

BIBLIOGRAPHY

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Adviser: David Joseph L. Bognadon

ABSTRACT

The study was conducted to find out the demographic profile, activities/services or products offered, who are the major customers, the basis of pricing and sources of capital, what problems do the entrepreneurs in these selected Agri-tourism destinations encounter in their operation.

The study was conducted in La Trinidad Benguet from January 2009 to February 2009. A total of 30 entrepreneurs served as the respondents of the study. Survey questionnaires and interviews were used primarily to gather data. The data was categorized, tabulated and analyzed through frequency counts and simple averages.

According to the results of the study, most of the respondents are at their middle age, 36-44 years old, female, majority are married, and had formal education up to college degree. Majority of the respondents have been in operation from 8 years and beyond. The most common business is farming. Most of the respondent's annual income only goes to below P100, 000. The products they most likely offer are processed products mainly from strawberries and cut flowers. The services they offer are trading center,

giving nutritional evaluation, trainings and seminars, chemical analysis and OJT to students.

Majority of the respondents employs both family relatives and outsiders laborers. Almost half of the respondents say that their major customers are local individual buyers simply because they are only located here in La Trinidad and tourist only come seasonally. Majority of them base their prices on the prevailing market price because of the seasonality of demand. The major source of capital of the respondents comes from both creditors and their own savings. They borrow mainly from cooperatives and another source is their relatives.

In terms of production, the two main problems encountered by the entrepreneurs are the lack of capital and the seasonality of demand for their products. The other problem that they encounter is the very high cost of input materials. The respondents encounter many problems in marketing. The main problems are low market price and demand, theft, and competition with other firms. Due to these problems, financial related concerns arose with insufficient funds for the succeeding operation.

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INTRODUCTION

Background of the Study

Agritourism is simply defined as a type of vacation destination, that the activities done are related to agriculture (Cachero, 2008).

Agritourism enterprises can be an alternative business to allow farms to diversify their core operations, add jobs for family members and others, and keep land in production while preserving scenic vistas, maintaining farming traditions, and educating non-farmers about the importance of agriculture to a community's economic base, quality of life, history and culture. Interest and demand for agricultural products and experiences by visitors and residents is high while price sensitivity is low, thus creating positive conditions for business success.

An agritourism enterprise can take many forms including retail sales, hay rides, corn mazes, pick-your-own operations, and use of woodlands on farms for hunting, hiking, horseback riding, and other activities. There may be educational components including programs for schoolchildren and elder hostel tours, as well as exhibits and demonstrations tailored to specific visitor groups.

Agritourism is a relatively new concept in the United States, but it is gaining in popularity with farmers and ranchers as a way to make extra money and contribute to the preservation of their communities and lifestyles. Because agritourism is new, much is left to be understood about what motivates farmers and ranchers to undertake agritourism ventures (David Mace, 2005). As stated in the study of David Mace, Factors Affecting the Motivation of Agritourism Entrepreneurs, he said that economic factors are not the dominant reasons for operating an agritourism business, agritourism motivation is



comprised of a complex set of economic and social variables, and that the balanced social and economic approach to agritourism shows that farmers and ranchers view this tool pragmatically.

Many children in the world are spending more and more time indoors using computers. The average number of hours may range from one to three every day. This is in addition to the time they spend in front of television and video games. This situation can place children at increased risk for repetitive stress injuries, eye strain, obesity and other health hazards due to a sedentary lifestyle. They are also exposed to the harmful effects of toxic emissions from new computer equipment and electromagnetic radiation from old video monitors.

This is the reason many children today have no idea of how it feels to be outdoors, to see animals and plants or simply to be close to nature. Virtual reality has taken over their perception of what the real world is. Researchers realize now that many of these children are suffering from what is called nature deficit disorder. This type of disorder is the cumulative effect of withdrawing nature from children's experiences.

To reverse this trend and to fulfill many people's desire for their families to enjoy the clean unpolluted air of the countryside, many communities worldwide are now going back to nature by turning into the growing business of agricultural tourism or simply agri-tourism. After all, new research shows that nature is a powerful therapy for depression, obesity and other types of illnesses and disorders.

In many countries, agri-tourism evolved as a result of the loss of traditional farm income due to modern global agricultural economy. Farm owners developed creative



ways to educate, entertain and even influence the way people looked at farms and how they relate to them.

The Philippines has also caught up in the concept of agri-tourism. One successful project is the Leisure Farms Tagaytay in Lemery, Batangas, designed to entertain and educate people of various ages on the many benefits of a close communion with nature through farming (De Jesus, 2007).

In the middle of our fast-paced world, it's time to turn to nature more and more to counter the anxiety, stress and tension of everyday life.

This study was conducted to generate necessary data, which would be useful for potential entrepreneurs, for them to have enough knowledge of the current condition of the entrepreneurs presently operating in these agritourism destinations.

Statement of the problem:

This study seek to answer the following problems:

1. What is the demographic profile of the entrepreneurs in these Agri-tourism destinations?
2. What are the activities/services or products offered by the enterprises in these Agri-tourism destinations?
3. Who are the major customers of the enterprises in these Agri-tourism destinations?
4. What is the basis of pricing and sources of capital of the enterprises in these Agri-tourism destinations?
5. What problems do the enterprises encounter in these Agri-tourism destinations in their operation?



Objectives of the Study

The study aimed to:

1. To determine the demographic profile of entrepreneurs in these Agri-tourism destinations.
2. To determine the activities/services or products offered by the enterprises in these Agri-tourism destinations.
3. To know who are the major customers of the enterprises in these Agri-tourism destinations.
4. To know the basis of pricing and sources of capital of the enterprises in these Agri-tourism destinations.
5. To know what problems do the enterprises in these Agri-tourism destinations encounter in their operation.

Importance of the Study

Agritourism is a fast growing industry in our country also a good source of income and employment. Hence, the result of the study could help potential entrepreneurs to see the benefits that can be obtained from agritourism. It would be a guide to prospective entrepreneurs in discovering and seeking of a viable business. It also challenges present agritourism entrepreneurs to improve more on the services and products they provide to meet the needs of people.

Furthermore, this study would contribute knowledge to future researchers to further study the said industry.



Scope and Limitation of the Study

This study is limited to the profiling of the Enterprises in Selected Agitourism Destinations in La Trinidad Benguet. It covers the demographic profile of the entrepreneurs, determination of services/products available, their major buyers and the problems they encounter.



REVIEW OF LITERATURE

Agritourism: Definition

According to Mrs. Mariam Cachero, Tourism officer of La Trinidad, agritourism is simply defined as a type of vacation destination, that the activities done are related to agriculture.

Agritourism is a style of vacation that normally takes place on a farm. This may include the chance to help with farming tasks during the visit. Agritourism is often practiced in wine growing regions in Italy and Spain. In America, Agritourism is widespread and includes any farm open to the public at least part of the year. Tourists can pick fruits and vegetables, ride horses, taste honey, learn about wine, shop in farm gift shops and farm stands for local and regional produce or hand-crafted gifts, and much more.

Agritourism is developing into a large part of the tourism industry and will soon be one of the largest sectors of tourism (Wikipedia, 2008).

Demographic Profile of Entrepreneurs

Various personal demographic variables appear to differentiate successful from less successful entrepreneurs in Africa, as they do elsewhere (Kallon, 1990; Mead, 1999; Mead and Liedholm, 1998; Stewart, 1996). Earlier studies found that successful African entrepreneurs tended to be male, middle-aged, married with a number of children, and more educated than the general population.

More recent studies have found that female entrepreneurs experience more operational and strategic impediment to success than their male counterparts (Rutashobya, 2001). Mead and Liedholm (1998) found that male-owned firms grew



faster than those owned by women. Yet other recent surveys report higher rates of female entrepreneurial participation, both as owners and employees (Frese, 2000). For example, Mead and Liedholm (1998) report female ownership participation rates of 48 percent and employees of 44 percent. This is particularly the case for the micro and small enterprises (MSEs), employing very few if any people and generating little or no income for the owners (Kiggundu, 2002).

The predictive validity of demographic variables tends to be unstable over time, especially when studied in isolation. This may be partly due to the conceptual and measurement problems of success as a dependent variable (Van Dijk, 1995), and partly due to changing societal values and practices. Keyser, de Kruif and Frese (2000) found no significant differences in success due to age or gender among Zambian SME owners. As predictors of success or failure, demographic variables should be studied longitudinally, and in combination with other variables to form clusters, which show up either as problems or success factors (Dia, 1996; Mead, 1999; Kiggundu, 2002).

Agritourism Activities in La Trinidad

These are several agritourism activities being provided by the municipality of La Trinidad. This includes:

Strawberry farm. During the summer enjoy strawberry picking at the strawberry fields.

Rose garden. Have a magnificent view of the Rose Garden of the Philippines.

Master's garden and Eve's garden. Have an invigorating view of the natural way of farming and have a treat of fresh vegetable salad.

Benguet State University. A must try destination to buy tasty treats made by its food processing center, and have a nice walk around its eco parks.

Major Customers

The most valuable relationships that you will create are the relationships between you and your customers, particularly in a small agri-tourism enterprise. Many of the farmer-customer relationships in agri-tourism rely on personal contact; the direct marketing relationship nurtures that necessary personal touch. Direct marketing is a way for you to reach your target customers personally, without using a "middleman."

By reaching your customer directly, you do not have to pay a commission to an intermediary: you are doing the job yourself. With simple, inexpensive tools like flyers, brochures, and an Internet website, you can meet and greet potential customers with your own personal touch (Blacka et al., 2001).

Problems in Agritourism

Safety & Security. While having visitors to one's farm may be pleasant and increase farm income, growers must be aware there can be several drawbacks. Agritourism providers have experienced problems with trash, vandalism, trespassing, mistreatment of animals, and nuisance complaints. Landowners may also suffer from a loss of privacy, calls at anytime of day or night, and limited security (theft of their home or farm equipment).

Liability. In most cases, a farmer's standard comprehensive personal liability policy will not cover claims arising from recreational use. This type of policy typically covers injuries and property damage resulting from farming activities but excludes coverage for other business pursuits. While farming or agricultural activities may not be clearly spelled out in the policies, agritourism is more than likely not considered "farming" by insurers (Anonymous, 2008).

Financial. Anlyn as cited by Fajardo (1982) said that the determination of what business to be put up depends on its financial capacity. Financial capital is essential resource of the entrepreneurs; this is the lifeblood of the enterprise, and every business needs money before it was started as well as for the development and growth.

Agritourism: Factors. Johnson as cited by Handayan (2003) said that the most important factor in tourism industry is the management or supervision of people and human resources management, which talk about employment and business. Hence basically it serves the customers by satisfying their needs and expectations, which differ greatly as a result of their diverse cultural, traditional and religious background.

Agritourism: Supply and Demand. According to Blacka, because the relationship between our supply of agri-tourism activities and the customers' demand is important, we should continuously evaluate that relationship. We might find at the beginning of our agri-tourism project that our supply outweighs the demand (in other words, we do not have enough customers). However, with a good marketing plan, we will be able to attract more customers to our farm. The most efficient and effective way of communicating with our customers is through direct marketing (Blacka et al., 2001).

Agritourism Destinations in La Trinidad

Strawberry farm. Located at Swamp area, abound in Betag and Puguis.

Rose Garden. Located at Bahong Tomay.

Master's Garden and Eve's Garden. Located at Longlong Puguis.

Benguet State University. Located at Km.6 La Trinidad.



METHODOLOGY

Locale and Time of the Study

The study was conducted in the different Agri-tourism destinations in La Trinidad, specifically at Swamp Area Betag, Long long Puguis, and Bahong.

La Trinidad is a 1st class municipality in the province of Benguet, Philippines. It is the capital municipality of Benguet. It has a land area of 8079.51 hectares, and a mountainous topography.

The study was conducted from January 2009 to February 2009.

Respondents of the Study

The respondents of the study were the entrepreneurs who are just currently located in those Agri-tourism destinations. They may or may have not any link to agritourism. The respondents will be selected randomly by the researcher with a number of 30 samples.

Data Collection

A prepared survey questionnaire was used to collect the needed data. The researcher personally distributed the questionnaires to the respondents. A follow up interview were done to verify the responses that were not clear to the researcher. An interview of key informants is also used for further information.



Data Gathered

The data gathered includes the demographic profile of entrepreneurs in agritourism destinations in La Trinidad, activities and products they offer, their major buyers and financial problems they encounter.

Data Analysis

The data that collected are consolidated, categorized, and tabulated. Descriptive statistics such as frequency counts and percentages, averages and ranking will be also used for interpretation.



RESULTS AND DISCUSSION

Demographic Profile of the respondents

Table 1 presents the personal profile of the respondents according to age, gender, civil status and educational attainment. In comparison to the review of literature, most of the respondents are at their middle age, 36-44 years old. This is because they were the ones who have been in the business for a long time already, from 8-14 years. The youngest is 20 while 62 the oldest. The respondents are dominantly composed by females with 80% while males are only at 20%. This may be explained by the fact that males are meant really for the work itself and not managing it. Majority of them are married and happy. All of them had formal education some even graduated college.

Table 1. Demographic profile of the respondents

PARTICULARS	FREQUENCY	PERCENTAGE
Age		
18-26	4	13.33
27-35	6	20
36-44	9	30
45-53	7	23.33
54-63	4	13.33
TOTAL	30	100



Table 1 Continued...

PARTICULARS	FREQUENCY	PERCENTAGE
Gender		
Male	6	20
Female	24	80
TOTAL	30	100
Civil Status		
Single	7	23.33
Married	21	70
Separated	1	3.33
Widowed	1	3.33
TOTAL	30	100
Educational Attainment		
Elementary	2	6.67
High School	9	30
College Undergraduate	9	30
College Graduate	10	33.33
Vocational Course	0	0
TOTAL	30	100



Years in Operation and Type of Business

Majority of the respondents have been in operation from quite a while, from 8 years and beyond, still many just recently started their operation. In Bahong most entrepreneurs venture in farming, in Strawberry farm in Betag majority of them venture in a souvenir and dry good store, others also in farming, in BSU a processing center and a marketing outlet are the particular businesses found, while in Long-long Puguis farming is the particular business ventured, specifically organic farming.

Topping them in the type of business ventured is farming because this is what they have been doing since they were born and they are also the ones who succeeded the business of their family.

For me the researcher, the most promising business that could give high profit is the farming of organic vegetable because of its high demand. According to one of my respondents, their supply of organic vegetables is really not sufficient to satisfy the market demand. Sadly, they cannot do anything because their produce is limited because of lack of space for farming.

Table 2. Number of years in operation and type of business

YEARS IN OPERATION	FREQUENCY	PERCENTAGE
1-5	13	43.33
6-10	10	33.33
11- 15	3	10
16 and Above	4	13.33
TOTAL	30	100



Table 2. Continued....

TYPE OF BUSINESS	FREQUENCY	PERCENTAGE
Bahong		
Farming	7	23.33
Flower stall	2	6.67
Convenience Store	4	13.33
BSU		
Food Processing	1	3.33
Marketing Outlet	1	3.33
Long-long Puguis		
Farming	1	3.33
Strawberry farm		
Farming	2	6.67
Dry Goods Store	6	20
Souvenir Store	6	20
TOTAL	30	100

Annual Income

Most of the respondent's annual income only goes to below P100, 000. Some of the respondents said that they only gain P60, 000 to P80, 000 a year due to very high cost of input materials and some say lack of government support like providing the farmers free or just cheaper fertilizers. Unlikely to the organic farmers, they produce their own



Table 3. Annual income

PARTICULARS	FREQUENCY	PERCENTAGE
P100, 000 and below	22	73.33
P100, 000- P150, 000	4	13.33
P150, 000 – P200, 000	0	
P200, 000 – P250, 000	0	
Above P250, 000	4	13.33
TOTAL	30	100.00

fertilizers and don't use any chemicals for pesticides, their input material cost come only in a small amount.

Product and Services Offered by the Entrepreneurs

The respondents offer various and multiple products but not much on services. Only some of them offer services. The products they most likely offer are processed products mainly from strawberries and cut flowers. Majority of them produce their own product which makes them in control of the quality of their product while others just order from other firms. The services they offer are trading center, giving nutritional evaluation, trainings and seminars, Chemical analysis and OJT to students.



Table 4. Product and services offered

PARTICULARS	FREQUENCY	PERCENTAGE
Products		
Cut flowers/rose	9	30
Grocery items	5	16.67
Organic vegetables	2	6.67
Dry goods	6	20
Processed products	10	33.33
Strawberry	2	6.67
Souvenirs	6	20
Flower arrangement	2	6.67
Services		
Trading Center	1	3.33
Nutritional evaluation	1	3.33
Chemical analysis	1	3.33
Trainings and Seminars	1	3.33
OJT	1	3.33
Own Produced Products		
Cut flowers/rose	10	33.33
Organic vegetables	2	6.67
Dry goods	3	10
Processed products	4	13.33



Source of Labor

Majority of the respondents employ both family relatives and non-relatives laborers. They do not rely on only one type of labor source so 76.67% or 23 out of the 30 respondents employs family relatives, at the same time 60% or 18 out of 30 respondents still hires non-relatives workers. Most of the respondents say that they get family labor simply just to save money for wages but some still give wages. The laborers are paid at a fixed rate depending on the entrepreneur.

Table 5. Distribution of labor source

TYPE OF LABOR	FREQUENCY	PERCENTAGE
A. Family labor		
Fulltime		
1-3	15	50
Part time		
1-5	8	26.67
TOTAL	23	76.67
B. Non-family/Hired labor		
Full time		
1-10	11	36.67
11-20	1	3.33
Part time		
1-10	6	20
TOTAL	18	60



Major Customers

Almost half of the respondents say that their major customers are local individual buyers simply because they are only located here in La Trinidad and tourist only come seasonally. Some export their products to other countries or some sell to other firms in other places. Tourists are the ones who come from other countries, Local tourist are the ones who are from our country but not from the locality, and Local individual buyers are the ones that are from in the locality.

Pricing of Products and Services

According to the respondents majority of them based their prices on the prevailing market price because of the seasonality of demand. They cannot just make their own prices because of competition with other firms that's why entrepreneurs communicate with each other to come up with a standard price to their products. Although in organic farming, they say the demand is constant so they can base their price on cost of production plus profit. For example they usually price 1 kilo of lettuce at P100, but when there is high demand, customers are willing to pay twice the price they offer.

Table 6. Major customers

PARTICULARS	FREQUENCY	PERCENTAGE
Tourist	5	16.67
Local tourist	7	23.33
Local individual buyers	14	46.67
Firms	4	13.33
TOTAL	30	100



Table 7. Pricing of products and services

BASIS OF PRICING	FREQUENCY	PERCENTAGE
Base on prevailing market price	22	73.33
Competitive pricing	1	3.33
Base on cost of production + profit	7	23.33
TOTAL	30	100

Sources of Capital

The respondents' source of capital majority comes both from creditors and their own savings. Only five of them use their own savings to operate their business and nine borrowed. They borrow mainly from cooperatives and another source is their relatives.

Table 8. Source of capital

SOURCE	FREQUENCY	PERCENTAGE
Borrowed	9	30
Own saving	5	16.67
Both	16	53.33
TOTAL	30	100



Problems Encountered by the Entrepreneurs

In terms on production, the two main problems encountered by the entrepreneurs are the lack of capital and the seasonality of demand for their products. Eighteen or 60% of them have problems in capital and at the same time 21 or 70% have problems in the seasonality of demand. The other problem that they encounter is the very high cost of input materials. With these problems they cannot produce the volume they want when peak season comes.

The respondents seem to encounter many problems in marketing their products and services. The main problems are low market price and demand, theft, and competition with other firms. This means that they do not have control over their products in terms of marketing them, the market dictates them. With these problems, income is very low sometimes even none. Other problems are shown in table 9.

As stated in the review of literature, financing is a key factor for the business to continue operating. Due to problems in marketing their product and services, the common problem related to it is low income and therefore insufficiency of fund for the succeeding operation. Other problems also derived form production problems are the hard to afford input materials like fertilizers and pesticide.



Table 9. Problems encountered

PROBLEM	FREQUENCY	PERCENTAGE
. Production		
Lack of capital	18	60
Seasonality of demand	21	70
Others (High cost of materials)	5	16.67
(Lack of laborers)	1	3.33
Marketing		
Low market price	13	43.33
High competition	7	23.33
Low demand for product	10	33.33
Hard to meet quality required by customers	5	16.67
Theft	7	23.33
Price fluctuations	5	16.67
Finance		
Low income for succeeding operation	10	33.33
High loan interest	2	6.67
Lack of creditors	1	3.33
Others (hard to afford input materials)	4	13.33



Possible Solutions to Problems

The possible solutions to the problems encountered are shown in table 10. These are also done by the respondents who encountered them in their operation. Eventually, only few of them do something to solve these problems.

For solutions in production problems, 12 or 40% said that they borrow from creditors to increase their capital, 1 or 3.33% said to lessen production to minimize production cost to compensate with the seasonability of demand. Another respondent said to lessen credit to customers in order to address lack of capital in production. Another respondent said to have an alternate business, meaning to change his products according to what is in demand for the present season. Two or 6.67% each said to adjust planting time and to recycle used materials.

For marketing problems, 4 or 13.33% said to control price by communicating with competitors for a standard price, and when the demand is low 1 or 3.33% said to lessen production and another one said she exports her products in other countries. To meet the quality standards of customers, only 1 or 3.33% said to improve his packaging material. For theft problems, 2 or 6.67% said they refer to their records to monitor the outflow of their products and know if something is missing and 1 or 3.33% installed security cameras to monitor her products.

Only a few entrepreneurs do something for their financial problems, for the high interest rates, 1 or 3.33% said to look for creditors with lesser interest rates, and another 1 or 3.33% said to include additional products in their product line to generate additional income.



Table 10. Possible solutions to problems encountered

POSSIBLE SOULTION	FREQUENCY	PERCENTAGE
Production		
Borrow from lending institutions	12	40
Lessen Production	1	3.33
Lessen credit to customers to avoid lack of capital	1	3.33
Alternate Business	1	3.33
Adjust planting time	2	6.67
Recycle used materials	2	6.67
Marketing		
Adjust planting season	1	3.33
Lessen production	1	3.33
Price control	4	13.33
Improve packaging	1	3.33
Export	1	3.33
Inventorying (bookkeeping)	2	6.67
Use of security devices	1	3.33
Financial		
Borrow from coop or other lending institutions with lesser interest rates	1	3.33
Additional products to generate income	1	3.33



SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Summary

This study is a profiling of enterprises in selected agritourism destinations in La Trinidad. The 30 respondents came from the different agritourism destinations located in La Trinidad. The survey was conducted through the use of a survey questionnaire with a follow up interview; to determine the demographic profile of entrepreneurs in these Agri-tourism destinations; to determine the activities/services or products offered by the enterprises in these Agri-tourism destinations; to know who are the major customers of the enterprises in these Agri-tourism destinations; to know the basis of pricing and sources of capital of the enterprises in these Agri-tourism destinations; to know what problems do the enterprises in these Agri-tourism destinations encounter in their operation.

According to the results of the study, most of the respondents are at their middle age, 36-44 years old, female, majority are married, and had formal education up to college degree. Majority of the respondents have been in operation from 8 years and beyond, still many just recently started their operation. The most common business is farming. Most of the respondent's annual income only goes to below P100, 000 due to very high cost of input materials and some say lack of government support. But organic farming promises high income due to its high demand. The products they most likely offer are processed products mainly from strawberries and cut flowers. The services they offer are trading center, giving nutritional evaluation, trainings and seminars, chemical analysis and OJT to students.



Majority of the respondents hire both family and non family laborers at the same time. Most of the respondents hire family labor simply just to save money for wages but some still give wages. The laborers are paid at a fixed rate depending on the entrepreneur. Almost half of the respondents say that their major customers are local individual buyers simply because they are only located here in La Trinidad and tourists only come seasonally. Majority of them base their prices on the prevailing market price because of the seasonality of demand. Source of capital of respondents' majority comes both from borrowing to creditors and their own savings. They borrow mainly from cooperatives and another source is their relatives.

In terms of production, the two main problems encountered by the enterprises are the lack of capital and the seasonality of demand for their products. The other problem that they encounter is the very high cost of input materials. The respondents seemingly encounter many problems in marketing. The main problems are low market price and demand, theft, and competition with other firms. Due to these problems, the common problem derived from it for financing the business was the low income and therefore do not enough funds for the succeeding operation. Other problems also derived from production problems are those cannot be afford input material like fertilizers and pesticide.

Conclusions

Based on the findings of the study, the following conclusions were derived.

1. Most of the respondents are at their middle age, 36-44 years old, female, majority are married, and had formal education up to college degree.

2. The products they offer are processed products mainly from strawberries, cut flowers and souvenirs. The services they offer are trading center, giving nutritional evaluation, trainings and seminars, chemical analysis and OJT to students.

3. Almost half of the respondents' major customers are local individual buyers because they are only located here in La Trinidad and tourist only come seasonally.

4. Majority of them based their prices on the prevailing market price because of the seasonality of demand. Source of capital of respondents' majority comes both from borrowing to creditors and their own savings.

5. The major problems encountered by the respondents, in terms on production are the lack of capital and the seasonality of demand for their products. The other problem that they encounter is the very high cost of input materials. In marketing, the main problems are low market price and demand, theft, and competition with other firms. The main problem in financing is the low income of the entrepreneurs and insufficiency of funds for the succeeding operation.

Recommendations

1. Since one primary problem of the entrepreneurs is the lack of capital, and what they do is to borrow money from lending institutions, It is recommended that other financing institutions that offer lower interest rates be explored as an alternative

2. Since the demand for most of their product is seasonal, is suggest that they should only concentrate on producing products only on their peak season and have an alternate business during off season.

3. They should work together as a group and coordinate with government agencies and seek government support to attract more tourists.

4. All the entrepreneurs should coordinate with each other and make a common price for their products to minimize competition.

5. Advertisements of our agritourism destinations should be done, for the entrepreneurs not only rely on local individual buyers as their customers but also other tourist. This would increase tourists that would come and visit our place.

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APPENDIX A

Letter to Respondents

Republic of the Philippines
Benguet State University
College of Agriculture
DEPARTMENT OF AGRICULTURAL ECONOMICS
AND AGRIBUSINESS MANAGEMENT

December 2008

Agritourism entrepreneurs
La Trinidad, Benguet

Sir/Madam:

I am a fourth year student taking up Bachelor of Science in Agribusiness major in Enterprise Management at Benguet State University. To fulfill my field of study, I am required to conduct this research titled, "Profiling of Entreprises in Selected Agritourism Destination in La Trinidad."

In this connection, may I therefore ask your time, your honesty, and sincerity in giving the needed information about my study.

Thank you very much! May God bless you all.

Respectfully yours,

MARK ANTHONY B.QUE
Student Researcher

Noted by:

DAVID JOSPEH L. BOGNADON
Thesis Adviser



APPENDIX B

Survey Questionnaire for Respondents

Please fill the blanks with the necessary information and check the choices that correspond to each statement asked. Kindly answer all questions honestly. This questionnaire will be treated with confidentiality. Thank you.

I. General information

1. Name _____
2. Age _____
3. Civil Status : single ___ married ___ separated ___ widowed ___ others ___
4. Educational Attainment:
Elementary ___ High school ___ College undergraduate ___
College Graduate ___ Vocational Course ___

II. Survey Proper

1. Number of years in operation _____
2. Type of business (ex. Hotel, Store) _____
3. To what government agency are you registered? _____
4. Annual Income:
P100,000 below ___ P100,000 – P150,000 ___
P150,000 – P200,000 ___ P200,000 – P250,000 ___
Above P250,000 ___
5. Do you own the stall/structure where your business is located? Yes ___ No ___
6. If rented, how much do you pay per month? P_____



7. What products and services do you offer in your business? Please specify.

Products	Services
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

8. Which of these products are produced by you?

9. How many workers do you have? Please specify when broken down as:

Family member: ___ (part time) ___ (full time)
 Non-family member: ___ (part time) ___ (full time)

10. How much do you pay for your workers? How do you pay them?

Daily rate P _____
 Weekly rate P _____
 Monthly rate P _____
 Depending on the volume produce P _____
 Others (pls. specify) P _____

11. Who are your major customers?

Tourists _____ Local tourists _____
 Local individual buyers _____ Firms _____



12. Mode of payment of customers?

Cash____ Credit____ Others_____

13. How do you price your product/service?

Base on prevailing market price _____

Competitive pricing _____

Base on cost of production + profit _____

others _____

14. What is the source of your capital?

Borrowed _____ Own saving _____ Both _____

15. If borrowed, from whom do you borrow?

Banks____ Cooperatives _____ Relatives _____ Neighbors _____

16. What problems do you encounter in producing your products/services in your business? What do you do to overcome them?

Problems	Solution
___ lack of capital	
___ lack of skilled workers	
___ seasonality of demand	
___ insufficient supply of materials	
___ low quality of product/service	
___ others (pls. specify)	



17. What problems do you encounter in marketing your products/services? What do you do to overcome them?

Problems	Solution
<input type="checkbox"/> low market price	
<input type="checkbox"/> high competition	
<input type="checkbox"/> low demand for product	
<input type="checkbox"/> hard to meet quality required by customers	
<input type="checkbox"/> theft	
<input type="checkbox"/> price fluctuations	
<input type="checkbox"/> others (pls. specify)	

18. What problems do you encounter in financing your business your business? What do you do to overcome them?

Problems	Solution
<input type="checkbox"/> low income for succeeding operation	
<input type="checkbox"/> high loan interest	
<input type="checkbox"/> lack of creditors	
<input type="checkbox"/> others (pls. specify)	

19. Do you record your transactions? Yes No

20. If no, why?

no knowledge in bookkeeping/recording

not enough time to do it

impractical to hire a bookkeeper



