

Operations Management Sustainability for Accommodation Establishments in Aurora Province, Philippines

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ABSTRACT:

The study assesses operations management practices of hotels and resorts in Aurora Province, Philippines. It uses the IPO model to analyze organizational, marketing, technical, and financial aspects, revealing strong customer service, digital payment adoption, and economic contributions. Challenges include low employee retention, limited high-end amenities, and market adaptability. The study recommends targeted marketing, employee development, and operational improvements to ensure sustainability and competitiveness in the growing tourism industry.

Keywords: sustainable operations management, business sustainability, accommodation, hospitality industry

1. Introduction

This study thoroughly assesses operations management, specifically evaluating hotels and resorts in Aurora Province. The objective is to understand organizational management structures, marketing effectiveness, and economic impact on job creation and revenue generation. It establishes clearly defined metrics for assessing economic impact, which include direct, indirect, and induced effects. Additionally, it analyzes marketing, organizational, technical, and financial management variables. This refined approach offers a more comprehensive evaluation of the accommodation sector. The literature review explores key themes such as sustainability, resilience, operational challenges, decent work, and economic sustainability in the Philippine hospitality sector, focusing on Aurora Province. It emphasizes the need for a holistic approach to business operations management in the province.

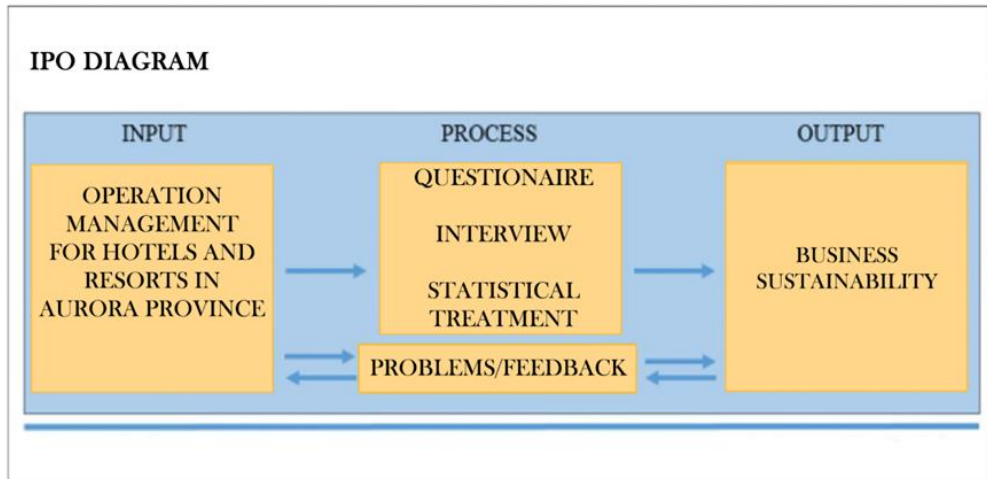
Furthermore, the review provides practical insights into areas for improvement, including customer relations, branding, revenue management, and technology adoption. It also highlights the growing importance of sustainability. Evaluating interdependencies in the organizational, marketing, technical, and financial areas using a systems-thinking approach reveals both synergies and conflicts among practices. This process uncovers hidden levers for enhancing operations in the accommodation sector to achieve sustainable outcomes.

There is currently a lack of comprehensive and integrated analysis concerning the interrelationships between organizational management, marketing, technical operations, and financial management within the accommodation sector. Previous research primarily focused on aspects such as sustainability, resilience, or specific operational challenges posed by the pandemic. However, there is a significant gap in studies that holistically examine how operational components interact and contribute to the overall economic

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impact and sustainability of business establishments. Moreover, while some studies have highlighted the importance of sustainability and resilience, a more detailed understanding of how these concepts are practically implemented and measured in the context of Aurora Province's diverse accommodation landscape, including hotels, inns, resorts, and transient houses is still needed. This research aims to address gaps by providing a comprehensive evaluation of interlinked operational management practices in Aurora Province's accommodation sector. Utilizing the IPO model, the research offers a holistic and actionable understanding of the sector's performance and potential for sustainable growth. The study focuses on three distinct areas: first, information about the business establishments, including their location, number of rooms, ownership, classification, years of operation, and services and amenities provided; second, an examination of business operations encompassing organizational management, marketing, technical operations, and financial management; and third, the economic impact of the hotels and resorts in Aurora Province.

2. Conceptual Framework



The study utilizes the input-output-process (IPO) model, which serves conceptual framework for visualizing processes by outlining inputs, steps involved, and outputs. This research paradigm was introduced by Hackman in 1987 and has been applied to assess operations management in the accommodation industry. The input consists of data and information collected to evaluate the effectiveness and efficiency of operations within accommodation establishments. The process involves analyzing gathered data such as questionnaires, interviews, and statistical treatments to identify trends and patterns. The output of this analysis aims to generate valuable insights that enhance operations management and policy recommendations.

A series of studies evaluated the business operations of hotels and resorts in Aurora Province, Northern Philippines, with a focus on economic growth and sustainability. Gonzales (2023) highlighted the need for improvements in establishments as well as in water and energy consumption. Olalia (2024) emphasized the importance of

tourism resilience, particularly in light of disasters. Grefalda (2020) underscored the role of local government units in building institutional resilience, particularly regarding climate change. Cruz (2023) identified challenges in the hospitality industry faced during a pandemic, including the need for cost-cutting measures, enhanced cleanliness, and innovative marketing strategies. These studies suggest a comprehensive approach to managing business operations in the region, particularly in adapting to various challenges (Gabriel et al., 2020). Research on the tourism industry in Tanay, Rizal, emphasizes the significance of market preferences, highlighting the importance of affordable rates and proximity to restaurants and tourist destinations (Guarin, 2016). A study on housekeeping management practices in Ilocos Sur stresses the importance of hotel cleanliness, safety, and modern facilities to meet customer demands and industry standards. The influence of the widespread coronavirus on hospitality businesses in Nueva Ecija further underscores challenges faced by the industry, including operational disruptions, financial difficulties, and the need for high-quality service during crises (Vigilia, 2021). Sustainability practices in Aurora Province are monitored and measured by local government offices, including municipal and provincial units, as well as the Department of Tourism and the Department of Environment and Natural Resources. The implemented strategies focus on addressing market preferences, maintaining high cleanliness and safety standards, and managing challenges in business operations, all aimed at achieving sustainable success (Gonzales, 2023).

This research examines the vital importance of services and highlights assistance needed in providing products and offerings required to meet guest demands. This includes physical facilities such as restaurants, swimming pools, laundry rooms, and other resources that may need modernization (Volpi & Paulino, 2018). Resorts have made strides in reducing carbon footprints and improving environmental conditions and public health by utilizing solar energy, rainwater harvesting, waste recycling and management, and LED lighting (Manalo, 2019). The industry's innovation strategy prioritizes exceptional quality services, product readiness, and innovations. This innovation strategy has a positive correlation with economic sustainability performance (Njoroge et al., 2019). When guests were classified according to their civil status, the differences observed were highly significant. Notably, significant variations were also found based on sex, age, and highest educational attainment (Alfaras & Alfaras, 2021). Green hotels are designed as ecological buildings where managers implement programs aimed at conserving water and energy while reducing solid waste. These efforts not only save resources but also help preserve the environment. Green hotels establish environmental standards and incorporate environmentally friendly technologies, contributing significantly to habitat protection and achieving better organizational outcomes (Kostic et al., 2019). Challenges arise when tourists and businesses neglect the degradation of their surroundings. The accommodation sector continuously strives to control operational costs through ecological practices, aiming to prevent the depletion of water and energy while encouraging environmentally responsible consumer behavior (Huttche et al., 2002). This study provides a comprehensive program for tourism establishments, enabling them to identify local challenges and tailor sustainable management actions that engage in addressing dimensions of sustainability (Raub & Martin-Rios, 2019).

Job satisfaction among managers in the hospitality industry is closely linked to hotels' ability to enhance guest satisfaction and improve services. Managers in front office positions report a higher level of job fulfillment compared to those in support departments. When ranking the most significant factors influencing hospitality managers' satisfaction, the top three are salaries and wages, opportunities for promotion, and company policies (Paddit, 2021). Research consistently highlights the crucial role in the efficient use of resources and proper waste management. The impact of ecological strategies on promoting sustainability in the hospitality industry is gaining more attention. This approach integrates green marketing with sustainable development goals, as administrators strive to preserve habitats and communicate their values (Ho et al., 2021). The research focused on small providers and explored the drivers and challenges of adopting sustainability practices. The primary motivations for these providers included cost reduction, gaining societal legitimacy, and aligning with lifestyle values. However, they faced significant challenges and obstacles. Small-scale lodgings recognized guests' behaviors and concerns about negatively impacting the guest experience which hindered the implementation of effective strategies (Hassanli & Ashwell, 2018). Research on business model innovation suggests that integrating operational practices yields welfare for all concerned (Presenza et al., 2019).

The hotel sector is critical for growth, and its connection to a turbulent business environment and sustainability supports the need for new strategies to achieve sustainable business excellence, especially in challenging climates (Metaxas et al., 2019). Sustainable growth can be encouraged by reducing employee's stakes. For sustainable recovery and growth, managerial decisions should focus on profitability (Berinde & Corpadean, 2019). The local accommodation industry at tourist destinations plays a vital role in enhancing the tourism sector, benefiting the local economy, and evaluating the quality of hospitality services and amenities. A viable development plan should be implemented to penetrate potential domestic and international markets (Gador, 2019). While the positive impacts of tourism on the national economy and environment are often subtle and overlooked, tourism development has also faced significant criticism regarding its negative effects on destinations (Sowamber & Ramkissoon, 2019). There is a notable relationship between environmental outcomes and the condition of hotels and resorts (Phattarapornpong & Valdez, 2021). The tourism sector is essential for economic development and contributes to inclusive growth in line with the Sustainable Development Goals for 2030 (Baquillas, 2018). However, tourist developers and local government units frequently neglect social aspects in their development plans. These insights are crucial for understanding complex systems and the interactions among them. The accommodation industry is increasingly complex, shaped by technological advancements, environmental issues, and shifting consumer preferences (Javier & Elazigue, 2011). While tourism-driven economic growth encourages government policies for regional development (Achmad & Yulianah, 2022), the industry in Baler faces challenges, including rising water, energy, and waste consumption. This situation necessitates investments and technology transfers to promote sustainability (Gonzales, 2023). In Legazpi City, Philippines, areas that need improvement in hotel operations include customer relations, branding, revenue management, and technology. Key priorities include upgrading technology for guest relations, aligning branding with core values, understanding market dynamics for pricing, and enhancing

interactions between customer service technology and staff. Addressing these issues can significantly boost customer satisfaction and operational efficiency (Weeks-Frecia et al., 2023).

3. Methodology

This study utilized a descriptive research design in Aurora Province, a tourism area in Central Luzon, Philippines, from April to May 2024. A total of 105 respondents participated in the research, including owners, managers, and technical staff from hotels and resorts. The respondents were selected from accommodation establishments that complied with business and non-business permits and were registered with local government units under the Business Permit Licensing Office. To ensure a representative sample, stratified random sampling was conducted among the 255 types of registered accommodation businesses in Aurora Province. Eight enumerators were assigned to the eight municipalities within the province to conduct interviews at business establishments during times convenient for the respondents, minimizing disruptions to operations. The researcher trained the enumerators on how to conduct interviews ethically and legally, providing proper identification and letters of engagement. A single set of questionnaires was used to collect information from the respondents. The first part of the questionnaire gathered details about the establishment, including locale, size, holding, category, operating lifespan, offerings, and facilities. The second part focused on business operations, such as organizational management, marketing, technical operations, and finance. The final part assessed the influence of the hotel and resort industry on local development.

Questionnaire was distributed to a panel of experts, with each question evaluated for validity and reliability. A forced Likert scale was employed for better research management. The weighted means for each criterion were calculated to gauge effectiveness. The instrument received validation from specialists at the Municipal Tourism Office of Baler, Aurora, and the Provincial Tourism Office of Aurora Province, as well as faculty members from the School of Accountancy and Business Management's Faculty of Hospitality Management, along with a statistician from the Graduate School of Nueva Ecija University of Science and Technology. After incorporating their recommendations, the overall validity mean was determined to be 4.43 indicating an excellent rating. Each component's weighted mean was subsequently analyzed. Additionally, the validity mean in hotels and resort businesses was calculated to confirm the questionnaire (see for details). Standardizing the questionnaire helps reduce variability in data collection by using a structured format with closed-ended questions and consistent scaling, which minimizes subjectivity. Emphasizing participant anonymity ensures comfort during interviews. The questionnaire also details the development process, participant selection, data collection methods, and analysis.

Table 1: Questionnaire’s Scale of Reliability

	Scale	Reliability
Organization and Management	0.713	Acceptable
Marketing	0.813	Good
Technical	0.815	Good

Finance	0.782	Acceptable
Economic Growth	0.853	Good

Table 2: Profile of the Accommodation Sector in Aurora Province

		Raw Score	Percentage (%)
Locale	Sea-side	70	67
Size	In the town proper	35	33
	1-10 Rooms	67	64
	11-20 Rooms	25	24
	21-30 Rooms	6	6
	31-40 Rooms	3	3
	41-50 Rooms	2	2
Holding	More than 51 Rooms	2	2
	Single Proprietorship	84	80
	Partnership	19	8
Operating Lifespan	Corporation	2	2
	6-10 Years	51	48
	Less than Five Years	36	35
	11-15 Years	13	12
	16-20 Years	2	2
Offering/Facility	21 Years Above	3	3
	Air-Conditioned Rooms	91	87
	Kitchen	85	81
	Parking Area	82	78
	G-Cash Payment	80	76
	Free WIFI Signal	78	74
	Housekeeping	71	68
	CCTV Camera	67	64
	Fan Rooms	62	59
	Swimming Pool	6	57
	Function Hall	54	51
	Security Guards	36	34
	Lifeguards	32	31
	Free Breakfast	27	26
	Tour Guides	27	26
	Safety Cash Vaults	26	25
	Laundry	23	22
	Luggage Store Room	22	21
	Surf Guides	21	20
	Restaurants	20	19
	Surf Shop	17	16
	Major Credit Cards	14	13
	Transport Services	13	12
	Souvenir Shops	12	11
	Pay Maya Payment	9	8
	SPA	4	4
	Gym	2	2

A significant majority (67%) of accommodations in Aurora are located by the sea, indicating that the region's tourism heavily depends on coastal attractions such as surfing and beach activities. Most establishments (64%) offer between 1 to 10 rooms, highlighting the prevalence of small, family-run, or boutique accommodations. This suggests a less developed and more localized tourism industry compared to large-scale hotel chains. The business landscape is predominantly composed of individual entrepreneurs, with 80% of accommodations being single proprietors reinforcing the small-scale nature of the sector. A noteworthy portion of businesses (48%) has been operating for 6 to 10 years, followed by those in operation for less than 5 years (35%). This trend points to a growing and relatively young tourism sector, suggesting opportunities for expansion and investment. Regular amenities include air-conditioned rooms (87%), kitchens (81%), parking areas (78%), and free Wi-Fi (74%), reflecting a focus on providing essential comforts for travelers. The adoption of modern payment systems is also notable, with a high percentage (76%) of businesses offering G-Cash payment options. Furthermore, housekeeping services (68%) and CCTV cameras (64%) are common, emphasizing the importance of basic services and security. In contrast, amenities such as spas (4%), gyms (2%), and the acceptance of major credit cards (13%) are rare, indicating that the sector mainly caters to budget-conscious or experience-focused travelers rather than those seeking luxury. While surf guides (20%) and tour guides (26%) are available, they are not overly common. These services cater to tourists interested in these activities, which are a key part of Aurora's tourism appeal.

Table 3: Effective Organization Management

Organization Management	Average Score	Analysis
Employees demonstrate trustworthiness	3.44	Strongly Agree
There is a strong work ethic among employees	3.40	Strongly Agree
There is a positive relationship among the employees	3.32	Strongly Agree
The work function of employees is clearly defined and well-balanced	3.31	Strongly Agree
There is a program in place to enhance the skills and capabilities of employees	3.28	Strongly Agree
Employees possess well-maintained competencies	3.15	Agree
Employee recruitment is efficient	3.01	Agree
There is the low replacement of employees	2.72	Agree

This table reflects a well-managed accommodation sector in Aurora, established on a strong foundation of positive employee attributes. It also identifies potential areas for improvement in employee retention and long-term competency development. The high ratings for employee trustworthiness (3.44) and strong work ethic (3.40) are crucial. These ratings indicate an essential element for service-based businesses, particularly in a tourism environment where personal interactions are frequent. The high level of trust may stem from the prevalence of single proprietorship businesses, where owners maintain close working relationships with their employees. Additionally, the strongly agreed ratings for harmonious relationships (3.32) and well-defined job roles (3.31) suggest a healthy and organized workplace, which contributes to efficiency and creates a positive atmosphere

for both employees and guests. The strong agreement on capability building for employees (3.28) indicates that businesses are investing in their staff. However, the agreed rating for low employee retention (2.72) is the lowest score, highlighting a significant concern. This suggests that while recruitment may be relatively easy (3.01), retaining employees presents a challenge. High turnover rates can disrupt service quality and increase training costs. The agreed rating for maintained competencies (3.15) also indicates a need for attention, as although employees are generally capable, it is essential to ensure their skills remain consistent and up-to-date through ongoing efforts. Many businesses are small and may not have formal training programs. High turnover rates in hospitality establishments significantly impact the sustainability of business operations. Key factors to consider include wages, seasonal employment, long working hours, night shifts, and limited growth opportunities. The ease of recruitment, combined with low employee retention, can be attributed to the growth of the tourism sector. Many individuals gain experience in these roles before starting their own small accommodation businesses.

Table 4: Marketing Success through Strategic Operations

Promotion Strategy	Average Score	Analysis
Good customer service is consistently maintained	3.54	Strongly Agree
Online reviews and social media marketing are available	3.32	Strongly Agree
It is important to respond appropriately to the changing preferences and expectations of guests	3.25	Agree
Capable of staying updated with market trends	3.22	Agree
There is an increased level of competition	3.16	Agree

Ratings related to various aspects of marketing provide valuable insights into customer service and market dynamics. The aspect of maintaining good customer service received a rating of 3.54, indicating a strong commitment to guest satisfaction. This is particularly important in the tourism industry, where positive word-of-mouth and repeat business are essential. This high rating may be attributed to the prevalence of single proprietorship businesses, where owners are often directly involved in day-to-day operations. Online reviews and social media marketing are available and received a score of 3.32, also categorized as strongly agree. This suggests that businesses are successfully using digital platforms to attract potential guests. In today's digital age, travelers heavily rely on online information, making this an essential marketing strategy. The ability to respond appropriately to changing guest preferences and expectations garnered a rating of 3.25 and is classified as agree. This indicates that there is room for improvement in adapting to the evolving needs of customers. The slower adaptability may be attributed to many businesses being small, which can limit their agility in responding to changes. With a rating of 3.22, the ability to keep up with market trends is categorized as agree and reflects a potential challenge in staying current with industry trends. Limited resources for market research and innovation may contribute to this issue. The aspect of the increased competition received a rating of 3.16 and is also marked as agree, highlighting the growing challenges businesses face in a rapidly expanding tourism sector where starting a small accommodation business has become more accessible. Overall, while several aspects of marketing are performing well, there are clear opportunities for improvement in adapting to customer preferences and market trends.

Table 5: Significant Marketing Strategies

Marketing Aspect	Significant Implications for Business	Average Score	Analysis
Maintained good customer service	focus on customer satisfaction continue to prioritize customer service	3.54	Strong
Available online reviews and social media marketing	use of customer feedback channels	3.32	Strong
Leverage customer feedback to improve products and services	responsive to changing customer preferences	3.25	Needs Improvement
Proactively gather customer feedback and implement changes to meet evolving needs	able to keep up with market trends	3.22	Needs Improvement
Actively monitor market trends and adjust marketing strategies accordingly	increased level of competition	3.16	Needs Improvement

The highest weighted mean of 3.54 in Table 5, indicates a strong emphasis on customer satisfaction, demonstrating that businesses prioritize providing excellent customer service. This reflects a significant strength, as positive customer experiences are crucial for encouraging repeat business and generating word-of-mouth marketing in the tourism sector. This strong focus is particularly evident among single proprietorship businesses, where owners are highly involved in day-to-day operations and customer interactions. Additionally, a weighted mean of 3.32, which reflects a strong use of customer feedback channels, shows that businesses are actively utilizing online platforms. This is especially important in today's tourism landscape, where online reviews and social media significantly influence travel decisions. However, both areas have been rated as needing improvement, highlighting a potential gap in businesses' abilities to quickly adapt to changing customer needs and market trends. This may be attributed to limited resources for market research, the rapid pace of change within the tourism industry, and increased pressure to improve in a competitive environment. Small hospitality and tourism businesses often face budget constraints, leading to cost-effective digital engagement strategies. They use free or low-cost social media tools, build authentic customer relationships, and utilize online booking platforms to streamline operations and boost direct bookings. Collaborating with local partners and influencers helps expand their reach without significant costs. Additionally, user-generated content serves as valuable social proof. By adopting these strategies, small businesses can enhance visibility, attract more guests, improve customer loyalty, and thrive in a competitive tourism landscape. Future research could compare online branding, payment systems, and customer review management across similar destinations that could identify best practices in digital tourism marketing and help less-resourced accommodations adopt scalable solutions to remain competitive and customer-responsive.

Table 6: Technical Aspect of Commercial Activity

Subject	Average Score	Analysis
Accessible water filtration systems for pools and sewerage system	3.30	Agree
Quality services are available and provided at the highest level	3.20	Agree

Accessible modern equipment and facilities	3.17	Agree
Some facilities are accessible for persons with disabilities (PWD) and senior citizens	3.16	Agree

The technical aspects of the facilities are generally perceived positively. The highest score of 3.30 indicates strong agreement on the effectiveness of the water filtration systems for both pools and sewage, suggesting that this area is well-maintained. A score of 3.20 reflects satisfactory quality of the services provided. The availability of modern equipment and facilities received a rating of 3.17, indicating that the facilities are up-to-date. Conversely, the accessibility of inclusive facilities for persons with disabilities (PWDs) and senior citizens are essential for fostering a more equitable society received the lowest score of 3.16. While this score is still within the acceptable range, it suggests that this aspect, although adequate, could be improved compared to the other technical areas. In summary, the technical infrastructure is regarded as adequate to good, with the water filtration system receiving the most positive feedback, while accessibility for PWDs and senior citizens is rated the lowest among the four categories.

Table 7: Commercial Aspect for Money Management

Money Management	Average Score	Analysis
An effective budget management is in place	3.34	Strongly Agree
There are sufficient funds for the business	3.32	Strongly Agree
The tax process is simple	3.30	Strongly Agree
Operating costs and expenses are managed properly	3.29	Strongly Agree
The business has enough cash flow to support expansion	3.27	Strongly Agree
There is a clear, effective, and standardized accounting system in place	3.24	Agree

The financial aspects of the business are overwhelmingly viewed positively, with strong agreement across all categories. The highest scores—3.34, 3.32, 3.30, 3.29, and 3.27—fall within the "strongly agree" range, indicating a robust and healthy financial situation. These high scores reflect the following areas: Efficient budget management (3.34) Sufficient funds (3.32) A straightforward tax process (3.30) Proper expense and operating cost management (3.29) Adequate cash flow for expansion (3.27) While the score for an effective, clear, and standardized accounting system is still positive at 3.24, it is slightly lower than that of the other financial aspects. Nonetheless, this score indicates that the accounting system is considered effective. Overall, the data strongly suggests that the business is financially sound, with effective management and sufficient resources, along with a positive outlook for expansion. The simple tax process is also seen as a significant benefit. Although the accounting system scored the lowest among the assessed financial areas, it still reflects a good level of effectiveness. The financial management of this business is regarded as very strong, with all areas showing positive results.

Table 8: Impact on Economic Growth

The Accommodation Sector's Contribution to Local Economy	Average Score	Analysis
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There are major developments in telecommunications like internet connections and others	3.37	Strong Impact
The accommodation sector industry contributes major income to the municipality	3.30	Strong Impact
This industry provides major employment to the people of the locality	3.30	Strong Impact
There are major improvements in infrastructures like roads, bridges, and others	3.29	Strong Impact
There is an increase in investments in buildings and businesses because of this industry	3.22	Moderate Impact

The study finds that the accommodation sector has a significant positive impact on the broader community. It is a major contributor to local economic growth, with most areas recognizing its influence as strong. Key areas where the accommodation sector is acknowledged for driving positive change include: 1. Major developments in telecommunications (3.37): This highlights the sector's role as essential to the functioning of modern businesses and the tourism sector. 2. Substantial income contribution to the municipality (3.30): This underscores the financial importance of the accommodation sector to the local economy. 3. Significant employment provider (3.30): This indicates the sector's crucial role in creating jobs for residents. 4. Major improvements in infrastructure (3.29): This reflects the sector's influence on developing essential infrastructure that benefits both residents and visitors. While still viewed positively, the increased investments in buildings and businesses (3.22) are rated as having a moderate impact. This suggests that, although the sector does stimulate investment, its influence in this area is perceived as less strong compared to the other aspects mentioned. Overall, the data clearly illustrates that the accommodation sector plays a vital role in the local economy, contributing significantly to income, employment, infrastructure development, and advancements in telecommunications. Although there are evident increases in investment, they are perceived as having a moderately strong impact. Therefore, the accommodation sector is regarded as a strong- positive force in the local economy.

5. Conclusion

Aurora, particularly Baler is emerging prominent tourism hotspot primarily due to its appeal for surfing. The accommodation sector, mainly consisting of small, family-run businesses, is experiencing significant growth. While these businesses excel in customer service and digital engagement, they face increasing competition and challenges in adapting to rapid market changes. A reliable workforce is a key strength, however, employee retention requires attention. To sustain growth, businesses must focus on differentiation, market analysis, and operational efficiency. Strengths: Strong customer service characterized by a personalized, family-run approach. High adoption of digital tools, such as G-Cash and online marketing. Trustworthy and ethical workforce. Challenges: Increased competition due to tourism growth. Difficulty in adapting to changing trends and customer preferences. Employee retention issues are influenced by seasonal fluctuations and limited career advancement opportunities. Limited availability of high-end amenities. To attract a wider range of customers, businesses should differentiate

their offerings, utilize customer feedback, and conduct market analysis for continuous improvement. Improving operational efficiency can help manage competition. The sector is dominated by small, seaside, single-proprietor businesses that cater to budget-minded tourists seeking natural attractions. Over tourism in coastal areas can lead to pollution, habitat destruction, biodiversity loss, and resource depletion. As a popular surfing destination, Aurora province has the opportunity to embrace sustainable tourism practices. By managing overcrowding during peak seasons, we can protect local resources and the environment while ensuring a high quality of life for residents. Commit to strategies that balance economic growth with ecological preservation and community well-being. Diversification strategies for eco-tourism and inland attractions would strengthen the accommodation sector in a rapidly evolving tourism landscape.

Over the past decade, the tourism sector has grown and is currently in a dynamic growth phase, which requires businesses to remain agile. Strong customer service is a significant advantage, and the high usage of digital payment options indicates a modern customer base. A notable challenge for these businesses is finding a balance between maintaining the authentic charm of small enterprises and the need to professionalize and adapt. Balancing seasonal employment with the need for a stable workforce requires innovative solutions. While reliance on digital payment methods is beneficial, it can lead to challenges during internet outages, negatively impacting business operations. Although the current market's limited high-end amenities align with consumer preferences, this could restrict future growth potential. In this regard, the following are recommended: Invest in market research to understand changing customer needs better. Develop targeted marketing strategies that differentiate offerings from competitors. Implement employee retention programs and create opportunities for skill development. Explore options to enhance customer experience while maintaining competitive prices. Continue to utilize and improve digital payment methods.

6. Implications and further research

The study highlights several key implications for small accommodation businesses: 1. Need for Strategic Planning: To navigate competition and market changes, businesses must transition from organic growth to strategic planning. 2. Sustainability Concerns: Growing tourism, especially in coastal areas for surfing, poses environmental risks that need proactive management to protect natural attractions. 3. Workforce Development: The seasonal nature of tourism threatens stability and service quality. Retaining employees is essential for long-term success. 4. Balancing Authenticity and Professionalization: Small, family-run businesses must find the right balance between maintaining their charm and adopting professional practices for competitiveness. 5. Digital Dependence Risks: While digital engagement is beneficial, over-reliance can expose businesses to risks like internet issues and cybersecurity threats. 6. Potential for Market Diversification: Focusing solely on budget tourists and surfing may limit future growth. Further research in areas like market demand, environmental impact, workforce management, operational efficiency, business innovation, and customer feedback will aid Aurora's tourism sector in developing sustainable growth strategies.

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