

How Philippine MSMEs in the Tourism Industry Engage their Customers Using Digital Marketing: A Content Analysis

Digital Marketing Engagement of Philippine Tourism MSMEs

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The travel and tourism sector plays a crucial role in global economic growth and employment. In the Philippines, it accounts for 22.5% of the country's gross domestic product and provides employment for 9.5 million people. Unfortunately, the COVID-19 pandemic had a severe impact on the sector, leading to job losses and economic setbacks. Despite these challenges, Baguio, Boracay, and Siargao continue to be the top travel destinations in the country in 2020. In response to the pandemic, micro, small, and medium enterprises (MSMEs) in these destinations have embraced digital marketing strategies to enhance visibility and aid in post-pandemic recovery efforts.

This study focuses on analyzing the websites of MSME hotels and resorts in these top Philippine travel destinations, examining their online presence, social media engagement, and consumer interaction. Drawing extensively from the methodology employed by Webster et al. (2021) in their investigation of Australian SMEs, a content analysis approach is employed, placing particular emphasis on a ten-question website content observation checklist. Specifically, this study examines touchpoint channels, touchpoint activation, consumer engagement reporting, and website SEO application. By building upon this framework, the research aims to deepen our understanding of these factors within the context of Philippine MSMEs.

The findings indicate that Boracay and Siargao exhibit stronger online presence and engagement across various dimensions, while Baguio shows room for improvement in terms of its digital and social media presence, as well as consumer engagement activities. These insights provide valuable guidance for optimizing digital strategies and enhancing engagement efforts in the respective destinations.

CCS CONCEPTS • content analysis • digital marketing • MSMEs

Additional Keywords and Phrases: travel and tourism

1 INTRODUCTION

Travel and Tourism play a crucial role in driving economic growth and providing employment opportunities worldwide. According to the World Travel and Tourism Council (WTTC), this sector contributed a significant US\$

9.2 trillion (10.4%) to the global GDP and supported 334 million jobs in 2019. Remarkably, approximately one in ten jobs globally is associated with the tourism industry ("Global economic impact and trends," World Travel & Tourism Council, 2021).

In the Philippines, the contribution of travel and tourism to the national economy is even more pronounced. In 2019, an impressive 22.5% of the country's GDP was derived from this sector, amounting to Php 4.56 trillion or US\$ 92.6 billion. Additionally, an estimated 9.5 million Filipinos found employment within the tourism industry, highlighting its essential role in providing livelihoods and sustaining local communities. However, the COVID-19 pandemic inflicted severe setbacks on the travel and tourism sector globally. In 2020, the contribution of tourism to the global GDP plummeted by 50.4% to approximately US\$ 4.8 trillion, accompanied by an 18% decline in global tourism employment. The impact on the Philippines was even more severe, with the sector shrinking by a staggering 80.7% due to stringent lockdown measures, leading to a loss of 31.7% of jobs within the industry ("WTTC Research reveals Travel & Tourism sector's contribution," 2021).

Despite the challenges faced by the tourism industry, the Philippines remains an attractive destination for both domestic and international travelers. As per the Philippine Travel Report 2020, a collaborative effort between the Department of Tourism, Guide to the Philippines, and the Asian Institute of Management, the top three tourist destinations in the country were Baguio, Boracay, and Siargao.

Baguio, known as the "Summer Capital of the Philippines," offers a refreshing respite from the tropical heat with its cool climate, scenic landscapes, and vibrant local culture. Boracay, a tropical paradise island, boasts pristine white sand beaches, crystal-clear turquoise waters, and a lively nightlife scene. Siargao, often hailed as the surfing capital of the Philippines, attracts adventure enthusiasts with its world-class waves and serene natural beauty.

In this era of technological advancement, micro, small, and medium-sized enterprises operating in the tourism sector have progressively adopted digital marketing strategies as a means to promote their offerings, heighten their visibility, and appeal to a wider audience. The utilization of digital marketing by these enterprises offers a multitude of advantages, including cost-effectiveness, targeted outreach, quantifiable outcomes, and the capacity to engage prospective clientele across various online platforms (Acop et al., 2020; Andulana et al., 2021; Erdogan and Guneren, 2021; Kaur, 2017; OECD, 2023; Rodrigues, et al., 2023; Smith, 2021).

This paper aims to explore the vital role of the tourism industry in driving the Philippine economy, with a particular focus on MSMEs. By highlighting the statistics on the top tourist destinations in the Philippines, namely Baguio, Boracay, and Siargao, we shed light on the attractions that draw international travelers to these locations. Additionally, we examine how MSMEs can leverage digital marketing strategies to thrive in the ever-evolving tourism landscape, contributing to economic growth and resilience in the post-pandemic era.

2 LITERATURE REVIEW

2.1 Digital marketing: definition and features

Digital marketing has evolved into a pivotal strategy for businesses, including micro, small, and medium-sized enterprises (MSMEs) in the tourism sector, striving for success in the modern era (Kaur, 2017; Smith, 2021). Over the past few decades, digital marketing innovations have experienced continuous growth, with a notable acceleration witnessed post-COVID-19 pandemic. As a response, MSMEs in the tourism industry have equipped their staff with computer and internet access and increasingly incorporated digital marketing to disseminate information about their services and promotions to prospective and existing clients (OECD, 2023; Andulana et al., 2021; Acop et al., 2020; Bruce et al., 2023).

Digital marketing, in its essence, refers to the strategic utilization of electronic platforms to promote products and services (Deb et al., 2022). This definition has been further expanded by scholars, particularly concerning its application in the tourism industry, which is the focal point of this study. For instance, Carvalho and Carvalho (2020)

expound on digital marketing as the employment of database-driven channels to deliver services to clients in a "timely, personal, and cost-effective manner" (p. 164). Similarly, Kotoua and Ilkan (2017) emphasize digital marketing's role in facilitating communication and engagement through diverse tools and channels to market tourism products and services. Srinivaasan & Kabia (2020) highlight the transformational impact of digital marketing on tourism clients' information-seeking behavior, destination exploration, and post-tour management. Despite variations in definitions, a common thread emerges: digital marketing harnesses innovative and internet-based technologies to provide interactive and personalized travel experiences for clients.

Integrating digital marketing into MSMEs poses certain challenges, yet the manifold features it offers can significantly benefit these enterprises in reaching a broader clientele. One primary attribute is its ability to enhance brand awareness through the efficient dissemination of information (Magano & Cunha, 2020; Chatterjee & Kar, 2020). Clients can access the digital platform to preview the quality of products or services offered by MSMEs, thereby aiding their decision-making process. Moreover, maintaining a digital presence often comes at a comparatively lower cost for MSMEs (Orias & Borbon, 2022). Additionally, digital marketing platforms provide valuable metrics (e.g., Facebook Insights) that enable MSMEs to gauge audience engagement, allowing them to evaluate campaign effectiveness and identify areas for improvement (Magano & Cunha, 2020).

Another crucial aspect of digital marketing is its provision of channels that facilitate interactive two-way communication between MSMEs and their clients, including social media, websites, and email marketing (Umachandran & Said, 2022). This dynamic enables clients to offer feedback, seek clarifications, and engage with companies in real-time. Furthermore, digital marketing facilitates electronic word-of-mouth (eWOM) interactions, where clients assess service credibility through the opinions of influential internet personalities and content creators, influencing their decision-making process (Chatterjee & Kar, 2020; Devasia & P.V., 2022).

The adoption and effectiveness of digital marketing practices may vary among MSMEs, yet recognizing its distinctive features can empower these enterprises to explore alternative avenues for promoting their products and services beyond traditional marketing methods. Familiarity with digital marketing practices and their impact can help MSMEs benchmark best practices and tailor strategies that align with their unique business requirements, particularly in the context of the tourism industry.

2.2 Digital marketing practices of SMEs in the tourism industry

The application of digital marketing practices by MSMEs in the tourism sector holds significant importance, enabling them to attract a larger number of both local and foreign tourists (Deb, et. al., 2020) and establish meaningful connections with them. According to the Department of Trade and Industry (DTI) (2023), the Philippines has witnessed a substantial increase in both international and local tourist arrivals, soaring from 160,000 to 2.03 million in 2021-2022. Similarly, the United Nations World Tourism Organization (UNWTO) (2022) reported domestic arrivals of 27,000 to 37,000 in 2020-2021. Among these tourists, the age group of 25-34, often referred to as "millennials," stands out. Millennials are known for their technological proficiency and frequent use of digital platforms, from booking hotels to exploring local delicacies, as well as documenting and sharing their travel experiences.

Moreover, embracing digital marketing practices has the potential to generate higher revenue. Research and Markets (2023) project a substantial increase in the market size of online travel, reaching 521.18 billion US dollars from its current estimate of 475 billion US dollars. By 2030, this market size value is expected to soar to one trillion US dollars. In light of these projections, it is crucial for MSMEs to adopt digital marketing practices to remain competitive amidst the rapid changes in the marketing landscape (PwC Philippines, 2020).

In the tourism industry, certain MSMEs have actively integrated digital marketing practices (i.e., social media, websites, chatbots, augmented reality, mobile travel applications, etc.) either as complementary tools to traditional marketing strategies or as central elements of their business promotion (Chamboko-Mpotaringa & Tichaawa, 2021). Social media platforms (e.g., Facebook, Instagram, Twitter, YouTube) and websites are among the most prevalent digital marketing tools MSMEs employ (Thaha et al., 2021), mainly due to their accessibility and cost-

effectiveness. Social media allows MSMEs to generate brand awareness among potential clients (Kraus et al., 2019) and introduce their brands to diverse demographics (Fountain, 2021). Furthermore, social media platforms facilitate promotional advertising (Acop et al., 2020; Qenaj & Beqiri, 2022), link to brand websites (Fountain, 2021), drive traffic to physical locations, and promote customer engagement and loyalty (Ashley & Tuten, 2014). Similarly, websites enable SMEs to establish credibility by providing essential business information and offering services such as reservations and feedback channels. Employing search engine optimization techniques can further enhance their online visibility and attract higher web user traffic (Kaplan, 2020).

Research on digital marketing practices employed by MSMEs in the tourism industry reveals that most MSMEs primarily use digital marketing for disseminating brand information. Evangelista (2020) observed that MSMEs in Quezon Province, Philippines, focused on sharing information about the region's traditions and cultural events. Acop et al. (2020) found that MSMEs in the Cordillera Administrative Region (CAR), Philippines, predominantly utilize social media platforms, particularly Facebook, to communicate key information about their services and packages, as well as leverage their brands by actively participating in various Facebook groups to promote their offerings.

Moreover, MSMEs leverage digital marketing to foster interactive communication with clients. Chatterjee & Kar (2020) identified MSMEs encouraging clients to share feedback and reviews through various media channels, such as blogs and videos uploaded to the MSMEs' social media pages or websites. Feedback collected is utilized to enhance and refine their services (Chatterjee & Dsilva, 2021). Additionally, MSMEs actively involve clients in content creation by tagging their pictures while using the products and services, which are subsequently reposted on the MSMEs' social media pages. Clients are also encouraged to participate in contests and activities, such as sharing featured posts, tagging friends, and answering trivia questions, thereby fostering greater engagement and visibility among web users seeking tourism-related content (Kraus et al., 2019).

As MSMEs embrace digitalization, traditional marketing methods undergo transformation (Tadesse & Patterson, 2019). Gradually adapting to the evolving business landscape, MSMEs have integrated digital marketing practices, including social media and websites. However, it is notable that most SMEs primarily utilize digital marketing for brand awareness and information dissemination. As the business landscape continues to evolve, there is ample scope for SMEs to maximize their reach by becoming more aware of the available features in existing and potential digital marketing practices.

2.3 Impact of digital marketing practices on SMEs in the tourism industry

From the preceding discussions, it is evident that the introduction of digital marketing has offered MSMEs innovative and sophisticated options to complement their conventional marketing practices, providing them with opportunities to compete with larger counterparts and reach diverse audiences. Digital marketing bestows several advantages, including accessible promotional tools (Alkateeb & Abdalla, 2021; Rugova & Prenaj, 2016), e-word of mouth (Ashley & Tuten, 2014), and convenience in disseminating SMEs' brands at any time (Carvalho & Carvalho, 2020), among others. However, MSMEs also encounter barriers that impede their progress (Elhusseiny & Crispim, 2022; Centobelli, et. al., 2016; Kraus, et. al., 2019; Ramdan, 2022; Taiminen & Karjaluo, 2015; Vaswani, 2022), stemming from resource availability and the willingness of entrepreneurs and personnel to adopt innovative practices.

Many SMEs have considered digitalizing their marketing practices to engage potential clients. Webster et al. (2021) observed however that in the context of online touchpoint presence, there is a decline in online touchpoint presence among SMEs. In their content analysis of random commercial and SME websites in Australia, commercial and trade businesses exhibited greater touchpoint presence than SMEs. This means that commercial and trade businesses have greater regard in maintaining consistent interaction and engagement with their clients online. The findings of the study suggest that SMEs have limited orientation on the usage of digital marketing tools, and often capitalized simply on brand awareness.

This parallel situation extends to the Philippine context, where a 2020 study by PwC Philippines revealed that 56% of MSMEs do not fully utilize digital tools and consist only of facilitating communication and operations, 34% use them to complement sales and marketing, and only 10% operate at an advanced level, integrating digital tools in most aspects of their business.

Key barriers hindering SMEs' adoption of digital marketing practices emerge from systematic reviews (Elhousseiny & Crispim, 2022) and encompass four themes: (1) technical barriers; (2) organizational barriers; technological barriers; and (4) legal barriers. Technical barriers refer to the difficulties in managing digital marketing tools (Ramdan, 2022; Vaswani, 2022); securing the required manpower in handling technologies, and accumulating more experience in integrating digital marketing tools into one's business (PwC Philippines, 2020). Organizational barriers include the SMEs' lack of financing ICT (Information and Communications Technology) resources (Taiminen & Karjaluo, 2015) and inability to keep pace with the dynamic changes in the marketing landscape. Technological barriers are those that pertain to SMEs' constrained understanding of effective strategies to establish customer engagement and ensure the "creation of vibrant and entertaining content" (Kraus et al., 2019 p.424), hesitation to implement advanced technological tools in marketing products and services (Telukdarie et al., 2022), and no serious intention to pursue innovative marketing (Rugova & Prenaj, 2016). Lastly, legal barriers involve little to no cooperation between management and departments, as well as issues with online privacy. If left unaddressed the likelihood for further challenges may occur, which include the inability to connect with potential customers, limited customer engagement, little opportunity towards brand awareness (Labanauskaite, 2020), and the impossibility of thriving at all (OECD, 2020).

The success of MSMEs, especially in the tourism industry, lies in the concerted efforts of entrepreneurs and other stakeholders in investing in digital infrastructures that will propel travel experiences as "seamless, frictionless, and high quality" (UNWTO, n.d.). The transformation of marketing practices primarily begins with the innovative mindset of the entrepreneurs themselves about the benefits of digital marketing in their businesses. According to Li et al. (2018), preparing SMEs in the transition to digital marketing requires SME managers and entrepreneurs to actively engage in organizational and managerial capabilities training that will improve their digital marketing implementation, as well as keep them "abreast with the emerging digital technology" (Smith, 2021 p.4). These include managerial cognition renewal, which involves learning the best practices of digital marketing in SMEs, identifying gaps between their business and the benchmark companies, and reflecting on their takeaways during the benchmarking activities. Further, the authors recommended that SMEs should strengthen their social capital through networking with stakeholders in digital marketing to gain better access to resources and strategies.

Another opportunity for SMEs to improve their business is by intensifying their online presence through improved digital touchpoints. Kaur (2017) emphasized that quality digital touchpoints serve as "digital destinations" to clients, therefore SMEs should provide touchpoints that include complete and updated information on the establishment's functions and overall marketing, high-resolution photos and videos of amenities and products, navigation tabs for inquiries and booking transactions, and contents for establishing customer engagement (Kotoua & Ilkan, 2021); for instance, contents that add value and meaning to life (i.e., spreading hope and inspiration, COVID-19 safe destinations, restorative experiences, etc.) (Ketter & Avraham, 2021). Contents must be adequately spaced for ease of browsing the page. Articles must be chunked into smaller sections for better skimming of information. Links to the price lists, menus, packages, and other available products and services must be opened in a separate tab to avoid disruption to the current browsing activity. Contact information for inquiries and feedback must be always accessible and responsive to the clients (Kaur, 2017).

Maintaining the mobility of SMEs in the tourism industry through digital marketing requires sufficient resources, such as fast and reliable internet connectivity. However, according to the 2020 report of the World Bank on the Philippine digital economy, some SMEs especially in the rural areas have limited internet access. This ultimately results in the inability of these businesses to fully adopt digitally, let alone secure the prerequisite for digital marketing. The World Bank further recommended "urgent and substantial improvements for the digital economy" (Diop et al., 2020 p.30) through government initiatives toward the wider scope of internet access and upgraded digital infrastructure.

SMEs' transition to digital marketing entails various standards and specifications that require the acquisition of new sets of resources and skills. That's why it is undeniable that some SMEs settle on establishing digital touchpoints that are simply for sharing information. In turn, limited consumer engagement is attained. Digital marketing is all about the qualities of practices as dynamic and consumer-centric (Umachandran and Said, 2022). Therefore, digital tools must be maximized in accordance with the existing trends and needs of the clients. However, this cannot be achieved by the SMEs themselves. The government and other stakeholders should forward a supportive environment through infrastructure and inclusive policies, to support and upskill SMEs in their implementation of digital marketing practices. This will encourage SMEs to have a digital mindset that prioritizes innovation and strategic thinking (OECD, 2023).

3 ANALYTICAL FRAMEWORK

This research extensively utilizes the methodology employed by Webster et al. (2021) in their study conducted among Australian SMEs. In their research, Webster et al. (2021) used a content analysis approach, specifically focusing on a ten-question website content observation checklist. This checklist encompassed various aspects, including touchpoint channels, touchpoint activation, consumer engagement reporting, and website SEO application. By drawing on this established methodology, it is aimed that a consistent and rigorous analytical framework to assess the consumer engagement and its extent among selected MSMEs is applied in this study.

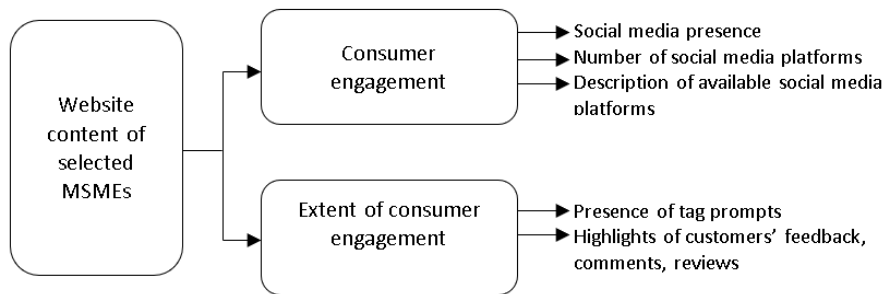


Figure 1: Analytical Framework adapted from Webster, et.al.

Webster and Hume (2015) provide a concise definition of touchpoints as the individual contacts or interactions between an organization and a person, encompassing both digital and traditional Local Area Marketing (LAM) techniques.

Consumer engagement, as described by Emplifi (<https://emplifi.io/resources/blog/what-is-consumer-engagement>), pertains to a company's or brand's efforts to build relationships with individuals through personalized interactions on multiple channels, with the ultimate goal of gaining and retaining loyal customers.

This research assesses the online touchpoint presence of selected MSME websites based on their consumer engagement and the extent of such engagement. Consumer engagement is gauged using the following variables:

1. Availability of the website;
2. Presence on social media;
3. Number of social media platforms utilized; and
4. Description of available social media platforms.

Meanwhile, the extent of customer engagement is evaluated using the following variables:

1. Availability of tag prompts;

2. Presence of comments, reviews, and feedback from customers.

Each MSME's online touchpoint presence is recorded in the form of a binary yes/no response for each of the aforementioned variables.

4 RESEARCH METHODS

This research addresses a notable gap identified in the existing literature, which lacks sufficient studies related to customer engagement by MSMEs in the tourism industry. To tackle the research questions arising from this gap, the study employed the content analysis approach, widely adopted in qualitative research (Kumar, 2018). Content analysis is frequently utilized in social science to examine patterns in verbal and non-verbal communications, offering a non-invasive method to explore data, as opposed to other qualitative research approaches that involve extracting social experiences from human subjects (Bell, Bryman, & Harlye, 2022).

Content analysis methods may vary across academic disciplines, but they share a common thread in systematically assigning labels or codes to categories or groups of texts or artifacts to derive meaning from otherwise unstructured or cluttered data (Hodder, 2021). This analysis may be carried out either quantitatively, using statistical methods, or qualitatively, by identifying patterns in the content (Hodder, 2021).

For this particular study, patterns in the content of websites belonging to MSME hotels and resorts in the top three tourist destinations in the Philippines were analyzed. These websites were selected from the Philippine electronic yellow pages (<https://www.yellow-pages.ph>). To focus solely on MSMEs, the number of employees, if available, were examined as well as photographs of the properties published on the websites to determine the asset size of the businesses. In total, 63 websites of MSME hotels and resorts in Baguio, Boracay, and Siargao were analyzed. The customer touchpoints of these websites were then assessed using the variables adopted from Webster, Imam, and White (2021). See Table 1.

Table 1: Adopted description of Variables motivated from Perrigot et. al. 2012, as cited in Webster, Imam, & White, 2021.

Variables	Description
Online Presence	A dedicated organisational website is present on the internet
Social Media / Touchpoint (SM/T) Presence	Social media and other touchpoint icons are present on website (yes/no)
Social Media / Touchpoint (SM/T) Platforms/Activation points	Number of social media and other touchpoint icons present on website (count)
Social Media / Touchpoint (SM/T) Platform/Channel Preferences	Description of social media platforms and touchpoint channels (i.e. blogs, rss feeds, newsletters) that are present on website (platforms/channels list)
Social Media / Touchpoint (SM/T) Engagement	The website contains tags (i.e. buttons, menu headings with prompts) to encourage social media and touchpoint engagement (yes/no)
Consumer Engagement Activity	The website highlights or lists level of consumer engagement activity through its touchpoint channels (i.e. reviews, ratings, comments) (yes/no)

It is important to note that content analysis in this paper was limited to the published content on the websites, such as text, icons, photos, and graphics. Hidden data, including geotags, algorithms, and metadata, were excluded wherever applicable. Consequently, this research may have limitations concerning local search engine optimization (which utilizes geotags and other metadata). It might not identify other practices that MSMEs could be using to engage with domestic tourists, apart from the explicit materials or content they have published online.

The actual content analysis process involved checking whether the variables as outlined in Table 1 were present on each website and indicating a "yes" or "no" for each variable. The responses were then tallied and compared. As there are multiple social media outlets, each outlet used by a business was treated as one measure of social media engagement.

5 RESULTS AND ANALYSIS

A concise overview of the findings derived from the content analyses is shown in Table 2, aiding in the assessment of the websites' performance and their efficacy in engaging with potential customers. It presents a summary comparison of the three content analyses conducted for the websites of selected hotels and resorts in the top three tourist destinations in the Philippines. The table provides essential data pertaining to online presence, social media or touchpoint presence, social media or touchpoint platforms or activation points, social media or touchpoint engagement, and consumer engagement activity.

Table 2: Summary of Findings

Variable	Baguio		Boracay		Siargao	
	Count (n)	Percentage (%)	Count (n)	Percentage (%)	Count (n)	Percentage (%)
Online Presence	21	91.30	19	95.00	19	95.00
Social Media/Touchpoint Presence	23	100.00	16	80.00	20	100.00
Social Media/Touchpoint Platforms/Activation Points	0	0	0	0	4	20.00
Social Media/Touchpoint Engagement	20	86.96	19	95.00	19	95.00
Consumer Engagement Activity	15	65.22	16	80.00	17	85.00
TOTAL	23	100.00	20	100.00	20	100.00

As indicated in the table, Baguio had an online presence rate of 91.30% while Boracay and Siargao had a slightly higher rate of 95% each. This indicates that the three destinations have a strong online presence with Boracay and Siargao leading this aspect.

On the other hand, Baguio and Siargao had a 100% social media or touchpoint presence, indicating that they are actively engaging with users through various social media platforms or touchpoints. Boracay had a lower rate of 80% in terms of social media or touchpoint presence. Overall, this demonstrates that the three destinations recognize the importance of leveraging social media to reach and engage with their target audience effectively.

Interestingly, Baguio did not report any data for social media or touchpoint platforms or activation points. Boracay also lacked data in this category. However, Siargao reported 20% in this aspect suggesting that Siargao has specific platforms or activation points that it utilizes to engage with its audience.

Regarding social media or touchpoint engagement, Baguio had a rate of 86.96% while Boracay and Siargao had a rate of 95%. These figures indicate that Boracay and Siargao are more successful in actively engaging with their audience through social media and touchpoints, whereas Baguio has a relatively lower engagement rate. This suggests that Baguio may benefit from further efforts to improve its engagement strategies.

In terms of consumer engagement activity, Baguio had a rate of 65.22%, Boracay had 80% and Siargao had 85%. These figures indicate that Boracay and Siargao have higher levels of consumer engagement activity compared to Baguio. This implies that Baguio may have room for improvement in terms of actively involving consumers in its destination offerings and activities.

Overall, Boracay and Siargao demonstrated a stronger presence and engagement across multiple aspects, including online presence, social media or touchpoint presence, social media or touchpoint engagement, and consumer engagement activity. Baguio, on the other hand, showed relatively lower scores in some of these categories, suggesting areas for improvement in their digital and consumer engagement strategies. These insights can guide the respective destinations in optimizing their online and social media presence while enhancing their engagement efforts with tourists.

6 DISCUSSION AND IMPLICATIONS

In the current digital age, micro, small, and medium-sized enterprises (MSMEs) operating within the tourism sector have increasingly embraced digital marketing strategies to bolster their visibility, expand their target audience, and effectively promote their offerings. Digital marketing, with its inherent advantages of cost-effectiveness, targeted reach, measurability, and multi-platform engagement, has emerged as a powerful tool in the tourism industry.

This study aimed to explore and compare the websites of MSMEs in three popular tourist destinations: Baguio, Boracay, and Siargao. The findings shed light on interesting differences among these websites, with potential implications for promoting these destinations to tourists, particularly through the effective utilization of social media. Evaluating the websites of 63 MSMEs using the patterns in the content of the websites of MSME provided valuable insights into their online presence, social media or touchpoint presence, social media or touchpoint platforms or activation points, social media or touchpoint engagement, and consumer engagement activity which are crucial in capturing the attention of potential tourists and effectively promoting the unique attractions and experiences offered by each destination.

Among the destinations under study, Baguio exhibited a slightly lower online presence rate (91.30%), while Boracay and Siargao demonstrated higher rates (95% each), indicating a strong online presence, overall. This finding suggests that the three destinations recognize the importance of establishing a digital footprint, with Boracay and Siargao emerging as frontrunners in this aspect.

Interestingly, Baguio and Siargao showcased a 100% social media or touchpoint presence, signifying active engagement with users across various social media platforms or touchpoints. In contrast, Boracay displayed a lower rate of 80% in this category. This indicates that Boracay and Siargao are more proactive in leveraging social media to reach and engage with their target audience effectively. However, it is worth noting that Baguio and Boracay did not report data for social media or touchpoint platforms or activation points, potentially indicating a missed opportunity for these destinations to fully harness the power of social media and touchpoint platforms especially in highlighting the unique selling points of the destination, targeting specific tourist segments, and creating tailored content that resonates with potential visitors.

Additionally, the study found that Baguio reported a social media or touchpoint engagement rate of 86.96%, while Boracay and Siargao demonstrated higher rates of 95%. This suggests that Boracay and Siargao are more successful in actively engaging with their audience through social media and touchpoints, with Baguio having a relatively lower engagement rate. This finding highlights an area for improvement for Baguio in terms of enhancing its engagement strategies to better connect with prospective tourists.

Moreover, when analyzing consumer engagement activity, Baguio scored 65.22%, Boracay achieved 80%, and Siargao reached 85%. These figures indicate that Boracay and Siargao have higher levels of consumer engagement activity compared to Baguio, suggesting that Baguio may benefit from further efforts to actively involve consumers in its destination offerings and activities.

Generally, the analysis showed a positive trend towards digitalization, as evidenced by the high percentages of MSMEs with an online presence in all three destinations. Among the most common touchpoints utilized by these MSMEs are Email, Reserve/Book buttons, Facebook, Contact Us buttons, and Google Maps. These touchpoints play a crucial role in encouraging customer engagement, such as leaving reviews, providing feedback, and making comments. Nonetheless, it is important to acknowledge that there exist variations in the quality and effectiveness of their online presence.

The websites analyzed showcased the distinct features and characteristics of each destination, highlighting the natural beauty, cultural heritage, adventure activities, and culinary offerings specific to each location. Understanding these differences is vital for devising effective digital marketing strategies tailored to the strengths and unique selling points of each destination.

The findings of the study reveal interesting distinctions among the websites of MSMEs in the three tourist destinations, as well. These disparities have implications for promoting these places to tourists through digital marketing, particularly social media. Despite their embrace of digital technology, the study highlights areas where improvement is needed. It is apparent from the results that the MSMEs tended to focus heavily on Facebook as a marketing platform, neglecting other equally important channels like Instagram, Twitter, Youtube, Tiktok, Messenger, Agoda, and Trip Advisor, etc. This imbalance in channel usage suggests the need for these MSMEs to diversify their digital marketing efforts to reach a wider audience.

Furthermore, the study found that while the majority of the MSMEs had platforms to engage with their customers, a significant percentage failed to take advantage of this feature provided by digital technology. This lack of proactive engagement indicates room for improvement in their digital and consumer engagement strategies.

To effectively promote these tourist destinations through digital marketing, particularly on social media, it is essential for MSMEs to understand and capitalize on the unique features and strengths of each location. It cannot be overemphasized that showcasing the distinct characteristics and offerings, such as natural beauty, cultural heritage, adventure activities, and culinary experiences, and tailoring digital marketing strategies to highlight these unique selling points can significantly enhance the destinations' appeal to potential tourists.

In light of the study's results, it is evident that Boracay and Siargao demonstrated a stronger presence and engagement across multiple aspects, including online presence, social media or touchpoint presence, social media or touchpoint engagement, and consumer engagement activity. Conversely, Baguio exhibited relatively lower scores in some of these categories, pointing to areas for improvement in their digital and consumer engagement strategies.

Transitioning to digital marketing might require MSMEs to obtain new resources and develop skills, which could lead some to settle for basic digital touchpoints that share information but do not engage consumers effectively. To address this, the government and stakeholders should foster a supportive environment by providing infrastructure and inclusive policies to upskill MSMEs and encourage a digital mindset prioritizing innovation and strategic thinking. By doing so, MSMEs can maximize digital marketing tools according to current trends and customer needs, contributing to growth and competitiveness in the tourism industry and beyond.

Also, enterprises may explore other effective means to reach their market. One promising marketing strategy that can be employed to increase consumer engagement is influencer marketing. The rise of influencers with a substantial social media following presents significant opportunities for promoting tourist destinations. By collaborating with influencers who have established themselves in this domain, destination marketers can leverage their reach and influence to showcase the unique attractions and experiences offered by Baguio, Boracay, and Siargao. Analyzing social media engagement data can help identify influencers who have successfully engaged with the target audience and forming partnerships with these influencers can amplify digital marketing efforts, reach a wider audience, and increase the likelihood of attracting tourists to these destinations.

These insights have important implications for effectively promoting these destinations to tourists through digital marketing, particularly leveraging the potential of social media platforms. By capitalizing on the unique features of each place, enhancing visual appeal, fostering user engagement, employing influencer marketing, and delivering personalized experiences, destination marketers can significantly enhance their digital marketing efforts, attract a broader audience, and contribute to the growth and development of the MSME sector in the tourism industry.

Again, it is worth accentuating that MSMEs' adoption of online marketing entails acquiring new resources and skills, which may result in some MSMEs settling for digital touchpoints that merely share information, leading to limited consumer engagement. To overcome this, a supportive environment through infrastructure and inclusive policies should

be fostered by the government and stakeholders to upskill MSMEs and encourage a digital mindset prioritizing innovation and strategic thinking. Such efforts will enable MSMEs to maximize digital marketing tools according to current trends and client needs, fostering growth and competitiveness in the tourism industry and beyond.

7 CONCLUSION

The analysis of social media and touchpoint presence and engagement has provided invaluable information on the level of interaction between MSMEs and their audience. These data enable destination marketers to gauge the effectiveness of their digital marketing strategies in fostering user engagement and establishing meaningful connections with potential tourists. By understanding the social media platforms most popular among tourists interested in these destinations, marketers can strategically allocate resources to engage with users effectively, promptly respond to inquiries, provide real-time updates, and cultivate positive word-of-mouth through social media interactions.

Moreover, the study has underscored the significant potential of social media as a tool for personalized and targeted communication with potential tourists. Through an examination of consumer engagement activities within these destinations, destination marketers have gained crucial insights into the preferences and interests of their target audience. This knowledge can be effectively utilized to create tailored marketing campaigns that offer personalized recommendations, itineraries, or exclusive discounts, ultimately enhancing the overall customer experience and driving tourist engagement.

The findings also shed light on areas for improvement in Baguio's digital and consumer engagement strategies, especially when compared to the more successful approaches of Boracay and Siargao.

In summary, the study's results have clearly demonstrated that Boracay and Siargao exhibit a stronger online presence and engagement across multiple aspects, including online presence, social media or touchpoint presence, social media or touchpoint engagement, and consumer engagement activity. Conversely, Baguio displayed relatively lower scores in some of these categories, pointing towards opportunities for enhancing their digital and consumer engagement strategies.

These differences among the websites of Baguio, Boracay, and Siargao hold crucial implications for effectively promoting these destinations to tourists through digital marketing, with a particular focus on leveraging the power of social media. Understanding the unique features of each destination, leveraging visual appeal, fostering user engagement, utilizing influencer marketing, and delivering personalized experiences are key strategies to successfully promote these destinations. By capitalizing on these insights, destination marketers can enhance their digital marketing efforts, attract a larger influx of tourists, and significantly contribute to the growth and development of the MSME sector within the tourism industry.

Indeed, digital marketing has emerged as a powerful tool for MSMEs within the tourism sector in the Philippines. While the study revealed a positive trend towards digitalization, there is still room for improvement in diversifying digital touchpoints, enhancing consumer engagement strategies, and capitalizing on the unique features of each destination. By leveraging digital technology effectively, MSMEs can boost their visibility, reach a broader audience, and promote the attractions and experiences offered by these top tourist destinations. By embracing these insights and optimizing their online and social media presence while enhancing their engagement efforts, each destination can more effectively attract and engage with a broader audience, ultimately contributing to the prosperity and success of the SME sector in the dynamic and competitive tourism industry.

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