
ORIGINS OF TOURISM AND HOSPITALITY IN THE PHILIPPINES

PURPOSE

trade • faith • learning • health • leisure

INFRASTRUCTURE

roads • inns • monasteries • rail • air

SERVICE

shelter • safety • food • welcome • experience

ACCESS

royalty → middle class → mass tourism

IMPACT

economy • culture • foreign exchange • sustainability

PHILIPPINE ORIGINS

- Travel and exploration have long been part of human life. Indigenous people of dark complexions, Negritos reached the Philippines around 25,000 years ago.
- They were followed by Indonesians around 3,000 B.C. and Malays around 200 B.C.
- Ancient settlers strongly influenced Filipino cuisine, language, arts, literature, social systems and culture.
- Filipino ancestors already traded with China, Japan, Siam, India, Cambodia, Borneo and the Moluccas.
- Artifacts from India, Taiwan and Japan show a wide trading network; routes through the South China Sea became Asia's main trade route.

SPANISH PERIOD

- A recognizable form of tourism and hospitality emerged after Ferdinand Magellan's arrival and Spanish colonization.
- The Spanish government maintained trade with neighboring countries, and Manila became Southeast Asia's center of commerce.
- From 1565 to 1815, Spain closed Manila's ports to all countries except Mexico, beginning the Manila–Acapulco or "Galleon Trade."
- Manila became the most important trading city of the period.
- As profits increased, Spanish exploitation of Philippine natural resources also increased.



EARLY AIR TRAVEL

- Americans could reach Manila in about two weeks using aircraft such as the Pan American air clippers.
- In the 1920s, China Clipper and Manila Clipper – steamship and airline pioneers – brought passengers from Hong Kong to Manila.
- Safer, faster and more comfortable transport encouraged early tourism and hospitality in the Philippines.
- Public or private cars called colorum provided inland tours for American, Chinese, Japanese and European visitors; the illegal service was tolerated while tourism was still developing.
- At that stage, neither tour operators nor formal travel agencies existed.

ORGANIZED TOURISM

- In 1947, a more orderly tourism activity began in the Philippines.
- Steamships and airlines from other countries began serving the Philippines, marking the beginning of tourism and hospitality in the country.
- Tourist arrivals were not formally recorded until the 1960s.
- By the early 1950s, Filipinos already recognized tourism as an important contributor to growth and development.
- After World War II, tourist arrivals progressively increased as the country recovered.

PRE-MARTIAL LAW ERA

- In 1952, the first tourism and hospitality association – the Philippine Tourist and Travel Association (PTTA) – was organized.
- PTТА was a private organization that aimed to improve access to travel establishments.
- PTТА became the precursor of tourism development; its success showed tourism's economic contribution. It was later institutionalized through Republic Act No. 710 to promote tourism and hospitality.

GOVERNMENT SUPPORT

- In 1956, the government created the Board of Travel and Tourist Industry (BTTI) through Republic Act No. 1478 under the Department of Commerce and Industry.
- BTTI served as regulator, supervisory and policy-making body to PTTA and as its promotional arm.
- This period marked the early beginnings of the Philippine tourism industry.
- The main problem was the lack of developed infrastructure to support tourism.
- After the 1972 declaration of martial law, the tourist and hospitality industry prospered and arrivals increased significantly.

MARTIAL LAW ERA

- From 1972 to 1980, government initiatives created favorable conditions for foreign visitors.
- Safety, better tourism services and sanitation facilities helped boost the industry; the Philippines became a “bargain destination.”
- The Integrated Reorganization Plan of 1972 created the Department of Trade and Tourism (DTT), which oversaw tourism in relation to national growth.
- Presidential Decree No. 189 separated DTT and created the Department of Tourism (DOT) to regulate the industry and promote the Philippines.
- Other government agencies worked together to promote Philippine tourism.

PTA AND CONVENTION BUREAU

- The Philippine Tourism Authority (PTA) served as DOT's implementing arm for infrastructure development.
- The Philippine Convention Bureau (PCB) served as the marketing arm for conventions.
- The early 1970s gave the Philippines a temporary boom in tourism and hospitality.
- The assassination of Senator Benigno Aquino Jr. and political instability later weakened peace and order.
- Economic, social and political crises, mass protests and instability caused foreign arrivals to decline from 1980 to early 1986.

POST-MARTIAL LAW

- After martial law, DOT was reorganized as the primary agency responsible for encouraging, promoting and developing tourism as a major socioeconomic activity.
- The Philippine Convention and Visitors Corporation (PCVC) became its marketing arm.
- The 1987 Constitution adopted sustainable tourism, balancing environmental protection, people's rights and a healthy ecology.
- From 1992 to 1998, ecotourism was developed as part of the national tourism framework.
- Executive Order 111 in 1999 established guidelines for ecotourism development in the Philippines.

TOURISM ACT OF 2009

- Foreign arrivals declined again during later political instability, but government adopted the National Ecotourism Strategy early in the 21st century.
- Its goals were globally competitive ecotourism products, a responsible market, optimized community benefits and better visitor experiences.
- Republic Act No. 9593, the Tourism Act of 2009, strengthened tourism as an engine of socioeconomic growth and cultural affirmation.
- Tourism and hospitality were treated as priority sectors for jobs, income, gender equality, poverty reduction, heritage protection and indigenous culture.
- The law also emphasized environmental awareness and natural heritage.

TOURISM ORGANIZATIONS

- Tourism Infrastructure and Enterprise Zone Authority (TIEZA); Tourism Promotions Board (TPB).
- Intramuros Administration (IA); National Parks Development Committee (NPDC).
- Nayong Pilipino Foundation (NPFI); Philippine Retirement Authority (PRA).
- Philippine Commission on Sports Scuba Diving (PCSSD); Duty Free Philippines Corporation (DFPC).
- Philippine Tour Operators Association (PHILTOA); World Tourism Organization (UNWTO).

INDUSTRY ASSOCIATIONS

- Tourism Educators and Movers (TEAM) Philippines; Travel Cooperative of the Philippines (TCP).
- Hotel and Restaurant Association of the Philippines; Philippine Hotel Owners Association.
- Philippine Travel Agencies Association (PTAA).
- These organizations support tourism promotion, education, operations, accommodation, travel services and industry coordination.
- They complement national agencies and private-sector efforts in tourism and hospitality.

TIMELINE: 1950–1986

- 1950: Philippine Tourist and Travel Association organized as a private initiative to promote the Philippines.
- 1956: Board of Travel and Tourist Industry created by Congress.
- 1973: President Ferdinand Marcos created a cabinet-level DOT, separated PTA and PCB, and renamed the former Department of Tourism as the Ministry of Tourism.
- 1986: Executive Orders 120 and 120-A reorganized the tourism department; the PCB became the Philippine Convention and Visitors Corporation.
- The period moved tourism from private promotion toward a formal national government structure.

TIMELINE: 1998–2013

- 1998: DOT played a prominent role in the centennial celebration of Philippine independence from Spain.
- 2003: DOT launched its successful “Visit Philippines 2003” promotion under Secretary Richard J. Gordon.
- 2009: Republic Act No. 9593 improved the industry; 2010: Korea became the largest source of tourists to the Philippines.
- 2012: A major marketing campaign used the line “It’s more fun in the Philippines.”
- 2013: 1.17 million South Koreans visited, followed by visitors from the U.S., Japan, China, Australia and Taiwan.

PIONEERS IN THE TOURISM AND HOSPITALITY INDUSTRY

RITZ, STATLER AND BANATIN

- **Cesar Ritz** managed London's Savoy Hotel; Ritz-Carlton hotels bear his name. He popularized "le client n'a jamais tort" – the customer is never wrong.
- **Ellsworth Milton Statler** was a premier hotelman who offered middle-class travelers comfort and convenience at affordable prices.
- Statler pioneered guest-room telephones and radios, full-length mirrors, closets and ice-water faucets.
- **Mamert Banatin** founded and led Adam's Express, a major Philippine travel agency; he pioneered pilgrimage tours to Europe and destinations including Fatima and Eastern Europe.
- In 2018, MIKI Travel recognized Banatin with a Lifetime Achievement Award.

HILTON & THOMAS COOK

- **Conrad Hilton**, called the “biggest hotel man in the world” by The New York Times and the “master of hotel finance,” pioneered 1-to-5-star ratings and hotel-casino/resort combinations.
- In 1954, Hilton formed standardized operating procedures for a group of American hotels.
- **Thomas Cook** is recognized as the first professional travel agent and founder of the world’s first travel agency; “Cook’s tour” came to mean touring many places briefly.
- **Howard Dearing Johnson** pioneered brand leveraging and was among the first to franchise in tourism and hospitality during the 1930s.
- **Willard Marriott** founded Marriott Corporation and stressed: “take care of your people and they will take care of your business.”

KROC, SHARP AND FERTEL

- **Ray Kroc** expanded McDonald's and opened a Des Plaines, Illinois restaurant in 1955; the company developed operating standards such as Quality, Service, Cleanliness and Value.
- Kroc's motto "Never be idle a moment" was incorporated into the business.
- **Isadore Sharp** founded and chaired **Four Seasons Hotels in Toronto**; the chain introduced complimentary shampoo, 24-hour room service, same-day dry cleaning and pressing.
- **Ruth Fertel** founded **Chris' Steak House** and expanded **Ruth's Chris Steak House** internationally; it sells more than 11,000 steaks daily with gross income of about \$200 million a year, according to the text.
- The pioneers built recognizable service standards, brands and scalable hospitality operations.

PHILIPPINE TOURISM PIONEERS

- Alejandra “Dading” Clemente founded Rajah Tours Philippines and became a successful woman pioneer; she and her husband began in 1972 with ₱10,000.
- Rajah Tours grew into a major tourism service company and a pillar of Philippine tourism and hospitality.
- Jose D. Aspiras became the first chairman of the Philippine Tourism Authority.
- Aspiras also served as president of the Pacific Asia Travel Association and World Tourism Organization, which proclaimed the Manila Declaration of World Tourism under his stewardship in 1980.
- When one million tourists arrived, tourism became the Philippines’ third-largest dollar earner.

FACTORS FAVORING GROWTH

- Rising expenditures; growing capacity of large population groups; increasing number of retired people who want leisure travel.
- More holidays, special holidays and non-working holidays; migration of people; careers focused on increasing business travel.
- Loan availability; higher educational attainment; growth and development of cities.
- Discovery of new and virgin islands; easier package-tour booking; emergence of low-cost package tours and inexpensive transportation.
- Modern transport and engineering advances; communication advances; more family-oriented lifestyles; shifting values.

TRAVEL DEVELOPMENT SUMMARY

- Travel and exploration began early. Tourism comes from Hebrew torah – study or search – and tour means leaving and returning; travel comes from travail.
- Early travel involved royalty, leisure and pilgrimage; the medieval period saw leisure travel decline after the Roman Empire.
- Renaissance education travel developed the “grand tour”; the Industrial Revolution expanded tourism through technology and social change.
- Hospitality comes from Latin hospes – guest, host and foreigner – and first appeared in the 14th century.
- The earliest recorded hospitality industry was among Mesopotamian or Sumerian farmers, whose grain surplus produced the first trade.

INDUSTRY IMPACT SUMMARY

- Outstanding contributors to tourism and hospitality include Cesar Ritz, Ellsworth Milton Statler, Mamert Banatin and Conrad Hilton.
- Other pioneers include Thomas Cook, Howard Dearing Johnson, Willard Marriott, Ray Kroc, Isadore Sharp, Ruth Fertel, Alejandra Clemente and Jose Aspiras.
- Tourism growth has been driven by rising expenditures, population capacity, retirees, migration, loans, education and city development.
- Technology, transport, communication, package tours, holidays and changing family values also expanded travel.
- Tourism and hospitality contribute to employment, income, cultural exchange, heritage preservation, environmental awareness and national development.