Sole Proprietorship	Rolando Esposo	Taga, Pinukpuk Kalinga
Kape De Kalinga,	Sole Proprietorship	Virginia Sacki	Bantay, Tabuk City, Kalinga,
Matambong Pure Ground Coffee,	Cooperative	Teresita Baawa	Balawag, Proper, Tabuk City, Kalinga
Patiking Ground Coffee	Cooperative	Froilan Albert	Patiking, Dupag, Tabuk City, Kalinga



The Pure Ground type was practiced by entrepreneurs who prefer single packaging of the one variety of the coffee like the Kalinga Mountain Coffee and the Magallaya Specialty Coffee that use Robusta variety only. The Brewed type is used by entrepreneurs who prefer blends of the varieties of coffee such as the Robusta, Arabica, and the Excelsa. The Kalinga Brew, Kalinga Blend and the Mananig Wild Coffee use this type of grinding.

Pasikan also stated that, there is a best practice to produce quality coffee beans which will result to good coffee taste. This is the “Gourmet” or Wet Processing Method wherein only the red ripe berries will be selected and then submerged in water to remove the floaters which are considered as “unwanted” coffee beans. According to Pasikan, there are some entrepreneurs who used the Sun Drying Method of coffee beans that were harvested. This method would include all coffee berries even the unripe berries coffee berries which may affect the quality of the processed coffee beans.

The coffee production in the city is highly appreciated because it gives job opportunities and income to the farmers. Sacki said that most of the entrepreneurs are also the owners of the coffee farms where they get the coffee beans from. If there is a need for more coffee beans they buy the necessary supply from other farmers in the neighborhood.

The entrepreneurs also have problems in processing when it comes to the technology used in the production and packaging of their products.

Some of these equipment used for the processing are the Blender, Coffee Roaster (Roasting Machine) and the Manual Grinder. And for the packaging process these are the Brand Sealer and the Vacuum Sealer. The only machine that was used for the trade fairs and agricultural exhibits is the vending machine.



Profile of the Nine Brands of Kalinga Coffee

Kalinga Brew. According to Antuza Refalda, owner of the Kalinga Brew coffee brand, the coffee brand was founded at Poblacion, Dagupan, Tabuk City, Kalinga. She added that, Kalinga Brew is a Sole Proprietorship type of ownership and registered under DTI-Kalinga for almost seven (7) years (Table 3). This coffee brand produce two types of coffee processed products such as the Pure Ground Coffee and Brewed Coffee. This coffee brand uses the mix type of variety in one packaging which uses the Arabica, Excelsa and the Robusta varieties of coffee produced in the Cordillera. The coffee production of this coffee brand came from their own farm and sometimes some coffee beans are bought from their neighborhood if needed.

The product promotion of the Kalinga Brew uses the television, radio, and the newspapers in dissemination information as well as advertising of their coffee products in the public. The Baguio Midland Courier, Guru Press, Philippine Star, Sunstar-Baguio and Zigzag Weekly were some of the newspapers that had published articles and advertisements of the Kalinga Brew. The Radio Natin-Tabuk and the local channel of ABS-CBN Cagayan Valley also aired the coffee products of Kalinga Brew.



The 250 grams of Pure Ground Coffee is priced at one hundred pesos (Php100) if bought at the processing office of Kalinga Brew but if bought at the groceries found in

Tabuk City, the price ranges from one hundred thirty (Php130) to one hundred fifty pesos (Php150).

Technologies used by the Kalinga Brew Coffee Brand in coffee production are the tractor, trailer machine for the transporting the harvested coffee beans to the national road, elf and truck for transportation purposes of the coffee beans.

Table 3. Kalinga Brew Profile

ITEM	DESCRIPTION
Coffee Brand Name	Kalinga Brew
Address	Poblacion, Tabuk City, Kalinga
Type of Ownership	Sole Proprietorship
DTI Registration	Seven (7) Years
Type of Produced Coffee	Mix type of three blends coffee varieties
Products Sold	Pure Ground and Brewed Coffee
Coffee Production	Own Farm and from neighboring farms if needed
Selling Price	250 grams = Php.100-Php. 150
Advertising Strategies/ Activities	Aired on television and radio, published in newspapers
Marketing/Selling Strategies	Door-to-door and by orders, Exporting abroad, trade fairs and Agricultural exhibits



The packaging technologies used are the Coffee Roaster (Roasting Machine), Grinder (manual and automatic machine), Vacuum Sealer, and Brand Sealer for the name of the coffee product and the vending machine.

The Kalinga Brew products can be bought from their processing office in Poblacion, Dagupan, Tabuk City, Kalinga, some groceries at Bulanao, Tabuk City as well as Dagupan, Tabuk City, Kalinga like Mencero Grocery, Bayle Supermarket, Safe Value

Grocery, Na-oy Grocery, and Julies' Grocery. It can also be bought from supermarkets found in the different malls in Manila and some parts of NCR Region. Further, Kalinga Brew is exported in China, Indonesia, Singapore and South Korea.

Kalinga Blend. This coffee brand holds office at Magsaysay, Dagupan, Tabuk City, Kalinga. This is owned and managed by Grace Agtina under Sole Proprietorship and was registered under DTI-Kalinga for four (4) years already. This coffee brand is similar with the Kalinga Brew that produces Pure Ground and Brewed Coffee. (Table 4) Aside from this, Kalinga Blend is sold in different outlets and establishments in nearby places of the Kalinga and in the NCR. Further, the products are also sold in the Visayas Region because the owner has family relatives in Cebu. The coffee brand is also sold and displayed in Golden Hotel at Magsaysay, Appas, Tabuk City which they also own.



Table 4. Kalinga Blend Profile

ITEM	DESCRIPTION
Coffee Brand Name	Kalinga Blend
Address	Magsaysay, Dagupan, Tabuk City, Kalinga
Type of Ownership	Sole Proprietorship
DTI Registration	Four (4) years already
Type of Produced Coffee	Mix type of three coffees blends varieties
Products Sold	
Pure Ground and Brewed Coffee	
Coffee Production	Own farm and buying some coffee beans if needed
Selling Price	500 grams = Php 250.00
Marketing/Selling Methods	Door-to-door, by orders, exporting to Visayas Region, trade fairs and Agricultural exhibits

Advertising Strategies/ Activities Radio and television, advertisements to newspapers

The Kalinga Blend use media channels to promote their coffee products like posters, radio and television, as well as newspapers that are circulating around the nation.

These newspapers include the Philippine Daily Inquirer, Philippine Star, Manila Bulletin, Baguio Midland Courier, Sunstar-Baguio, Zigzag Weekly and Guru Press.



Advertisements are also aired over Radio Natin-Tabuk, Radio ng Bayan Tabuk, and Radio Natin-Tuguegarao as well as the local television channel of ABS-CBN Cagayan Valley.

The price of 500 grams of Kalinga Blend is Php250. In some outlets where Kalinga Blend is sold, the seller determines the price of the product, but net way over the original price.

Technologies used by the Kalinga Blend in coffee production are trailer, tractor, and truck for transportation of the harvested coffee beans. The packaging technologies used are the roasting machine, grinder (manual and automatic), vacuum sealer, brand sealer for the design of the coffee product and the vending machine for the coffee taster. Most of the Kalinga Blend products are found at the Golden Berries Hotel;

Kalinga Blend is also sold at Mart One Mall found in Tuguegarao City, Cagayan. Further, different groceries in Tabuk City like Bayle Supermarkets, Mencero Grocery, and the Julies' Grocery also sell the products and are also sold in some of the Visayas Region because of family connections.

Kalinga's Best Coffee. The coffee brand is owned by Penelope Daluson and has its business address at Balawag proper, Tabuk City, Kalinga. Kalinga's Best Coffee is a Sole Proprietorship and registered under DTI-Kalinga for almost three (3) years (Table 5). This coffee brand produces Pure Ground Coffee only. It uses one coffee variety which is the Robusta. It has its own farm and they buy coffee beans from other coffee growers if needed.



Kalinga's Best Coffee uses television, radio and the local publication for promotion. The Radio Natin-Tabuk and the national television of ABS-CBN had been used to air advertisements of this brand.

The 250 grams of Pure Robusta Ground Coffee costs Php.120.00. Technologies used by this brand are: trucks and trailers for the transportation purposes of harvested coffee beans. Technologies for packaging include the roasting machine, coffee grinder, vacuum sealer, brand sealer and the vending machine.

The Kalinga's Best Coffee products are sold in different vicinities around Tabuk City, specifically, at the Ayatu's Ethnic Products, Safe Value Grocery, and Faith Pharmacy and Convenience Store in Bulanao, Tabuk City. Aside from this, there are outlets of Kalinga's Best Coffee at Solano, Nueva Viscaya, Tuguegarao City, Cagayan and Santiago City, Isabela

Table 5. Kalinga's Best Profile

ITEM	DESCRIPTION
Coffee Brand Name Address	Kalinga's Best Coffee Balawag Proper, Tabuk City, Kalinga
Type of Ownership	Single Proprietorship
DTI Registration	Three (3) years already
Type of Produced Coffee	Single Coffee Variety
Products Sold	Pure Robusta Ground Coffee
Coffee Production beans if needed	Own farm and buying coffee



Selling Price 250 grams = Php.120.00 -
Php.150.00

COMMUNICATION CHANNELS	DESCRIPTION
Marketing/Selling Strategies	Door-to-door basis, by orders, exporting to nearby places, trade fairs and
Agricultural exhibits	Advertising Strategies/Activities Radio and television airing, publishing advertisements to local newspapers

Kalinga Mountain Coffee. This coffee brand is holding office at Barangay Bagumbayan, Naneng, Tabuk City and is owned by Estrella Balnao under Cooperative type of ownership (Table6). It produces Pure Ground Robusta Coffee. This coffee brand uses single variety of coffee unlike the other coffee brands. Kalinga Mountain Coffee has its own coffee farms but if the demand of the coffee increases, that it buys coffee beans from other coffee growers.

To promote its products, the radio, television and local newspapers are used. The ABS-CBN Cagayan Valley and the Radio Natin-Tabuk have aired its advertisements.

The Zigzag Weekly and the Guru Press have aired its advertisements on Kalinga Mountain Coffee.

One 250 grams of Kalinga Mountain Coffee costs from Php130- Php150.

However, the prices of this coffee brand vary when coffee is in demand.



Technologies used for coffee production are the trucks and trailers. As for the packaging the coffee blender, coffee roaster, coffee grinder, vacuum sealer, brand sealer and the vending machines are used.

The Kalinga Mountain Coffee is sold in different stores in Tabuk City such as the Faith Pharmacy and Convenience Store as well as in the city market.

Table 6. Kalinga Mountain Coffee

ITEM	DESCRIPTION
Coffee Brand Name	Kalinga Mountain Coffee
Address	Bagumbayan, Naneng, Tabuk City, Kalinga
DTI Registration	three (3) years of Kalinga Mountain Coffee
Type of Produced Coffee	Single Coffee Variety
Products Sold	Pure Ground Coffee
Coffee Production	Own coffee farm and buying Selling Price 250 grams of Pure Ground Robusta Coffee were price at Php 130.00 - Php150.00
COMMUNICATION CHANNELS	DESCRIPTION
Marketing/Selling Strategies	Door-to-door basis, by orders, exporting to nearby places, trade fairs and
Agricultural exhibits	Advertising Strategies/Activities Radio and television airing, publishing advertisements to local newspapers



Magallaya Mountain. Specialty Coffee. This coffee brand's office is located at the Barangay Bagumbayan, Naneng, Tabuk City and is managed and owned by Zita Degay under Sole Proprietorship. It produced Pure Ground Robusta and 'Musang' or the Civet Coffee. This coffee brand was using single variety of coffee in their products. Magallaya Mountain Specialty Coffee have its own coffee farm but purchases coffee beans from other coffee growers if the need arises.

This brand promotes its products through the radio, television airing and newspapers. The ABS-CBN Cagayan Valley and the Radio Natin-Tabuk had aired its advertisements. Further, Zigzag Weekly and the Guru Press have also published advertisements on the coffee brand.

Magallaya Mountain Specialty Coffee Brand priced its 250 grams pack at Php130-Php150 only. However, the price of this coffee brand varies when coffee is in demand.

Technologies that are used during the coffee production of Magallaya Mountain Specialty Coffee are trucks and trailers. In the packaging of the coffee products it uses the coffee blender, coffee grinder, vacuum sealer, brand sealer and the vending machines.

The Magallaya Mountain Specialty Coffee is sold in some parts of NCR and nearby places. They are also accepting special delivery to their regular customers.



Table 7. Magallaya Mountain Specialty Coffee

ITEM	DESCRIPTION
Coffee Brand Name	Magallaya Mt. Specialty Coffee
Address	Bagumbayan, Naneng, Tabuk City, Kalinga
Type of Ownership	Sole Proprietorship
DTI Registration	two (2) years of coffee business
Type of Produced Coffee	Single Coffee Variety
Products Sold	Pure Ground Coffee 'Musang' or the Civet Coffee
Coffee Production	Own coffee farm and buying
Selling Price	250 grams of Pure Ground Robusta Coffee were price at Php. 130.00 - Php.150.00 the Civet Coffee were price at Php.150.00- Php.180.00 per 250 grams
COMMUNICATION CHANNELS DESCRIPTION	
Advertising Strategies/Activities	Radio and television airing, newspaper publishing of advertisements
Marketing/Selling Strategies	Door-to-door and by orders, selling to nearby places of the province, trade fairs and Agricultural exhibits



Mananig Wild Coffee. This coffee brand is managed and owned by Rolando Esposito which is based at Taga, Pinukpuk, Kalinga but later transferred to Bulanao, Tabuk City Kalinga.

Mananig Wild Coffee is registered under DTI-Kalinga for almost three (3) years managed under Sole Proprietorship. This coffee brand has its own farm at Taga, Pinukpuk, Kalinga and they process the coffee beans in Tabuk City (Table 8).

Mananig Wild Coffee advertises and promotes its products with the Guru press and in the newsletter of KASC institution. The radio Natin-Tabuk and Radyo ng Bayan has advertisements of this coffee brand.

The 250 grams of finished coffee products are sold at Php. 130.00 – 150.00. Trucks and trailers and other transportation vehicles are used to transport its coffee beans from Taga, Pinukpuk to Tabuk City.

Table 8. Mananig Wild Coffee

ITEM	DESCRIPTION
Coffee Brand Name	Mananig Wild Coffee
Address	Bulanao, Tabuk City, Kalinga
Type of Ownership	Sole Proprietorship
DTI Registration	Three (3) years
Type of Produced Coffee	Single Coffee Variety
Products Sold	Pure Ground Robusta Coffee
Coffee Production	Own Coffee Farm



Selling Price 250 grams=Php. 130.00 – Php. 150.00

COMMUNICATION CHANNELS DESCRIPTION

Marketing/Selling Strategies	Door-to-door and by orders, Exporting to nearby places Trade Fairs/Agricultural Exhibits
Advertising Strategies/ Activities	Radio airing, newspaper advertising

For packaging the following technologies are used: coffee roaster, coffee grinder, vacuum sealer, brand sealer and the vending machines.

The Mananig Wild Coffee is usually sold in the city market of Tabuk especially in the Mencerro Grocery, Safe Value Grocery and the ‘pasalubong’ centers of Tabuk City. It is also sold in Tuguegarao City, Cagayan which were selling the Mananig Wild Coffee like the Mart One Mall and the Power Mall at Roxas, Isabela.

Kape De Kalinga. This coffee brand is under DTI-Kalinga and is managed and owned by Virginia Sacki at Bantay, Tabuk City, Kalinga. The Kape De Kalinga uses a Robusta variety in its products (Table 10). This is a Sole Proprietorship type of ownership had exported to Sydney, Australia after it was recommended by the owner’s neighbor to Australians.

It has its own coffee farm and sometimes buys from other coffee growers if the supply is not enough. The Zigzag Weekly and the Guru Press have advertised have published some advertisements and articles about this coffee brand. Further, the Radio



Natin-Tabuk and Radyo ng Bayan have aired the coffee products of Kape De Kalinga.

The 250 grams of finished product is sold at Php 150.00.

Technologies used by the Kape De Kalinga are trucks and trailers for the coffee production. The packaging equipment they used is coffee roaster, coffee grinder, vacuum sealer, brand sealer and the vending machine.

The coffee products of Kape De Kalinga are sold in the city of market of Tabuk like the Mencero Grocery, Bayle Supermarket and the Safe Value Grocery. Aside from this there are establishments sold coffee brand of Kape De Kalinga in Tuguegarao City, Santiago City and at Solano, Nueva Viscaya. This coffee brand also has a regular customer in Sydney Australia and Hong Kong.

Table 9. Kape De Kalinga Coffee Brand Profile

ITEM	DESCRIPTION
Coffee Brand Name	Kape De Kalinga
Address	Bantay, Tabuk City, Kalinga

Table 9. Continued...

Type of Ownership	Sole Proprietorship
DTI Registration	Three (3) years
Type of Produced Coffee	Single Coffee Variety
Products Sold	Pure Ground Robusta Coffee
Coffee Production	Own Coffee Farm



Selling Price 250 grams=Php. 130.00 – Php. 150.00

COMMUNICATION CHANNELS DESCRIPTION

Marketing/Selling Strategies Door-to-door and by orders,
Exporting to nearby places
Trade Fairs/Agricultural Exhibits

Advertising Strategies/ Activities Radio and newspaper

Matambong Pure Ground Coffee. This coffee brand is owned by Teresita Baawa under Cooperative type of ownership and is registered for almost (2) years under DTIKalinga. Further, the Matambong Pure Ground Coffee produces their own coffee products from their own coffee farms (Table 10).

Matambong Pure Ground Coffee has published article and advertisements in Zigzag Weekly and the Guru Press.

Moreover, Radio Natin-Tabuk and Radyo have also aired the coffee products of matambong Pure Ground Coffee. The price of the 250 grams of finished products ranges from Php 10-Php 150.00.

This coffee brand uses the coffee blender, coffee roaster, and coffee grinder for the packaging.

It also uses the brand sealer and the vacuum sealer. The vending machine is also used for tasters during exhibits.

The radio, television as well newspapers circulating around the community and the nation has been aired by Matambong Pure ground Coffee for promotion. Radio



and television, the local channel and the national channels have also used for advertisements. The coffee products of Matambong Pure Ground Coffee are sold in the city market of Tabuk City like the Menceru Grocery, Bayle Supermarket and the Safe Value Grocery. There are some regular buyers which prefer delivery of the coffee products through courier services. The coffee products are also sold in Tuguegarao City, Cagayan.

Table 10. Matambong Pure Ground Coffee

ITEM	DESCRIPTION
Coffee Brand Name	Matambong Pure Ground Coffee
Address	Balawag Proper, Tabuk City, Kalinga
Type of Ownership	Cooperative
DTI Registration	Two (2) years
Type of Produced Coffee	Single Coffee Variety

Table 10. Continued . . .

Products Sold	Pure Ground Robusta Coffee
Coffee Production	Own Coffee Farm
Selling Price	250 grams=Php. 130.00 – Php. 150.00



COMMUNICATION CHANNELS DESCRIPTION

Marketing/Selling Strategies	Door-to-door and by order, Exporting to nearby places Trade Fairs/Agricultural Exhibits
Advertising Strategies/ Activities	Radio, newspaper advertising

Patiking Ground Coffee. This coffee brand is headed by the chairman of the Patiking Farmer's Association of Bulagian, Dupag, Tabuk City, and is Foilan Albert. The Patiking Ground Coffee is managed under a cooperative and is registered under DTIKalinga for almost (2) two years (Table 12).

This coffee brand produces their coffee products from their own coffee farm. For promotion and advertising, it has used the newspapers and radio. The Zigzag Weekly and the Guru Press have published some advertisements and articles about this coffee brand. The Radio Natin-Tabuk and Radyo ng Bayan were some of the radio station that aired the coffee products of Matambong Pure Ground Coffee.

The price of 250 gram of fished product ranges Php130-Php150.00.

Technologies or in processing their coffee products include the coffee blender, coffee roaster, and coffee grinder. For packaging, it uses the brand sealer and the vacuum sealer. The vending machine is also used during exhibits.



Radio, television as well as the newspapers which were circulating around the community is used for the advertising. The radio and television have also aired their promotions through channels.

The coffee products of Patiking Ground Coffee were found in the city market of Tabuk City like the Menceru Grocery, Bayle Supermarket and the Safe Value Grocery.

There were some establishments that were selling coffee products of this coffee brand in Tuguegarao City, Cagayan

Table 11 Patiking Ground Coffee

ITEM	DESCRIPTION
Coffee Brand Name	Patiking Ground Coffee
Address	Dupag, Tabuk City, Kalinga
Type of Ownership	Cooperative
DTI Registration	Two (2) years
Type of Produced Coffee	Single Coffee Variety
Products Sold	Pure Ground Robusta Coffee
Coffee Production	Own Coffee Farm
Selling Price	250 grams=Php. 130.00 – Php. 150.00



Table 11. Continued...

COMMUNICATION CHANNELS	DESCRIPTION
Marketing/Selling Strategies	Door-to-door and by order, Exporting to nearby places Trade Fairs/Agricultural Exhibits
Advertising Strategies/ Activities	Radio airing, newspaper advertising

Summary of the Nine Coffee Brands

In summary, Six (6) of the coffee brands of Kalinga Coffee are under Sole Proprietorship and three (3) are under Cooperative. There are three (3) coffee brands that are located at Poblacion, Dagupan, Tabuk City, Kalinga. Two (2) are from Balawag,

Tabuk City, Kalinga (Table 12).

Communication Methods in Promoting the Kalinga Coffee

Refalda recognizes the essential role that communication plays in the effective promotion of a business. Thus, she uses different communication methods in promoting Kalinga Brew.

Refalda values her customers as they also help in promoting their brand through recommendations to other customers. Refalda, Sacki, Baawa and Agtina observed that customers' recommendations have kept regular sales possible.

Moreover, entrepreneurs also use radio and television to promote their products.



Albert, Baawa, Degay and Sacki aired their coffee products through ABS-CBN, a national television channel, with the assistance of the DTI Secretary Gregory Domingo when he visited their coffee farms in 2012.

Moreover, most of their coffee products are locally advertised through Radio Natin-Tabuk in its 'Apong Dalen' program. Aside from this, they also publish advertisements in newspapers such as: Baguio Midland Courier, Sunstar Baguio and Zigzag Weekl and The Guro Press which is circulating within Tabuk City.

The Kalinga Coffee products are further promoted through agricultural exhibits, coffee fiestas, and trade fairs. For instance, was the recently held Ullalim Festival in February where many coffee entrepreneurs gathered to display and sell their products using their own strategies to attract customers. *Outlets of the Kalinga Coffee* The Kalinga Coffee is usually found in the 'Pasalubong Centers' of the City Hall of Tabuk. However, seven entrepreneurs already have regular buyers from owners of the groceries in town such as the Mencerero grocery, the Bayle Supermarket and the Safe Value grocery (Table 12).

Sacki and Degay also sell their coffee products in the Victory and Dangwa Bus Station in town. Aside from this, the DTI in Kalinga has also displayed some of the Kalinga Coffee products.

The Kalinga Brew which is exporting Kalinga Coffee other places has already a barcode; hence, it is already available in some supermarkets in Manila. The Kalinga Blend also has displayed their coffee products in their own hotels found in Tabuk city namely the Golden Berries Hotel.



Refalda stated that they have regular customers from Tuguegarao City, Cagayan and at Solano, Nueva Viscaya who sell the coffee products in their own establishments and who decide on the prices of the products. Kalinga Brew and Kalinga Mountain Specialty Coffee also send their products to their customers in Manila and other parts of NCR through LBC, a courier service, in exchange of the payment done through remittances.

People/Groups involved in the Promotion of Kalinga Coffee Grace Baluyan, as the Value Chair Facilitator of the DTI-Kalinga agency, conducts workshops to incorporate other agencies (enablers) and producers (operators) as part of the agency's contribution to the Kalinga Coffee Development Program.

Cesar Lagon added that, as an Agricultural Extension Worker from the Office for Agricultural Services, Provincial Local Government Unit-Kalinga, provide technical support in coffee production and post-production. Moreover, according to Charlotte Balisang, a Cooperative Development Specialist oversees and assists the different cooperatives of coffee production.

On the other hand, Dexy Catacunan said that the Department of Science and Technology-Kalinga (DOST-Kalinga) is in-charged with the processing, equipment upgrading, package improvement and labeling, and laboratory analysis of Kalinga as a whole.

Meanwhile, the Office of the City Agricultural Services (OCAS) of Tabuk City, provide assistance in the rejuvenation and expansion of the coffee industry in Kalinga as a whole.



Meanwhile, the Plan Development Office of Kalinga is in charge with assists among coffee processors in the purchase of technologies that are used in the coffee processing.

Challenges Encountered by the Respondents in Promoting their Coffee Products

There were many challenges that are mention by the respondents.

The entrepreneurs identified some problems in promoting their coffee products.

One of the challenges encountered such as discrediting of other brands name to customers. Baawas' experience, other entrepreneurs tell degrading stories about another coffee brand to discredit it and discourage customers from buying.

Six entrepreneurs identified the need of advanced technologies to help them in packaging as well as in labeling their finished products. Since they cannot afford these technologies due to the high cost, which is above their means, they resort to using simple machines like the manual grinder of coffee. According to froilan Albert, the Chairman of Patiking Bulagian Far,mer's Association, there is also a lack of raw materials for packaging.

Meanwhile, four entrepreneurs said that the advertisement cost for their products is a challenge. Sacki is further concerned with the package design of coffee products which she said is less attractive compared to the package design of other coffee brands.

As for the key informants, they stated that most of the problems that the coffee farmers and coffee entrepreneurs encounter are the low quality of green beans because of



high percentage of broken beans, high moisture content and the insect damage or the blackening of the coffee beans.

Further, entrepreneurs are still reluctant to shift their processing method from sundrying to wet or gourmet method. The Gourmet method coffee processors can separate high quality coffee beans, thus, produce a high quality coffee product.

Table 12. The Outlets of Kalinga Coffee

ADDRESS	BRAND SOLD
City Market	Kalinga Brew, Kalinga's Best Coffee, Kalinga Mountain Coffee. Kape De Kalinga
Pasalubong Centers of Tabuk City, Kalinga	Kalinga Brew, Kalinga Blend, Kalinga's Best Coffee, Kalinga Mountain Coffee, Magallaya Mt. Specialty Coffee, Mananig Wild Coffee, Kape De Kalinga, Matambong Pure Ground Coffee, Patiking Ground Coffee
Groceries found at Tabuk City, Kalinga (Mencero Grocery, Na-oy Grocery, Safe Value Grocery and Bayle's Supermarket)	Kalinga's Best Coffee, Kalinga Brew, Kalinga Blend, Kape De Kalinga, Magallaya Mt. Specialty Coffee
Dangwa and Victory Bus Station at Tabuk City, Kalinga	Kalinga Mountain Coffee, Kalinga Brew, Kalinga Blend, Kape De Kalinga
DTI- Kalinga Office at Dagupan, Tabuk City, Kalinga	Kalinga Brew, Kalinga Blend, Kalinga's Best Coffee, Kalinga Mountain Coffee, Magallaya Mt. Specialty Coffee, Mananig Wild Coffee, Kape De Kalinga, Matambong Pure Ground Coffee, Patiking Ground Coffee
Manila Megamall, Glorietta, Market-market, Rockwell	Kalinga Brew, Magallaya Mt. Specialty Coffee, Kalinga Blend, Matambong Pure Ground Robusta
Solano, Nueva Viscaya	Kalinga Brew, Kape De Kalinga



Mart One Mall of Tuguegarao City

Kalinga Brew, Kalinga Blend, Magallaya Mt.
Specialty Coffee, Kape De Kalinga

Abroad (China, Singapore, South Korea,
Sydney, Australia, Canada,
USA)

Kalinga Brew, Kape De Kalinga, Magallaya Mt.
Specialty Coffee

Further, Balisang stated that there is lack of financial and technical support from concerned agencies.

For instance, it is difficult for most entrepreneurs to get support from all enablers such as agencies and LGU's in terms of giving priority to coffee in resource allocation or in the expansion and rejuvenation of coffee farms.

In addition, three coffee processors are still reluctant to shift their processing method from sun drying and smoke drying to wet or gourmet method.

Through the gourmet method, coffee processors can sort coffee beans and thus, may be able to produce a high quality of coffee product. In Pinukpuk, Kalinga, many coffee processors still practice smoke drying of coffee beans which result to unsavory coffee taste.



SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Summary

The study on the communication methods applied by the entrepreneurs in the promotion of Kalinga Coffee as Provincial One-Town-One Product (OTOP) in Tabuk City, Kalinga was conducted from December 2012 to February 2013.

Specifically, the study was able to identify the socio-demographic profiles of the respondents, identify the state of the Kalinga Coffee business in terms of: Type of ownership, coffee production processes and availability of the technology for processing and packaging, identify the different outlets of Kalinga Coffee, determine the people/groups that were involved in the promotion of the Kalinga Coffee and identify the challenges encountered by the entrepreneurs in promoting Kalinga Coffee.

Respondents of the study were 9 entrepreneurs and 9 key informants. Key informant interview and interview schedule were used in data collection.

Results of the study show that there were two types of the ownership in the coffee business of the Kalinga which are Sole Proprietorship and Cooperative. Majority of the respondents preferred Sole Proprietorship because they can manage their own business and make decisions concerning it.

There were 9 brands of Kalinga Coffee which are the Kalinga Brew, Kalinga Blend, Kalinga's Best Coffee, Kalinga Mountain Coffee, Magallaya Specialty Coffee, Mananig Wild Coffee, Kape De Kalinga, Matambong Pure Ground Coffee and Patiking Ground Coffee.



There were 6 sole proprietorship type of the ownership and 3 cooperative type of ownership of Kalinga Coffee.

Further, there are two types of grinding Kalinga Coffee which are the Pure Ground Coffee and the Brewed Coffee. The Pure Ground coffee type is practiced by entrepreneurs who prefer single packaging per variety of coffee. The Brewed Type is used by the entrepreneurs who prefer three blends of three coffee varieties such as the Robusta, Arabica and the Excelsa.

Majority of the respondents use the media as communication methods in promoting their coffee products like the radio, television and newspapers. Four of the respondents stated that they have already aired their coffee products through the national television channel, ABS-CBN.

Most of the coffee products of the respondents are locally advertised through Radio Natin-Tabuk via the segment of 'Apong Dalen' program and published through newspapers such as the Baguio Midland Courier, Sunstar – Baguio, Zigzag weekly and the Guru Press which is circulating in Tabuk City.

The entrepreneurs also participate in agricultural exhibits, the Coffee Fiesta and trade fairs for information dissemination and advertisements of the Kalinga Products.

Various agencies are involved in the promotion of Kalinga Coffee. These are the DTI-Kalinga, DOST-Kalinga, OCAS-Tabuk City, PLGU-Kalinga, and Plan Development Office-Kalinga.



The entrepreneurs identified with several challenges in the promotion; the Provincial Cooperative, Office of Kalinga assists coffee producers' cooperatives, lack of raw materials for packaging, cost of print and TV and radio advertisements, unattractive package design, and unhealthy competition among some entrepreneurs.

Further, according to the key informants, the primary challenge of the coffee farmers and entrepreneurs is the low quality of the green coffee beans due to high percentage of broken beans; high moisture content, and insect damage or the blackening of the coffee beans.

Conclusions

From the result, the following conclusions were derived:

1. There were many Kalinga Coffee brands that were registered under DTI-Kalinga in Tabuk City, Kalinga;
2. Different means of communication methods like media channels were being used by the entrepreneurs in promoting their coffee products;
3. "Gourmet" or the Wet Processing Method of Kalinga Coffee is the best method of processing the coffee products;
4. Kalinga Coffee products are sold in the locality and nationwide and some are exported abroad;
5. Technologies are used for the coffee production, processing and packaging however, these are not advanced technologies; and
6. Challenges vary from each entrepreneur depending on the needs of their coffee business.



Recommendations

Based on the results of the study, the following were recommended:

1. Sole Proprietorship should still be used as the most appropriate type of ownership because it is easier for the entrepreneurs to manage the coffee business using this type;
2. DTI-Kalinga, DA-Kalinga, DOST-Kalinga, OCAS Agriculturist, the Planning and Development Office of the province and the Cooperative Specialist of Kalinga should continue to conduct workshops, trainings and implement projects regarding coffee developments and review it every time to figure out things they needed to do for the improvement of Coffee Industry in the province;
3. The people/groups involved in the promotion of the coffee products should continue helping and assisting the entrepreneurs in promoting their coffee products;
4. There should be more concerned agencies in extending help to the coffee processors especially in acquiring advanced technologies in coffee production and processing.



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