



## **Economic Impact Assessment of the Mengal Festival: Enhancing Local Income and Tourism in Echague, Isabela**

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RESEARCH ARTICLE INFORMATION	ABSTRACT
<p><b>Received:</b> May 03, 2023 <b>Reviewed:</b> May 24, 2024 <b>Accepted:</b> June 05, 2024 <b>Published:</b> June 28, 2024</p>	<p>This study explored the investment opportunities presented by the Mengal Festival in Echague, a first-class municipality in the province of Isabela, Philippines. The rationale for this investigation stemmed from the observed economic benefits of local festivals, which had not been extensively studied in this region. The research employed a quantitative approach, utilizing cluster sampling to select 125 local businessmen as respondents. Data were gathered through structured interviews and analyzed to assess the economic impact of the festival. Findings revealed significant investment potentials of the municipal festival, thereby contributing to the local economy. This study filled a research gap by highlighting the economic advantages of municipal festivals, providing valuable insights for policymakers and investors.</p>

**Keywords:** *economic impact, local festivals, investment opportunities, quantitative research, Mengal Festival*

### **Introduction**

Festivals are known to generate significant economic benefits, including increased tourism, enhanced local business revenues, and job creation. Globally, festivals contribute to the economic vitality of communities by attracting visitors and fostering local entrepreneurship. In the Philippines, festivals are deeply ingrained in the cultural fabric, often celebrated with grand parades, local crafts, and food fairs.

Despite the widespread recognition of their economic impact, there is a notable research gap concerning the specific benefits of municipal festivals in smaller towns like Echague in the province of Isabela, Philippines.

This study aimed to address this gap by examining the Mengal Festival's economic contributions to the local economy. By analyzing the festival's impact on local businesses, this research sought to provide a comprehensive understanding of its investment potential.

The Mengal Festival is a month-long celebration of Echague's culture, history, cuisine, beauty, and hospitality. The event brings together a number of events and businesses that display their distinctive goods. It becomes a more joyous occasion. Not just the inhabitants but also tourists and other visitors to the municipality during the celebration eagerly anticipate the event. Additionally, both locals and visitors to the municipality have the opportunity to view a variety of goods that show Echague's economic strength. This demonstrates the government's assistance in the private sector's achievement of its goals.

The research objectives were to identify the economic benefits of the Mengal Festival, assess the festival's role in promoting local investment, and provide actionable insights for stakeholders. This study employed a quantitative research design using structured interviews and cluster sampling to gather and analyze data from local businessmen.

Recent studies by Gonzales (2017), and Jauhari and Munjal (2015) had highlighted the positive economic effects of festivals, but specific investigations into municipal festivals like Mengal remain limited. This paper sought to contribute to this body of knowledge by presenting empirical evidence from the context of Echague, Isabela.

### **Methods**

This study utilized a descriptive quantitative research design to investigate the economic impact of the Mengal Festival. This research employed a quantitative research methodology, which offers the advantage of using statistical data to save time and resources. As defined by Bryman (2016), quantitative research focuses on numerical data in the process of gathering and analyzing data. The respondents were selected using purposive sampling from six barangays with the highest number of business establishments in Echague, and they were as follows: Barangay San Fabian (24), Soyung (17), Taggapan (24), Silauan Sur (20), Silauan Norte (15), and Cabugao (25). A total of 125 local businessmen participated in the study. The respondents were purposively selected as target participants of the study. Purposive sampling is a method of selecting specific individuals or locations for research, with the aim of gaining a better understanding of a particular phenomenon. This intentional selection is made by the researcher and is intended to serve the research purpose, as described by Creswell (2012).

Data were collected through structured interviews using a validated questionnaire. The questionnaire was pre-tested to ensure reliability and validity. Field interviewers followed ethical standards in obtaining informed consent from all participants.

Data were gathered before, during, and after the festival to capture comprehensive insights. The responses were analyzed using descriptive statistics, with the Likert scale data treated accordingly. This method allowed for an objective assessment of the festival's economic impact on local businesses.

Likert scale of agreement was utilized to assess the economic impact of the Mengal Festival where 5 – strongly agree, 4 – moderately agree, 3 – slightly disagree, 2 – moderately disagree and 1 – strongly disagree.

Data collection responsibilities were performed by Field Interviewers (FIs) who were hired to do so. Before being deployed, they received the appropriate orientation and training. The FIs received an interviewer's kit with all the required paperwork. The Project Manager gave them instructions on how to conduct interviews. The following were emphasized in the instruction: mentioning the name of the school; objective of the study; confidentiality of the data gathered for the study; and benefits from the study.

The FIs were also specifically directed to record each response in the questionnaire and make sure the date of the interview was noted. All of the questionnaire's questions were to be answered concisely and correctly, according to their instructions.

The task of data encoding was given to the FI encoders, whose responsibility was to enter all coded data from the questionnaires into a data file. They made sure that Excel-formatted computer data files were prepared properly.

### **Ethical Considerations**

Respondents were not obligated to take part in this study. It was entirely up to the respondent whether or not to take part. As a participant, they were always free to leave at any moment. There were no expenses associated with their withdrawal from the study. They were also oriented that data would be returned or erased if in case the respondent decided to withdraw before the data collection was finished.

The survey's main requirements for participants were to read and answer questionnaires and carry no risk to one's health. Questions that were inappropriate or improper or that were likely to cause negative reactions were not included. The respondents were assured that no survey result would compromise their privacy or make their personal information and responses public. If a question was too personal or upsetting, the respondent was allowed to choose not to answer and can stop participating at any moment.

Responses to this survey were stored and treated with absolute confidentiality and complete anonymity. The possibility of a breach of privacy was considered. As a result, every effort was made by the researcher to preserve the confidentiality of research data. Code names or numbers were assigned to identify the respondents. The gathered data were only used throughout the study's processing and for academic purposes, which excluded the respondents' personal information.

### Results and Discussion

This section discussed the interpretation and analysis of data of the study to explicate the research questions on the economic benefits of the Mengal Festival, assessment of the festival's role in promoting local investment, and actionable insights for stakeholders.

**Table 1. Perceived Economic Effects of Mengal Festival by the Respondents**

	Indicators	Weighted Mean	Qualitative Description
1	Generate income among owners and establishments in the municipality of Echague	4.77	Moderately Agree
2	Improve the standard of living of the local people	4.62	Moderately Agree
3	Increase employment opportunities among the residents	4.58	Moderately Agree
4	Provide additional revenue to the LGU such as taxes.	4.55	Moderately Agree
5	Provide a better development plan for Echague	4.65	Moderately Agree
6	Uplift the tourism industry of the municipality of Echague	4.63	Moderately Agree
7	Attract tourists to visit Echague and experience local culture and traditions and the quality service the town provided	4.69	Moderately Agree
8	Actuate the development of good-quality roads and infrastructure	4.26	Slightly Agree
9	Increase investment opportunities for the municipality	4.31	Slightly Agree
10	Increase the sales of local products and services (i.e. farmers, weavers)	4.19	Slightly Agree
11	Add income for the restaurant or food industry of the municipality	4.57	Moderately Agree
12	Increase the entrepreneurs' earnings during the celebration	4.57	Moderately Agree
13	Added income for the hotel and restaurant industry	4.54	Moderately Agree
14	Increase in the sales of locally produced products	4.72	Moderately Agree
15	Income opportunities for the residents	4.72	Moderately Agree
	<b>Grand Mean</b>	<b>4.56</b>	<b>Slightly Agree</b>

The analysis of the perceived economic effects of the Mengal Festival, as shown in Table 1, reveals a generally positive perception among respondents, with a grand mean of 4.56, indicating a moderate agreement with the various indicators. This implies that the local community sees significant economic benefits from the festival.

The highest-rated indicator is the generation of income among owners and establishments in the municipality (4.77). This suggests that the festival effectively boosts the revenue of local businesses, possibly due to increased consumer spending during the event. Similarly, the increase in sales of locally produced products (4.72) and the income opportunities for residents (4.72) highlight the festival's role in supporting local artisans and providing additional earnings for the community.

Attracting tourists to Echague (4.69) and enhancing the tourism industry (4.63) are also highly rated, emphasizing the festival's importance in promoting the municipality as a tourist destination. This influx of visitors not only elevates the local economy but also fosters cultural exchange and community pride.

Indicators such as the improvement of the standard of living (4.62), better development planning (4.65), and additional revenue for the local government (4.55) suggest that the festival contributes to broader socio-economic improvements. These findings align with the overall perception that the Mengal Festival positively influences Echague's economic and social landscape.

However, some indicators received relatively lower ratings, indicating areas for potential improvement. For instance, the development of good quality roads and infrastructure (4.26), investment opportunities (4.31), and sales of local products and services (4.19) were perceived as only slightly agreeable. These areas may require targeted interventions to maximize the festival's economic impact.

The findings from this study reveal that while the Mengal Festival is perceived to have a moderately positive economic impact, there are specific aspects that could be enhanced to fully leverage its potential. Efforts to improve infrastructure and attract more investments could further elevate the festival's contributions to the local economy.

Overall, the respondents' feedback underscores the festival's significance in generating income, promoting tourism, and supporting local businesses, thus reinforcing its role as a key economic driver for the municipality of Echague. This comprehensive understanding of the festival's impact can guide future strategies to enhance its benefits and address areas needing improvement.

### Conclusion and Future Works

The town's tourism business is boosted by the draw of tourists, both domestic and international, as well as visitors from neighboring municipalities. This provides the municipality with a foundation and impetus to further its economic growth strategy. Additionally, the event contributed to increased investments in locally made goods, created jobs for locals, and raised the sales and capital of small entrepreneurs. If the festival were to broaden its scope beyond the promotion of cultural heritage and also target a younger audience, it would be likely to attract more out-of-town festivalgoers. This would be akin to bringing in more tourists with a higher spending impact.

On the basis of these conclusions, an action plan for improving Echague's festival tourism can be put into place. The active involvement of the private sector, particularly hotels, resorts, tour operators, travel agencies, and restaurants may be encouraged. Offer these businesses assistance in marketing their businesses, which would support the local economy. The makers of local goods might be encouraged to advertise and market their goods during these cultural events while also encouraging residents to buy these locally-made goods.

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