

Analysis of the Marketing Management Strategies of the OTOP in Ifugaotowards a Sustainable OTOP Implementation

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ABSTRACT---- *The study is focused in analyzing the marketing management strategies of OTOP in Ifugao. Specifically, it sought to determine the effectiveness, the best features and problems encountered by entrepreneurs of OTOP in its assistance package. It also sought to assess the extent to which the assistance package affects the entrepreneur's economic activities. Descriptive research design was used in this research with structured questionnaire and interviews as primary instruments in gathering data. The result showed that the implementation of the skills development assistance package of OTOP is effective and the financial and technological assistance package is its best features. It also reveals that OTOP entrepreneurs encounter problems in its marketing assistance package especially in the distribution and promotion of OTOP products. Finding also reveals that the OTOP assistance package has a moderate impact in the following entrepreneur's economic success indicators; agricultural development, entrepreneurial management skills, employment opportunities, economic welfare and technological enhancement.*

Keywords--- Assistance Package, Success indicators, Entrepreneur, Impact

1. INTRODUCTION

In 1979, Mr. Hiramatsu, Governor of Oita Prefecture in Japan, took the initiative in starting “OVOP” movement. He had the simple but powerful idea of encouraging people from the villages or local areas to concentrate on one product that they did very well and then work to market that product abroad. The One Village One Product (OVOP) concept grew out of this¹.

The concept has been adapted by other Asian countries such as Thailand, Vietnam, Taiwan, China and the Philippines to name a few. In Thailand, the Japan External Trade Organization (JETRO) has been instrumental in the furtherance of this scheme -promoting and importing many Thai OTOP products into Japan in since 2002.

In Taiwan, adapting the local marketing concept of “One Town One Product”, Small and Medium Enterprise Administration, MOEA (Ministry of Economic Affairs), had started from 1989 to simulate distinctive local industry by integrating local resources and their specialties, now, a total of 96 featured towns have been successfully coached as some famous examples, such as, Tachia Taro, Luku Hsiao-Pan-Tien and Chungliao Plant Dye, etc...Small and Medium Enterprise Administration, MOEA has launched a distinctive local product website (OTOP) last year to let Taiwan's people to understand more about the beauty of the small island of Taiwan².

In our country, the One Town One Product (OTOP) is a priority program of government to promote entrepreneurship and create jobs. Through OTOP, local chief executives of each city and municipality take the lead in identifying, developing and promoting a specific product or service, which has a competitive advantage.

OTOP Philippines supports micro, small and medium enterprises (MSMEs) to manufacture, offer and market distinctive products or services through the use of indigenous raw materials and local skills and talents.

The Medium-Term Philippine Development Plan (MTPDP) 2004-2010 outlines the dual strategies of product development through OTOP and credits provision through SULONG (SME Unified Lending Opportunities for National Growth) to support 3 million entrepreneurs and generate 6 to 10 million jobs³.

¹<http://otophilippines.org/aboutus.html>

² <http://otop.tw/about.php>

³OTOP Brochure. Department of Trade and Industry Philippines

The Cordillera Administrative Region is considered as the country's premiere highland region highlighted by amazing sights, cool climate, its unique culture and people. One of the provinces with distinct treasures in this region is Ifugao. The local government units in this province which play a very significant role as lead implementers of OTOP have seen the concept as the answer to the economic meltdown. The Municipality of Asipulo, Ifugao has in fact this year, appropriated the amount of two hundred fifty thousand pesos (250,000php) annually to sustain the OTOP in the area⁴.

With the challenging opportunity the OTOP offers, to see how indigenous raw materials, inbred skills and talents are harnessed to come up with distinctive products worthy of both domestic and foreign markets there could become, the researcher as a member of the academe who teaches marketing in the tertiary level finds it a very motivating and productive endeavor to develop marketing strategies that will improve the current status of the One Town One Product (OTOP) in Ifugao, thus this study.

Conceptual Framework of the Study

The figure below shows the different factors in analyzing the marketing management strategies of OTOP in Ifugao towards a sustainable OTOP implementation.

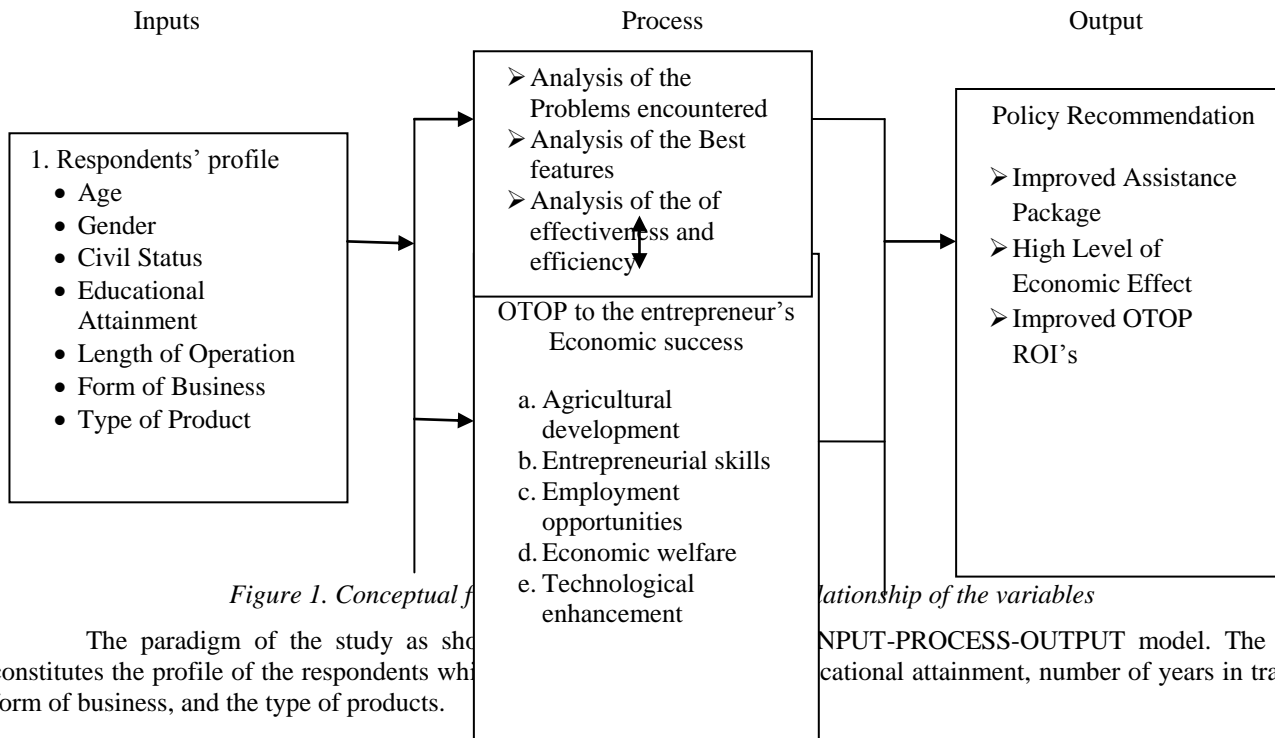


Figure 1. Conceptual framework of the study

The paradigm of the study as shown in Figure 1 consists of the profile of the respondents which includes age, gender, civil status, educational attainment, number of years in trading, form of business, and the type of products.

The process consists of analyzing the 3 major categories of the assistance package of OTOP: Skills development covers trainings, seminars and business counseling, while the marketing package focuses on Product development, Packaging labeling, Distribution, Marketing Research and Promotional strategies and the Financial assistance consists of the financial programs offered by government and private sponsorships. It is focused on these 3 categories since these are the major categories offered by most of the implementers of the assistance package. Among these categories the problems encountered, the levels of effectiveness and best features were being drawn under the input variables.

The analysis of the effect or impact of the OTOP assistance package to entrepreneur economic success will be included as an intervention. Among the economic variables included are the extent to which the assistance package affects the Agricultural development, Entrepreneurial Skills, Employment opportunities, Economic status and Technological enhancement of how entrepreneurs improve their products that will eventually influence their economic capabilities. As they

⁴ [http://otopphilippines.com/ifugao town appropriates funds to boost OTOP](http://otopphilippines.com/ifugao-town-appropriates-funds-to-boost-otop)

try to employ what they have learned from the comprehensive assistance package offered by the OTOP center such as on Motivation, Marketing ideas, Resources or Technological enhancement on machinery equipments in the production process and administration/management it will lead to a more sustainable, profitable, and fruitful implementation of the assistance package of OTOP in Ifugao.

Management according to Felix M. Lao is the process of achieving organizational goals through engaging in the four major functions of planning, organizing, leading and controlling. These functions are crucial in an effective marketing management. These four functions are the most important functions in managing a business. Therefore, the respondents should be engaged and be informed by the lead implementers by providing trainings and seminars. Proper knowledge in management is a tool for a successful and fruitful career in the one town one product.

The process implies the evaluation of the existing comprehensive assistance package offered by OTOP in each of the selected municipality. The results serve as bases in coming up with policy recommendation. The results gathered are envisioned to develop and improve the assistance package offered by the one town one product and to increase the sales and return on investments of the small and medium enterprises engage in the one town one product in each municipality of the province of Ifugao.

Statement of the Problem

The study aims to analyze the Marketing Management of the One Town, One Product of Ifugao: Towards a Sustainable OTOP implementation. Specifically, it aims to answer the following questions:

1. What are the profile of the respondent of OTOP in terms of:
 - 1.1. Age
 - 1.2. Gender
 - 1.3. Educational Attainment
 - 1.4. Length of operation
 - 1.5. Form of Business
 - 1.6 Type of Product
2. To what extent is the effectiveness of the OTOP assistance package along the following areas?
 - 2.1. Skills development program
 - 2.2. Marketing assistance package
 - 2.3. Financial assistance package
3. What are the best features of the total assistance package of OTOP as perceived by the entrepreneur?
 - 3.1. Skills development program
 - 3.2. Marketing assistance package
 - 3.3. Financial assistance package
4. What are the problems encountered by the respondents/ entrepreneurs in the assistance package offered by OTOP?
 - 4.1. Skills development program
 - 4.2. Marketing assistance package
 - 4.3. Financial assistance package
5. To what extent is the economic impact of the One Town, One Product Assistance package to its entrepreneur's economic success along the following indicators?
 - 5.1. Agricultural development
 - 5.2. Entrepreneurial skills
 - 5.3. Employment opportunities

5.4. Economic welfare

5.5. Technological enhancement

Significance of the Study

The study would like to assess the assistance package services offered by the One Town One Product centers in the five selected municipalities of the province of Ifugao in the point of view of the entrepreneurs. This study is therefore deemed significant to the following:

Local Government Unit - As lead implementers of the OTOP in the municipality the results of the study would serve as a feedback mechanism on the strengths and weaknesses of the services offered.

Linkages/Partner Implementers - The results of the study will serve as a benchmark for all the partners concerned in the enhancement of the services offered by the OTOP.

Entrepreneurs/Producers - A more efficient mutual partnership will be established thus, producing more competitive products and/or services.

Consumers - The improvement of the services offered by OTOP would also lead to the rendition of more quality services and produce a product for them.

Researcher - He could utilize the knowledge he gained from this study vis a vis his being part of the academe in order to help assist his community economically.

Scope and Delimitation

This study focuses on the assessment of the assistance package offered by the One Town One Product (OTOP) in the five selected municipalities of the province of Ifugao with the OTOP entrepreneurs as its specific respondents. Further, the study is delimited on the identification of the respondents' profiles such as Age, Gender, Civil Status, Educational attainment, Length of Operation, Form of Business and the Type of Product. It also seeks to evaluate the comprehensive assistance package offered by OTOP such as on: Skills Development, Marketing and Financial Support. This study would like to identify the best features, the problems they encountered and the effectiveness of the assistance package offered by OTOP implementers. It is also the goal of this research to identify and analyze the effects or impact of the assistance package to the OTOP entrepreneur economic success. The results become the bases for presenting policy recommendations. There will only be five OTOP centers, each representing five municipalities of the Ifugao province which will be the locales of the respondents. The municipalities selected are declared by the UNESCO as world heritage sites which are Hungduan, Mayoyao, Kiangnan and Banaue. Lagawe is also included since it is the capital town of the province.

2. RESEARCH DESIGN AND METHODOLOGY

This chapter presents the research design and methods used, locale of the study, data gathering tool, the data gathering procedure and statistical treatment of data.

Research Design

It is the objective of this study to evaluate the OTOP centers in five municipalities and its economic effect or impact to the entrepreneurs of OTOP. As such, the method and most appropriate design used in this study is the descriptive method. Descriptive research design is used in this research since its goal is to assess the current situation of the assistance package offered by OTOP centers in Ifugao. J.F Calderon, Ed.D. cited that descriptive research is defined as a purposive process of gathering, analyzing, classifying, and tabulating data about prevailing conditions, practices, beliefs trends, and cause.

Locale of the Study

Five municipalities, which include the capital town of Ifugao serves as locales of the study. The municipalities are: Kiangnan, Banaue, Hungduan, Mayoyao and Lagawe.

Ifugao is a landlocked province of the country in the Cordillera Administrative Region. Covering a total land area of 262, 820 hectares, the province of Ifugao is located in the mountainous region characterized by rugged terrain, river valleys, and massive forests. Each of the eleven municipalities of Ifugao had enrolled diverse but complementary OTOP products. Ninety

five percent of the identified products are agricultural in nature, reflective of the main economic activity in the Province that is agriculture based.

Kiangan. Enrolled as its OTOP, cultural products such as baya, a high grade rice wine drank during festivals, binakle, a native rice cake delicacy that goes well with baya, loomwoven cloths and tapestries and metal crafts like bolos with matching knitted scabbards, double edged knives, farming implements, among others will enrich the tourism potential of the municipality.

Banaue. A total of 3, 393MT are harvested annually from about 1, 302 hectares of irrigated rice paddies in Banaue. Tinawon means yearly, referring to the early six to eight month long tinawon rice cropping. For the first time in the existence of this more than 2, 000 year old rice, there was shipment of about (10)metric tons of tinawon rice to the United States, sometime in 2006 and yearly 2007 through the assistance of the Eight Wonder Inc.

Hungduan. Loach (Dojo) is a fresh water fish very much associated with the rice plant in the rice fields. Dojo or yuyu in the local vernacular has become the OTOP of the Municipality of Hungduan. Loach thrives well in unpolluted cool habitat up in the rice terraces of Ifugao.

Mayoyao. Blessed with a conducive climate and a sizeable tract of land to plant the banana, it has the LGU's and people's support to push the product to its funding. A total of 500 hectares of land is available for banana plantation.

Lagawe. Sitting atop higher ground at above 500 meters above sea level, the Municipality of Lagawe stands to produce high grade coffee as their One Town, One Product. First class coffee beans are said to be harvested from cool, high elevation production areas. The higher the farm elevation is, the more aromatic and tastier are the coffee output. The province of Ifugao is the 2nd top producer of coffee in the Cordillera Administrative Region following Kalinga⁵.

Data Gathering Tool

The data were gathered by means of a structured questionnaire patterned from several models and from the intensive reading of the researcher. Interview was used as a secondary instrument, the structured interview was conducted at random to cross check the data to be gathered through the questionnaire aside from strengthening and amplifying them.

Data Gathering Procedure

The researcher sought first a written permission addressed to each Municipal Mayor. The approved communication was presented to the OTOP centers where the researcher asked for assistance in locating the respective residences of the OTOP entrepreneurs in each municipality. He personally conducted the administration of the instrument to ensure speedy and significant return. In terms of language barriers that the respondents encountered in providing the correct data, the researcher interpreted the question in his/her native dialects.

Statistical Treatment

As soon as the adequate data were gathered, the researcher tabulated, analyzed and interpreted them. In order for the researcher to give full meaning of the gathered data, the following statistical treatments were used:

In determining the effectiveness, the best features and the problems encountered by the entrepreneurs on the assistance package offered by the OTOP centers, the four point scale was used in scoring the data. The legend of which is:

Points	Scale	Descriptive Value
4	3.50- 4.00	Very effective/ Very Serious / Best
3	2.50-3.49	moderately effective/ moderately serious/ good
2	1.50-2.49	not effective/ not a serious/ fair
1	1.00-1.49	Not at all/ not at all/ poor

The four point scale was also used to analyze the extent of impact of the assistance package to the entrepreneur's economic success. The legend of which is:

Points	Scale	Descriptive Value
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⁵Ifugaotreasures. OTOP Philippines brochure. Department of Trade and Industry, Lagawe, Ifugao.

4	3.50- 4.00	to a great extent
3	2.50-3.49	to a moderate extent
2	1.50-2.49	to a least extent
1	1.00-1.49	Not at all

Simple Frequency and Percentage Count. This was used to treat the data on the profile of the respondent profile. The formula is as follows:

Formula: $P = f/N \times 100$

Where:

P= Percentage

f= Frequency

N= total number of respondents

Weighted Mean and Ranking. This was used to determine the overall rating of the respondents of the assistance package offered by the OTOP centers to its entrepreneurs. This formula was used to assess the advantage and disadvantage of the assistance package being implemented by the OTOP centers. The formula is as follows:

Formula: $W = \frac{\sum fx}{N}$

Where:

W= Weighted Mean

fx = Weight given to the respondents

N = total number of respondents

3. PRESENTATION, ANALYSIS AND INTERPRETATION OF DATA

The following section presents a discussion and interpretation of the data gathered pertinent to the present study.

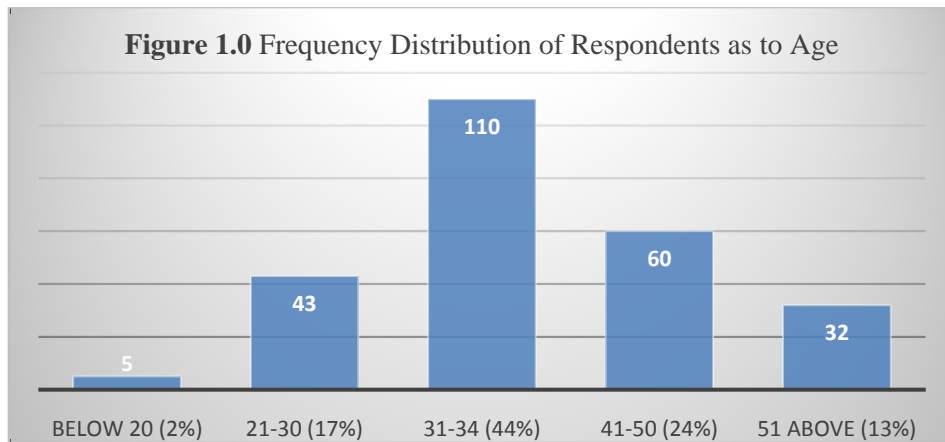


Figure 1.1 shows that forty four percent (44 %) of the respondents are ages 31 – 40 which means that those who are engaged in the OTOP industry are in the middle age followed by the 41-50 with twenty percent. The following respondents are those with no permanent job in the government and private sectors. Most of the respondents under this category are engaged in the production, selling and farming of OTOP products and serve as their source of income.

Seventeen percent (17%) of the respondents are under the bracket with ages 21-30. These are the respondents who are fresh graduates but they are engaged in the production of OTOP product while seeking for a greener pasture. While 50 and above and the respondents with ages less than twenty are the least among the categories with 13% and 2% respectively.

Furthermore, the table reflects that the assistance package offered by OTOP greatly affects the employment of future individuals in the community as it is shown in the table that most of the respondents who are the beneficiaries of the assistance package of OTOP are in the middle age.

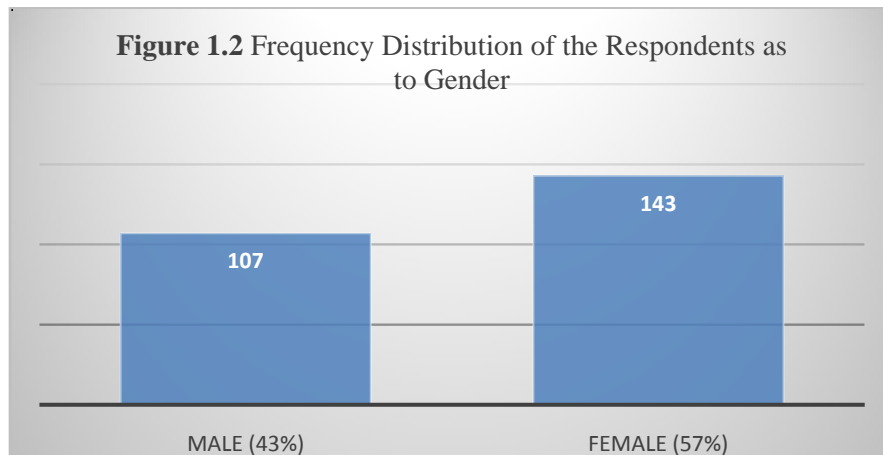


Figure 1.2 reveals that out of the total population of the respondents the frequency of female is one hundred forty three (143) with a percentage of 57% and one hundred seven male with a percentage of 43%.

It reveals that most of the respondents of the study are females since most of the males are engaged in the farming or agricultural production while females are industry based. They market the products to final consumers. According to K. Havaldar 2009 in his book Sales Management and Distribution Management one of the most effective marketing strategies used in sales management is the power of women in selling. Now a day's super markets and shopping malls used the same strategy in the selling of goods and services to target consumers.

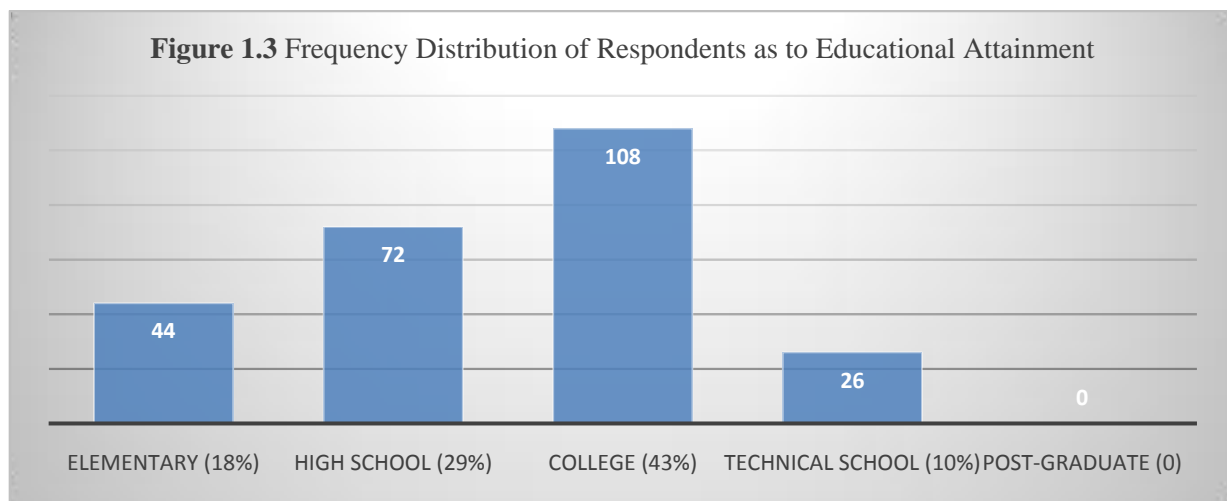


Figure 1.3 shows that forty three percent (43 %) of the respondents in terms of educational attainment are college graduates followed by twenty nine percent (29%) of high school and eighteen percent (18%) of respondents highest educational attainment are elementary. It further implies that there are ten percent (10%) who are graduates of technical school with national certificates. Out of the total population there are no respondents pursuing graduate studies.

It further concludes that most of entrepreneurs of OTOP are college graduates. One of the interviews taken by the researcher the reason why college graduates indulge themselves in the OTOP because of unemployment followed by the willingness to establish his/her own business.

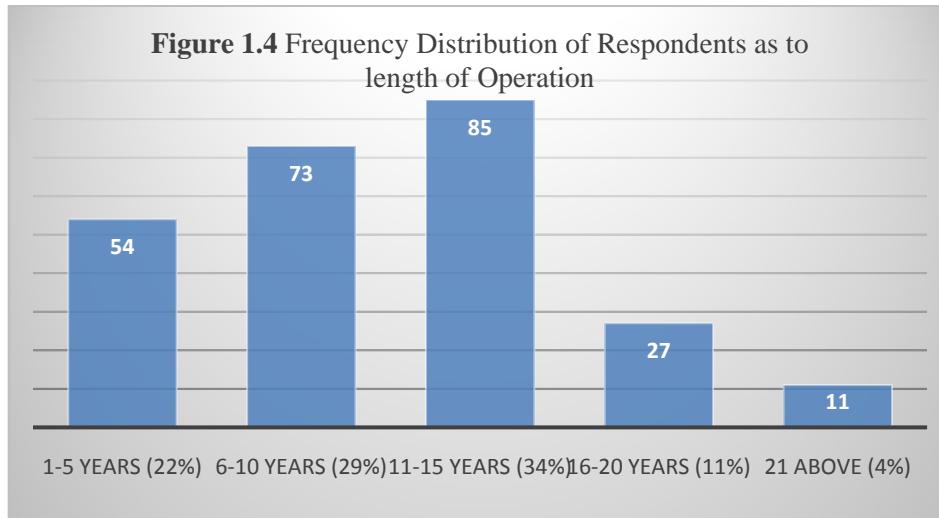


Figure 1.4 shows that thirty four percent (34%) of the length of operations of the entrepreneurs are under the bracket of 11-15 years followed by 6-10 years with (29%). Most of the products being produced under this bracket are the production of rice wine and “minaangan” red rice, Coffee production, yu-yu production in Hungduan. Twenty two percent (22%) are the newly opened and established OTOP products, under this bracket are the food processing products in Kiangnan and Lagawe. The 21 and above bracket with (4%) are the entrepreneurs offering the following products; rice wine production, woodcarving and weaving, other OTOP products also are included such as blacksmithing and honey production.

It reveals that the eldest products being offered by the entrepreneurs of OTOP are the indigenous products of Ifugao such as rice wine production, woodcarving, weaving and blacksmithing. It further reveals that the newly produced products under the 1-5 years of operations are the newly innovated products and services package and produced to satisfy the needs and wants of target market.

It further concludes that the shorter the length of operation the newly innovated feature and package of products being produced to target market.

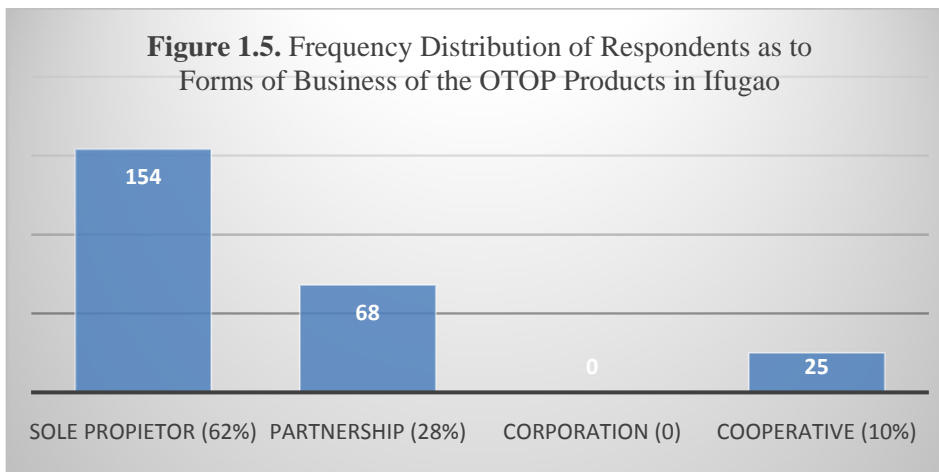


Figure 1.5 shows that most of the forms of business used by the entrepreneurs of OTOP are sole proprietorship with sixty two (62%). Sole proprietorship is the form of business operations being operated and managed by one operator. On the other

hand twenty eight percent (28%) are the form of business under partnership. Ten percent (10%) of the entrepreneurs are under the cooperative form of business. Most of the products being operated in this type of business are the coffee industries of Lagawe. Farmers and entrepreneurs who are engaged in this business formed a cooperative to strengthen the financial difficulties of their firm. Among the entrepreneurs of OTOP there are no corporations who are engaged in the OTOP industry in Ifugao.

It further states that 62% of entrepreneurs prefer the sole proprietorship as the form of business used in marketing the OTOP products. The reasons why entrepreneurs prefer this type of business is because it can be easily managed and manipulated by the owner, moreover, the investment is controlled and the income or loss will be solely the responsibility of the owner.

It further concludes that among the businesses established in the OTOP are engaged in sole proprietorship and that there are no entrepreneurs who are engaged in corporation. Corporation is a type of business owned by stockholders. The reason why the entrepreneur refrain this type of business because of lack of knowledge in the implementation of this type of business in connection, the formulation of this type of business is costly.

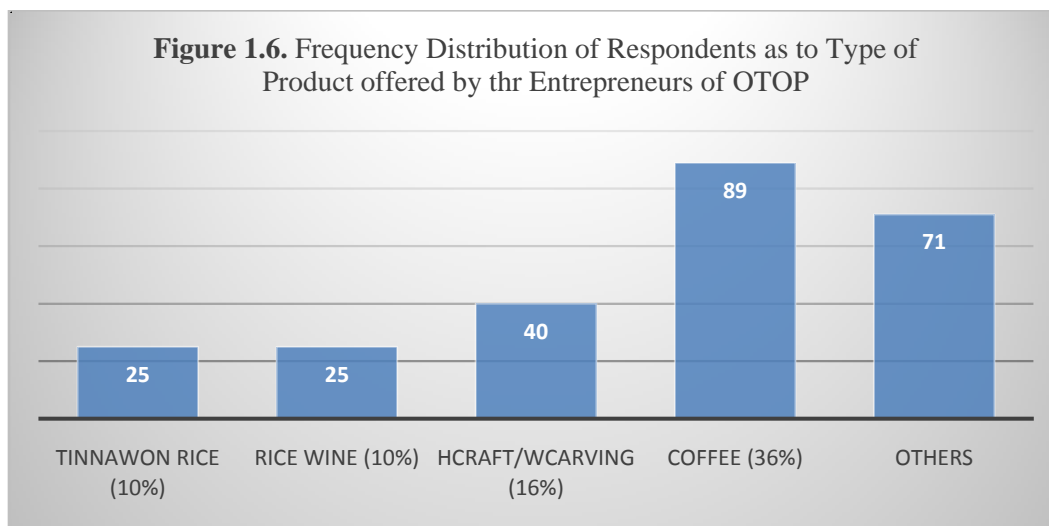


Table 1.6 shows that most of the entrepreneurs of OTOP are engaged in the production of coffee with over thirty six percent (36%). According to the Department of Trade and Industry, Lagawe, Ifugao, the province is the 2nd top producer of coffee in the Cordillera Administrative Region following Kalinga. Sixteen percent of entrepreneurs are engaged in handicraft and woodcarving followed by the production of rice wine and production of native rice. The native rice of Ifugao, commonly known as the tinawon rice which is translated as the rice from the gods is being harvested once a year in the rice terraces. According to my personal interview to the farmers of Mayoyao some of the harvested rice are being sold by bundles rather than in kilos because of its high market value. Other places such as Banaue, Kiangan and Hungduan repacks and label the tinawon rice in kilos to be more attractive and can be easily marketed to final consumers. The RICE Philippines are exporting more than 700 tons of the tinawon rice because of the high demand in the international market.

The twenty eight percent (28%) type of products produce by the entrepreneurs of OTOP under the other category reveals that some products being marketed are the “yu-yu” or the Japanese fish produced in Hungduan, the blacksmith industry in Kiangan, the production of Carrot Juice in Tinnoc, the “Pinnunog” in Lagawe which is similar to the so called “longanisa” and some other products include honey production and food processing.

Table 2.1 Effectiveness and efficiency of the OTOP assistance package

ASISTANCE PACKAGES	\bar{X}	Description
A. Skills Development Program		
1. Skills and entrepreneurial trainings and seminars offered	2.92	Moderately Effective
2. Business Counseling conducted	2.64	Moderately Effective
3. Trade fare in local and international linkages	3.20	Moderately effective
4. Technical assistance offered	2.41	Not Effective
Grand Total	2.79	Moderately Effective
B. Marketing Assistance Package		
1. Product packaging and labeling	3.33	Moderately Effective
2. Product improvement/ innovation	2.78	Moderately Effective
3. Marketing research/ feasibility study	2.14	Not effective
4. Distribution strategy	2.41	Not effective
5. Promotion/advertising strategy	2.85	Moderately Effective
Grand Total	2.70	Moderately Effective
C. Financial Assistance Package		
1. Government assistance program/ livelihood programs offered to the entrepreneur	3.07	Moderately Effective
2. Financial support from municipal/provincial government	3.60	Very Effective
3. Private organization sponsorship	2.29	Not effective
4. Technology and technical assistance program offered by implementing agency	3.16	Moderately Effective
Grand Total	3.03	Moderately Effective

The table shows the effectiveness of the assistance package offered by the implementing agencies of OTOP to its beneficiaries. The skills development programs being offered to the respondents obtain a grand total mean of 2.79, which means that the effectiveness of the assistance package as to skills development is moderately effective and that only the technical assistance got the lowest mean with 2.41 which means not effective. Technical assistance got the lowest mean because according to the entrepreneurs some of the implementing agencies of OTOP do not focus in providing trainings in technical assistance such as the use of computer softwares in designing the package and label of products, the use of the internet in promoting their products instead, they hire experts and pay the materials used to accomplish the designs ready for the packaging of the products. This strategy provides additional expenses that will increase the cost and eventually increase the price of the product that will lead to incompetence.

The grand total mean of the effectiveness of the OTOP assistance package in marketing its products and services is 2.70 which means that assistance package is moderately effective in terms of marketing its products. Under marketing, packaging and labeling got the highest mean of 3.33 with the description of moderately effective. In the packaging and labeling of OTOP products one of the implementing agency of OTOP (DTI Lagawe) provides full support for the packaging and labeling of OTOP products. The lead implementer invites expert to assess the products of the entrepreneurs and enhance its packaging and labeling designs. The lowest mean in terms of marketing is marketing research or feasibility study assistance and the distribution of products to target clientele with 2.14 and 2.41 respectively with a not effective description. Marketing research and distribution management are examples of the most important tools in marketing products. Marketing research is an essential tool in satisfying the needs and wants of the consumers. It is the search for new marketing ideas and strategies used to develop and the search for greater marketing opportunities. OTOP implementers should collaborate and be in partnership with educational institutions such as the Ifugao State University for the research and feasibility study assistance.

The data reveals that in terms of the financial assistance package offered by the implementing agencies of OTOP the financial support from the local government is very effective with a mean of 3.60. In the Municipality of Hungduan, the local government allotted P250,000 to assist the yu-yu production. Private organization got the lowest mean with 2.29 mean being not effective. In the production of OTOP products there are no private organization that provides financial assistance to the production of OTOP products. The 3.03 grand total mean reveals that the financial assistance package offered by OTOP is moderately effective.

The data reveals that the best feature offered by the assistance package of OTOP under skills development is the trade fare in local and international market with a mean of 3.43. The entrepreneurs of OTOP have experienced to attend in national trade fares and meet with other entrepreneurs but Ifugao entrepreneurs have not yet experienced to engage in international trade fares. Through these experiences, the entrepreneur's confidence is being strengthened to compete with other established products. Skills and entrepreneurial trainings and seminar got the mean of 2.98 with a description of good. Business counseling and technical assistance got a fair description with a mean of 2.39 and 2.16. The data reveals that the implementers should enhance the skills development offered to the OTOP entrepreneurs as shown in the total mean of 2.74 with a description of good.

In terms of marketing assistance offered to entrepreneurs the best feature of the assistance package is the packaging and labeling with a mean of 3.71. The promotion and advertising assistance got the mean of 2.66 as good and marketing research got the poorest description with a mean of 1.49. The marketing assistance program offered by the lead implementer's of OTOP features a fair description

Under the financial assistance program, the government assistance program being offered by OTOP is the best features of OTOP with 3.54 followed by the local government financial assistance program with a mean of 2.82. The financial assistance program obtains a total mean of 2.43 described as fair. It further concludes that among the assistance package offered by OTOP the product packaging, government assistance program or livelihood assistance programs offered to entrepreneur are the best features of OTOP. One of the packages which is the marketing research or feasibility study under the marketing assistance package obtains a poor description and that implementers should address it as one of the important factors in the success and implementation of the OTOP entrepreneurs. According to Philip M Kotler, marketing research is undertaken for the purpose of solving specific problems, evaluating the success or failure of a project or undertaking, or discovering and taking advantage of new business opportunities. The rest of the assistance package needs to be enhanced and be improved. The enhancement of good service by the implementers of OTOP will lead to a sustainable and profitable OTOP programs in Ifugao.

Table 3.1 Best Features of OTOP assistance package

ASISTANCE PACKAGES	\bar{X}	Description
A. Skills Development Program		
1. Skills and entrepreneurial trainings and seminars offered	2.98	Good
2. Business Counseling conducted	2.39	Fair
3. Trade fare in local and international linkages	3.43	Good
4. Technical assistance offered	2.16	Fair
Grand Total	2.74	Good
B. Marketing Assistance Package		
1. Product packaging and labeling	3.71	Best
2. Product improvement/ innovation	2.18	Fair
3. Marketing research/ feasibility study	1.49	Poor
4. Distribution strategy	1.92	Fair
5. Promotion/advertising strategy	2.66	Good
Grand Total	2.39	Fair
C. Financial Assistance Package		
1. Government assistance program/ livelihood programs offered to the entrepreneur	3.54	Best
2. Financial support from municipal/provincial government	2.82	Good
3. Private organization sponsorship	1.73	Fair
4. Technology and technical assistance program offered by implementing agency	1.64	Fair
Grand Total	2.43	Fair

Table 4.1 Problems encountered by the entrepreneurs of OTOP in the assistance package

ASISTANCE PACKAGES	\bar{X}	Description
A. Skills Development Program		
1. Skills and entrepreneurial trainings and seminars offered	2.41	Not a serious
2. Business Counseling conducted	2.35	Not a serious
3. Trade fare in local and international linkages	3.14	Moderately serious
4. Technical assistance offered	2.65	Moderately serious
Grand Total	2.63	Moderately serious
B. Marketing Assistance Package		
1. Product packaging and labeling	2.28	Not a serious
2. Product improvement/ innovation	2.48	Not a serious
3. Marketing research/ feasibility study	3.59	Very serious
4. Distribution strategy	3.06	Moderately serious
5. Promotion/advertising strategy	3.42	Moderately serious
Grand Total	2.77	Moderately serious
C. Financial Assistance Package		
1. Government assistance program/ livelihood programs offered to the entrepreneur	1.90	Not serious
2. Financial support from municipal/provincial government	2.77	Moderately serious
3. Private organization sponsorship	3.42	Moderately serious
4. Technology and technical assistance program offered by implementing agency	3.59	Very serious
Grand Total	2.92	Moderately serious

The data reveals the problems encountered by the entrepreneurs of OTOP in the implementation of the following assistance package. It shows that under the skills development program offered, technical assistance offered and trade fare in local and international market encounters moderately serious problems with a mean of 3.14 and 2.65 respectively. The skills and entrepreneurial trainings and business counseling conducted are not serious with 2.41 and 2.35 respectively. The data concludes that the skills and entrepreneurial programs are moderately serious problem with a total mean of 2.64. It further reveals that the entrepreneurs of OTOP encounters such problems in the implementation of the skills and entrepreneurial trainings such as the technical and trade fare to local and international market. Business counselings are very important in the success of any business operations. The lead implementers should strengthen its programs in providing the right information

to become successful entrepreneurs engaged in Small and Medium scale businesses. According to an interview with an OTOP entrepreneur they have little opportunities in attending international trade fares and there are also limited slots among the entrepreneurs to attend in national trade fares because of the lack of linkages in the international and national market.

It also reveals that the problems encountered by entrepreneur in the marketing assistance of the implementing agency is the marketing research and feasibility study assistance offered to the entrepreneurs with a mean of 3.59 which is described as a very serious problem. The total mean of 2.97 reflects that the marketing assistance program obtains a moderately serious problem. The data reveals that there is a need to reform the marketing strategies of OTOP products. In order to provide specific solutions to particular problems encountered by entrepreneurs in marketing the OTOP products the knowledge of entrepreneurs to do feasibility study and marketing research is an important tool in the success of the business organization. Lead implementers of OTOP should be equipped the entrepreneur of the basic principles in marketing especially on marketing research through a partnership program with educational institutions.

The table also shows that there is a very serious problem in the implementation of the financial assistance program one of which is the technology and technical assistance program with a mean of 3.59. OTOP implementers have limited resources to provide technological assistance and technical assistance specifically on production technologies, operational equipment in packaging and labeling the products. Government assistance program is not a serious problem to the entrepreneurs. The data further concludes that local government supports and provides financial assistance to the entrepreneurs of OTOP.

Table 5.1 The extent of effect or impact of the One Town, One Product assistance package to the entrepreneur's economic welfare

SUCCESS INDICATORS	\bar{X}	Description
A. Agricultural Development		
1. It develops agricultural and industrial knowledge for the production and operation of OTOP product.	3.06	To a moderate
2. It supports the Development of agricultural land to more profitable and sustainable industrial market.	1.86	To a least
3. Modernizes the production and operational use of indigenous materials in processing .	2.69	To a moderate
4. Transforms agricultural ideas and emerges to an industrial business opportunities.	2.24	To a least
5. It opens opportunities to future trading post.	1.96	To a least
6. It opens accessible farm to market roads.	1.81	To a least
Grand total	2.27	To a least
B. Entrepreneurial Management Skills		
1. Broadens the knowledge of the respondents towards business opportunities.	3.52	To a great
2. Deepens the respondents interest to search for more ideas to develop its products.	3.70	To a great
3. Deepens the entrepreneurs knowledge through trainings and seminar.	3.49	To a great
4. Encourages the respondents to enroll in proper education.	2.31	To a least
Grand total	3.26	To a moderate

C. Employment Opportunities		
1. It creates job opportunities for the people in the community through livelihood programs.	2.65	To a moderate
2. It minimizesthe unemployment rate in the community.	2.05	To a least
3. Encourages unemployed employees to engage in entrepreneurial small scale business.	1.81	To a least
Grand total	2.17	To a least
D. Economic Welfare		
1. It raises the standard of living of entrepreneurs.	2.78	To a moderate
2. It serves as a major source of income for farmers and entrepreneurs of OTOP.	3.64	To a great
3. It encourages investors to engage in small medium scale business.	1.35	Not at all
Grand total	2.59	To a moderate
E. Technological Enhancement		
1. It provides technological enhancement in the production and operation of OTOP.	2.46	To a least
2. It provides financial assistance to finance the acquirement of new technology for the production and OTOP operations.	2.31	To a least
Grand total	2.39	To a least
Grand Total Mean	2.38	To a least

The table shows the economic impact of the assistance package of OTOP in the following economic indicators to its entrepreneurs. The extent to which the assistance package provides an impact to the economic welfare of the entrepreneurs in terms of agricultural development is; to a least extent with a total mean of 2.27. It further reflects that the assistance package offered by the lead implementers have a least extent of impact in the development of agricultural land to a more profitable and sustainable industrial market opportunities, the transformation of agricultural ideas to business opportunities with 1.86 and 2.24 respectively. It also shows that there is a least extent of impact to the opportunities to open future trading post and accessible farm to market road with 1.96 and 1.81 respectively. Since these infrastructure programs are the programs of the local government in collaboration with the Department of Public Works and Highways. The lead implementer's such as the municipal government should allocate funds in the improvement of the accessibility of farm to market roads and trading centers especially for OTOP products. However there is a moderate extent of impact in which the assistance package develops the agricultural and industrial in the production and operation of OTOP products and the modernization of the production and operational use of indigenous materials in processing with 3.06 and 2.69 respectively.

The table shows that in terms of the impact of the assistance package to the entrepreneurs managerial skills there is a great extent in providing and strengthening the entrepreneurs knowledge and transform it to a more efficient and productive business opportunity. However the total mean obtained by the extent to which it affects the entrepreneurs managerial knowledge is to a moderate extent with 3.26 mean.

As to the employment opportunities of entrepreneurs in the assistance package, there is a moderate extent of impact in the creation of job opportunities for fresh graduates to be accommodated with 2.65. However, the effect of the assistance package to minimize the unemployment rate in the community has a least extent with 2.05 as well as the encouragement of

unemployed employees to engage in small and medium scale business with a mean of 1.81. This data reveals the problems of high unemployment rate of fresh graduates because of their wrong perception in entrepreneurship and selling.

The assistance package greatly affects the entrepreneur's economic welfare since this serves as a source of income to the entrepreneurs with a mean of 3.64. There is also a moderate impact in raising the standard of living of the entrepreneurs engaged in OTOP. On the other hand there is not at all impact of which high profile investors will invest in OTOP production with 1.35. The overall impact OTOP to the economic welfare of the entrepreneurs is to a moderate extent with 2.59 total mean.

There is a least impact of the assistance package in the technological enhancement of the production and operation of OTOP products with a total mean of 2.39. There is a least extent to which the implementers provide the sustainability of technologies and financing the modernization of new technologies used in the production and operation of OTOP products with 2.46 and 2.31 respectively.

The data conclude that assistance package offered by the lead implementers of OTOP moderately affects the entrepreneurs economic welfare in the following areas; agricultural development with 2.27, entrepreneurial management skills with 3.26, employment opportunities with 2.17, economic welfare with 2.59 and technological enhancement with a mean of 2.39.

4. SUMMARY, CONCLUSION AND RECOMMENDATION

This chapter provides the conclusive statements and appropriate recommendations made by the researcher which is purely based from the findings of the study.

Summary, Findings, and Conclusion

1. Most of the respondents are ages 31-40 who are females and have finished their Bachelors degree.
2. Majority of the entrepreneurs of OTOP length of operation is from 11-15 year and the form of business commonly used is sole proprietorship. It is also reflected that most of the entrepreneurs of OTOP are engaged in the coffee production.
3. The effectiveness of the OTOP assistance package in terms of skills development and training, the marketing assistance package, and the financial assistance program offered by the implementing agencies is moderately effective. However, the technical assistance offered, marketing research, distribution management of the goods and services of OTOP and private organization sponsorship offered to entrepreneur to help in the production process is not effective.
4. The best feature of the OTOP assistance package is the product packaging or the product enhancement and design program under the marketing assistance package wherein the DTI provides full support in the packaging and labeling of its product. It is also concluded that, the government financial assistance program is the best feature because the local government provides funds and livelihood program that will finance the production and operation of the entrepreneur in producing OTOP products.
5. The entrepreneurs encounters very serious problem in the implementation of the assistance package especially in the technical assistance programs offered or technologies that will strengthen the production of OTOP products.
6. The implementation of the assistance package has a moderate impact in the following entrepreneur's economic success indicators; agricultural development, entrepreneurial management skills, employment opportunities, economic welfare and technological enhancement.

Recommendation

In the light of the findings arrived at, the following are the recommendations:

1. More trainings and seminars related to entrepreneurship specifically in the marketing and distribution of products, marketing research or feasibility study and technological enhancement should be conducted by the implementing agencies to equip the entrepreneurs' knowledge to become successful in managing his/her OTOP products through proper collaboration with educational institutions and experts that will provide technical assistance with regards to the improvement of the marketing assistance package.
2. The lead implementers of OTOP should see to it that new technologies should be introduced and are available and accessible for the entrepreneurs used in the operation and production of OTOP products.

3. The implementers should seek linkages in national and international market specifically private organizations/ institutions that will provide sponsorship to sustain the production and operation of OTOP products.
4. The entrepreneur should not rely on the assistance package offered by implementing agencies but to seek for more opportunities through undergoing trainings or proper study in marketing strategies and entrepreneurship principles that will strengthen its sales competitiveness in the Local and International market.
5. Local government should provide full support in the implementation of OTOP especially in financial assistance needed to improve, develop and finance the construction of trade centers and farm to market roads that will sustain the marketability of OTOP products. The trade centers serve as the market where these products can be bought and sold for wholesalers, retailers and consumers of these products.
6. Lead implementer's should help the entrepreneur's to come up with advertisement campaign to promote the OTOP product in as much that this product also serves as an attraction that will showcase the municipality in terms of its product that will encourage tourists to visit the town.
7. The implementing agencies should be in partnership with educational institution such as the Ifugao State University specifically the College of Business and Management to conduct more researches and feasibility studies in the production process and marketing of OTOP products and through proper trainings in entrepreneurship and business management.
8. The researcher recommends a more in-depth study focused in promotion and distribution of the OTOP products specifically the use of internet marketing.

5. QUESTIONNAIRE

Dear respondents,

I am currently working on a research study entitled, “ANALYSIS OF THE MARKETING MANAGEMENT STRATEGIES OF OTOP IN IFUGAO TOWARDS A SUSTAINABLE OTOP IMPLEMENTATION”.

Please answer this questionnaire with all honesty and rest assured that the data will be treated with utmost care and confidentiality. Thank you very much.

The Researcher

1. What is the profile of the respondents of OTOP in terms of;

Age:

_____ 20 and below

_____ 21- 30

_____ 31 – 40

_____ 40– 50

_____ 51 and above

Type of Product

_____ Tinnawon rice production

_____ Rice wine production

_____ Handicraft/ woodcarving

_____ Coffee production

_____ others please specify

Gender:

_____ Male

_____ Female

Educational attainment

_____ Elementary graduate

_____ High school graduate

_____ College graduate

_____ Technical school graduate

_____ Post-graduate

Length of Operation

_____ 1-5 years

_____ 6-10 years

_____ 11-15years

_____ 16-20 years

_____ 25 and above

Form of Business

_____ Sole Proprietor

_____ Partnership

_____ Corporation

_____ Cooperatives

2. How do the respondents assess the effectiveness and efficiency of the OTOP assistance package along the following areas?

Kindly rate the particulars using the legend below:

4 – Very effective

3 - Effective

2 – Not effective

1 – Not at all

ASISTANCE PACKAGES	4	3	2	1
A. Skills Development Program				
5. Skills and entrepreneurial trainings and seminars offered				
6. Business Counseling conducted				
7. Trade fare in local and international linkages				
8. Technical assistance offered				
D. Marketing Assistance Package				
6. Product packaging and labeling				
7. Product improvement/ innovation				
8. Marketing research/ feasibility study				
9. Distribution strategy				
10. Promotion/advertising strategy				
E. Financial Assistance Package				
5. Government assistance program/ livelihood programs offered to the entrepreneur				
6. Financial support from municipal/provincial government				
7. Private organization sponsorship				
8. Technology and technical assistance program offered by implementing agency				

3. What are the best features of the total assistance package of OTOP as perceived by the entrepreneur?

Kindly rate the particulars using the legend below;

- 4 – Best
- 3 – Good
- 2 – Fair
- 1 - Poor

ASISTANCE PACKAGES	4	3	2	1
A. Skills Development Program				
1. Skills and entrepreneurial trainings and seminars offered				
2. Business Counseling conducted				
3. Trade fare in local and international linkages				
4. Technical assistance offered				
B. Marketing Assistance Package				
1. Product packaging and labeling				
2. Product improvement/ innovation				
3. Marketing research/ feasibility study				
4. Distribution strategy				
5. Promotion/advertising strategy				
C. Financial Assistance Package				
1. Government assistance program/ livelihood programs offered to the entrepreneur				
2. Financial support from municipal/provincial government				
3. Private organization sponsorship				
4. Technology and technical assistance program offered by implementing agency				

4. What are the problems encountered by the entrepreneur in the assistance package offered by OTOP?

Kindly rate the particulars using the legend below:

- 4 – Very serious
- 3 – Moderately serious
- 2 – Serious
- 1 –Not at all

ASISTANCE PACKAGES	4	3	2	1
A. Skills Development Program				
1. Skills and entrepreneurial trainings and seminars offered				
2. Business Counseling conducted				
3. Trade fare in local and international linkages				
4. Technical assistance offered				
B. Marketing Assistance Package				
1. Product packaging and labeling				
2. Product improvement/ innovation				
3. Marketing research/ feasibility study				
4. Distribution strategy				
5. Promotion/advertising strategy				
C. Financial Assistance Package				
1. Government assistance program/ livelihood programs offered to the entrepreneur				
2. Financial support from municipal/provincial government				
3. Private organization sponsorship				
4. Technology and technical assistance program offered by implementing agency				

5. To what extent is the effect or impact of the One Town, One Product to Stakeholders economic welfare?

Kindly rate the particulars using the legend below:

4 – To a great extent

3 – To a moderate extent

2 – To a least extent

1 – Not at all

ECONOMIC SUCCESS INDICATORS	4	3	2	1
F. Agricultural Development				
1. It provides agricultural support for the production and operation of OTOP entrepreneurs				
2. It supports the Development of agricultural land to more profitable and sustainable industrial market.				
3. modernizes the production and operational use of indigenous materials in processing				
4. transforms agricultural ideas and emerges to an industrial business opportunities				
5. it opens opportunities to future trading post				
6. it opens accessible farm to market roads				
G. Entrepreneurial Management Skills				
5. broadens the knowledge of the respondents towards business opportunities				
6. deepens the respondents interest to search for more ideas to develop its products				
7. deepens the entrepreneurs knowledge through trainings and seminar				
8. encourages the respondents to enroll in proper education				
H. Employment Opportunities				
4. It creates job opportunities for the people in the community through livelihood programs				
5. It minimize the unemployment rate in the community				
6. Encourages unemployed employees to engage in entrepreneurial small scale business				
I. Economic Welfare				
4. It raises the standard of living of entrepreneurs				
5. It serves as a major source of income for farmers and entrepreneurs of OTOP				
6. It encourages investors to engage in small medium scale business				
J. Technological Enhancement				
7. It provides technological enhancement in the production and operation of OTOP				
8. It provides financial assistance to finance the acquirement of new technology for the production and OTOP operations.				

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7. REFERENCES

List and number all bibliographical references in 10-point Times New Roman, single-spaced, at the end of your paper. For example, [1] is for a journal paper, [2] is for a book and [3] is for a conference (symposium) paper.

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