Carcar Chicharon: A Potential for Tourism Impact Studies

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Abstract - This study determines the economic potential of chicharon business in Carcar City, Cebu, Philippines. It answers these objectives to: (1) check its profile with reference to: capitalization, volume of products, types of products, marketing, profit and number of workers; (2) ascertain its problems; (3) assess its economic potential to different stakeholders, namely: business owners, workers, vendors, and the community; and (4) evaluate its effects to the other sectors of the city. This study used an ethnographic design with naturalistic observation, interviews of key informants, field notes, and supported with secondary data. KIs were interviewed through interview guides, during their most convenient time. To observe ethics, names of KIs and other stakeholders were held confidentially. The findings were validated through expert triangulation. The chicharon business contributed to Carcar’s small scale industry. Despite various challenges faced; it continued to grow, contributing to the socio-economic development. Its potential cascaded to other economic sectors, especially for the city’s viability as a tourism hub. For further investigation, these are hereby recommended: culture and heritage advocates may continue to find ways to preserve the city’s centuries old delicacy; adoption of new technologies to make the products competitive in local and global markets; and follow up studies to sustain the business’ economic potentiality. Government agencies may continue its present programs to sustain the business; strong financial assistance; improved environmental sanitations; programs and trainings, efficient machinery to help the business prosper and make Carcar a potential tourist destination.

Keywords: Chicharon, economic impact

INTRODUCTION
Delicacies represent the culture and tradition of every society. In most places, these are commercialized for gustatory delight. Delicacies are landmark symbols of certain places. To Peryra, Carcar city, one of the bustling cities in the southern Cebu, has been known because of its chicharon delicacy [1]. Chel Galang [2], a food historian, says that chicharon is generally made of deep fried pork rind. To Ramos, its origin can be traced from an agricultural region of Spain named Andalucia [3], where this has become a part of the regular dishes of countries colonized by Spain. Since then, chicharon derives its name from the Andalucian word “chicharron”, meaning “fried pork skin” [2]. To Campion, chicharon has different names all over the world, like for instance: pork cracklings in United States, pork scratchlings in United Kingdom, and chicharrones in Latin America [4]. In Mexico and Peru, chicharrón is used as an ingredient to stuff other dishes, similar to the Cebuano sated mango soup mixed with a pounded chicharon, for a regular meal.

Another food historian Lilan Borromeo posits that chicharon has been first introduced to the Philippines during the early part of Spanish colonial regime [2]. During that period, two types of chicharon are known: the chicharon with lean meat and chicharon ampaw (plain pork rind). The former is an appetizer and eaten only by the ilustrados or the rich; while the latter is exclusively for the indios or the natives of the Philippines. Patricioalso mentions that the oil extracted from chicharon are also used as oil for cooking bread such as dulceprenda and pancallo de San Nicolas [2].

Filipinos thought that chicharon is diffused to our culture, which has been a part of their culture before the
beginning of Spanish colonization in the country. The Igorot in the Cordilleras has the etag or itag (local chicharon). Etag, according to Go Baguio! [5], is made of pork belly and is marinated with salt before it is left hanging while being exposed to smoke for two days. After being smoked, etag is stored in a jar and boiled before it is eaten. To Patricio, etag is often served during important occasions, like a celebration of a bountiful harvest [2].

From its original form, chicharon has evolved to different kinds in various places in the Philippines. In Sta. Maria, Bulacan, chicharon also takes its new form as microwavable chicharon. Instead of pork rind, the people in Camiling, Tarlac, Philippines use pork belly as their main ingredient in making chicharon. Aside from pork, chicharon can also be made using beef, meat of buffalo, frog, insects, chicken, and other farm animals. Also, chicharon’s size during Spanish colonial regime is smaller compared to today’s average-size with its new dimensions, from tidbits to around 3 feet in length [2].

In Carcar City, Philippines, the chicharon business has been introduced by Patricio Paras and Anunciacion Alesna-Paras during World War II. Patricio Paras is a henchman of the Japanese soldiers, where he observes that the Japanese soldiers only consume the pork’s lean meat and set aside its rind. He gets the rind and uses it as the main ingredient of chicharon. To Barcenas, the Paras couple commercializes chicharon; although its texture and marketing are different from what it is today [6]. Carcar’s chicharon business grows when Carmen Alforeza and Irinea Barcenas - the Paras’ daughters, improve the product to cope with the market demands. According to Newman, almost all of Carcar’s chicharon businesses are run by the Paras’ third generation in a friendly competition, although non-family members are now engaged in the business as well [7].

Unlike in other places where machines are used to pack the food, Carcar chicharon is manually cooked and packed, with the use of wooden fuel. As mentioned in “Rated K”, like other chicharon in the country, Carcar’s own does not only serve as a delicacy; but it is also used as an ingredient to other food [8]. Barcenas stipulates that the creation of Carcar’s chicharon involves a tedious process [6]. First, the pork rinds are placed in a big frying pan and boiled for around two hours to soften. This is the stage where seasoning is done. After boiling, the softened pork rinds are sliced and chopped into pieces. After chopping and slicing, the pork rinds are half-cooked by frying with the use of medium heat to extract the oil. After frying, the pork rinds are fried again using extreme heat to make it crispy. Pereyra adds that while frying, chicharon may also be sun-dried or oil-drained in addition to the commonly adapted method [1].

According to Philippine Studies expert Dr. Gonzalo Campo amor, when interviewed by Patricio, says “despite chicharon’s high saturated fat and sodium content, which can cause cardiovascular, renal and other diseases if not consumed in moderation, it is still patronized by the Filipinos since its ingredients are less expensive compared to many Filipino dishes” [2]. Patricio stresses that chicharon also reflects the resourcefulness of the Filipinos since it is not only a way to preserve food; but also to maximize the pork’s utility, unlike in some countries where its rind is thrown away with no value [2]. Given the fact that chicharon is one of the famous delicacies in Carcar, it is relevant to determine its impact in the community and other stakeholders, since food industries account to a significant percentage to the total manufacturing firms in Cebu. In addition, Ramirez confirms that food industry employs significant percentage of Cebu’s population, and contributes to the increase of total export income [9].

Chicharon does not only satisfy cravings of the palate; but it reflects Cebu’s rich history and culture. Despite its benefits, there are no formal researches being conducted to determine its economic potential. The study may determine how chicharon affects the city’s economy. The results are also utilized to assess its status and other necessary concerns affecting the city’s local industry. The local government can boost the city’s business. Newman quotes that: “...for as long as the supply and quality will remain, people will go all the way to Carcar for a taste and a supply of crispy, tasty Chicharon!” [7] This means when the supply and quality of Carcar chicharon is sustained, the business is improved, thus socio-economic development of its stakeholders is promoted.

OBJECTIVES OF THE STUDY

This study determines the economic potential of chicharon business in Carcar City, Cebu, Philippines. It answers these objectives to: (1) check its profile with reference to: capitalization, volume of products, types of products, marketing, profit and number of
workers; (2) ascertain its problems; (3) assess its economic potential to different stakeholders, namely: business owners, workers, vendors, and the community; and (4) evaluate its effects to the other sectors of the city.

**REVIEW OF LITERATURE**

Economic impact refers to any change in the flow of money in the region’s economy between industry sectors and population groups. Weisbord and Simmonds posit that it is a common measure in terms of growth, jobs or output… viewed as measures of economic activity such as the GDP, employment, and tax revenue [10, 11]. To Weisbord and Weisbord, any of these measures can be an indicator of improvement, which is usually the major goal of economic development efforts, including micro-level businesses such as small-scale enterprises [12].

In the context of chicharon, its manufacturing has spread around the globe, most especially to those countries with strong Spanish influences like Latin America and the US Hispanic states. It is pork scratching in UK, which has started in the 1800s at Black Country, where the Industrial Revolution begins. The food is commonly cooked and eaten by the working class. The preparation in cooking pork scratching is almost similar with Carcar’s chicharon. In 1930s, the pork scratching business has become a big snack industry with over 20 million bags a year in UK, which eventually an icon in the British food scene [13]. To Campion, the original version of pork scratching is made of thin pork rind… until it becomes crispy [4]. Later on, a new version of pork scratching emerges, with lesser fat and oil content.

A study by Brown reveals that pork scratching’ sales in UK have increased by ten percent over the past two years, greater than the sales of other snacks [14]. However, although the sales increase over the years, it represents a tiny portion of UK’s snacks market. In the US, pork rinds trace its roots from southern American States, which are once part of the Spanish Empire. According to Wells, the production of pork rinds is now commercialized, billion dollar business with 100 to 120 million pigs are slaughtered, producing around 650 million pounds of skins each year [15].

Even though the Philippines’ chicharon business is not as technologically advanced compared to the US and UK, it has become part of Filipino cuisine as viands, snacks, appetizers and others. Lee states that chicharon is like the “Doritos of the Philippines”, where the people snack on it like a finger food and open it while sitting down for a movie, serving as a complement while doing other things [16]. As a testament of the Filipino’s deep love for it, a town, in Santa Maria, Bulacan, has created a Chicharon Festival, which is celebrated every first Thursday of February. To Patricio, during the festival’s parade, the people wear costumes made of chicharon; they also have festival competition which the main ingredient is chicharon [2].

Some people invested in chicharon business are able to improve their way of living. To Salvador, his chicharon business starts with a low capital; but with strong patronage coming from their clients and the help from different non-government organizations [17]. They are able to expand their business, support his children’s studies, and buy properties which significantly raise their economic status. Another famous chicharon business owner is Rey Lapid, who starts his business in his parent’s house in Sampaloc, Manila, Philippines. Lapid says “despite hardships; he perseveres to develop his business and makes ingenious ideas, to improve his products and differentiate his competitors’ products” [18]. From his first outlet, he multiplies it to 100 outlets and employs 3000 workers in 2012. These testimonies support the notion that chicharon makes an impact, not only to the business owners; but also the: employees, community and whole nation.

In the Visayas, Cebu is known for chicharon, which attracts many tourists in the region. According to Lorencean, Cebu is one of the preferred tourist destinations in the Philippines [19], which has a relatively buoyant demand for its finest native delicacies and boosts its tourism sector, and sustains traders’ livelihood. Chicharon and other delicacies in Carcar City are sold around the rotunda, since it is the crossroad going to the southern portions of the province. According to Market Manila, around the city’s rotunda, vendors of chicharon and other delicacies attract tourists and locals alike to buy the product [20].

**METHODS**

**Research Design**

This study used an ethnographic design with naturalistic observation, interviews of key informants, field notes, supported with secondary data. The key
informants (KIs) were the first five known chicharon business owners in the city, identified through a snowball technique. KIs were interviewed through interview guides, with the help of the local government officials, during their most convenient time. Other casual interviews were conducted thrice to selected workers, local government officials, and buyers, to ascertain the study’s needed data. To observe ethics, names of KIs and other stakeholders were held confidentially. The findings were validated through expert triangulation.

RESULTS AND DISCUSSION

The Business

The business starts an initial capital of not less than 5,000 pesos, in order to buy the needed raw materials to start the business. To Blasingame [21], capitalization of small business includes the consideration of the kinds of capital used. To Raynor and Ahmed [22], present capital is invested according to the following considerations: (1) the importance of quality over cheapness of products; and (2) signifying the increase of profits over reducing the costs in producing the products.

In terms of product volumes, most KIs produce an average of not less than 100 kilograms per day. KIs regard good quality of raw materials increases the number of consumers. In actual observation, especially in the city’s rotunda, people from other places stop momentarily to buy it. Quality raw materials entail product safety to consumers. Positive feedbacks on the product’s quality are indicators of product’s traceability [23]. Despite these, KI2 and KI5 say that their products are not approved by the Department of Trade and Industry (DTI) and KI1 and KI3 lament that they do not receive trainings from Department of Science and Technology (DOST) and other government agencies regarding the new strategies in the mass production of chicharon. KIs are monitored by the city government based on the provisions on Article 5, Section 15 of Republic Act No. 10611, which requires the Local Government Units are given the authority to be responsible for food safety in food business and assist the Department of Health in ensuring the safety of food products.

Four KIs serve in the business for more than ten years, since their blood line is traced as part of the 3rd generation of Paras family either by marriage or serving the business for several decades [7]. Other entrepreneurs serve less than ten years; but they are still Paras’ distant relatives. Chicharon buyers are diverse, who are agent buyers, retailers, and local consumers. Agent buyers and retailers buy chicharon to be sold at higher prices in adjacent cities and municipalities, where the demand is significant. As regards the mode of payment, cash is used as the main payment system.

Employment is the most common answer why KIs engage in business. High profit, steady income, and service to the community of Carcar are KIs’ significant reasons in engaging the business, which is acknowledged by the city government [24]. In terms of the workers’ profile, the KIs have less than twenty-five people who work in the production, either as cooks or sales agents and packers, with eight as the highest number of workers. The business follows a regular 12-working hour scheme, while the minority follows the regular 8-hours only. Richards-Gustafson rejoins this finding that chicharon business is considered a small scale enterprise since all of them hire small number of workers and have considerably low volume of sales [25].

Problems Encountered

On the aspect of capitalization, the commonly encountered concern among the KIs is the lack of capital. This problem is contributed to their allotment capital and other urgent concerns such as hospitalization. Lack of capital is also experienced by the KIs, since great amount of capital is needed to expand the business. New technologies in packing chicharon entail greater investment to ensure product quality. Undercapitalization is being considered as a major problem that causes death of small businesses [26].

KI4 mentions that there are times that the business has encountered slow capital turn-over due to several factors. One of the reasons is high cost of imported pork rinds during winter season in Russia; the price of pork rind is more expensive than in the Philippines. A meat importersays that 99.9% pork rinds used in making chicharon are imported [27]. The supply of pork rinds in the country is affected by global demand shifts. The increase of demand in Russia decreases the supply in the Philippines – causing the price increase of remaining pork rinds to decrease. Alonso, Field, Gregory, & Kirchain state that as raw materials are scarce, prices for the remaining raw materials increase [28]. Finding
another sources is a feasible solution to alleviate the problem. Shulman, Corr and Ibanez suggest that in order to mitigate the concern, give limitations to suppliers’ ability to surcharge; pass input costs to consumers; transfer costs to outside entities; and make adjustments in the production [29].

Another reason on slow capital turn-over is connected to other problems such as inability to meet the required quota, returned items by the buyers and product’s limited number. Musty meat and pork rinds affect the quality of chicharon because it causes foul odor even if it is properly cooked. Other KIs say that workers, prior to their absences, also cause minor problem in meeting the required quota, affecting slow capital turn-over. To them, chicharon are returned to their respective manufacturers when either its smell is unpleasant or its crispeness is gone. The first reason is contributed to the poor selection of raw materials since freshness ensures its quality. To McCoy, a sour taste or an unpleasant odor is a major sign that the meat is already spoiled [30]. The second reason is due to the packaging problems. Proper sealing is required to retain its crispeness. To Dagooc [31], the DTI has even warned that in order for the products to become globally competitive, the packaging styles must be improved.

In terms of marketing, few KIs feel the limited supply of chicharon locally and abroad. The demand of Carcar-made chicharon is only limited to Carcar and the entire province since the product’s quality and shelf life easily deteriorates. In order to become globally competitive, Carcar City Mayor Apura says that “small food entrepreneurs, including chicharon owners, should be given assistance to improve the quality of the products” [19]. Although the KIs experience stiff competition; but they consider it a problem. The chicharon’s price by new business owners is much cheaper than the price of the business. In order to confront the stiff competition, the KIs develop innovations in product marketing style and maximize this for competition. Raynor & Ahmedsay that in order for the business to be successful in the long run, amidst stiff competition, the quality of the products must be put into great weight than the price so that consumers can patronize [22]. Only KI4 experiences problem in the high cost of freight and handling since he is the only one who delivers the products to distant consumers.

On the aspect of profit, the major concern met by the KIs is the relative sufficiency of the profit. However, they believe that buying movable properties like cars has significant emergency expenses, hence affecting their profit. A KI2 who has encountered the aforementioned problem has also experienced inability to buy raw materials since the profit and the capital are supposedly intended for buying raw materials, which have been diverted to other emergency expenses in the family. This situation is connected to his concern to pay loans and mortgages, at the expense of his profit.

On the problems concerning management, the major problem encountered by the KIs is the limited number of workers. Theft, tardiness, absenteeism, and alcoholism are problems, which they experience with workers. These are encountered since most of the KIs do not have objective screening mechanism to select their workers, not even checking their backgrounds; but instead tend to choose any of the three criteria: proximity to stall area, worker’s propinquity to the owner, and location of the KIs’ residence. Bizfilings [32] posits that background check is important to ensure that the potential hiring is competent for the job, and will not cause problems in the business. To Gana and Bababe [33], motivational incentives encourage doing their work properly and becoming highly motivated, hence decreasing the likelihood of doing work-related delinquencies to increase productivity.

Benefits

Chicharon has contributed among the city’s stakeholders. In terms of the benefits, employment opportunities and sending children to school are their most frequent answers. It is also noted that barangay and city officials have work relations with the KIs and their workers. It is implied that this has contributed to their politico-economic success. To Lorenciana, almost all workers and owners say that this business greatly helps in the education of their children and in the long run improves their families’ quality of living [19]. Old workers and owners are successful in managing the business buy properties and contribute growth.

As regards to contribution aspects of chicharon, KIs say that it really helps in the city’s generation of employment. It is also observed that those who engage in the business have a stable source of income. To the KIs, chicharon oils and crumbs are already sold to other places as materials in baking other well-known delicacies in the province. The business has
also helped in increasing the city’s income through certification permits and most especially taxes, as attested by the barangay and city officials. The business also provides financial assistance to the different sectors, thus aiding in the development of a bustling city. Hence, the chicharon greatly helps in the maintenance of Carcar City’s vibrant economic activity [19].

The business contributes to education significantly. Education World has suggested that a good school-business partnership can help not only the schools and the businesses, but also to the community [34]. A chicharon business has shown small contributions to the city’s infrastructure development. For instance, the materials used in building a chapel are donated by one of the KIs. Despite these benefits, chicharon has not affected change in the city’s bureaucratic system, not even reducing the time and required documents in putting up a legitimate business. In effect, it also bothers on the areas of sanitation and traffic system in the city’s vicinity, because of the peddlers selling in bus stops. To FGS Group, improper waste products of chicharon and other waste materials attract flies and other disease-carrying pests that lead to the growth of maggots, which causes foul odor adversely affects people’s health [35]. Lack of proper sewage disposal or poor knowledge about sanitation leads some business owners to throw their waste in canals and other places without treatment, which negatively affect the environment [35]. On the aspect of traffic management, chicharon stalls around the rotunda cause slight to moderate traffic jam, since there are no parking spaces for the buyers, thus leading them to park at the side of the road. Although the traffic is not good for the motorists and travelers, Quiones [36] mentions that it is beneficial to the chicharon vendors and stall owners, earning a better income.

Reasons to Buy

The factors affecting the frequency of buying are affected by their occupation, lifestyle, taste, diet, and health preferences. Their livelihoods are affected by the highest frequency of buying than those who do not. Consumers buy more chicharon either to eat or give this as souvenirs to their love ones. The buyers’ residence is not an indicator of the increase of sales. To Rubio [37], a Manila senator wants to visit Cebu and satisfy her craving for Carcar’s chicharon. Buyers tend to buy chicharon based on local patronage. They have personal reasons in buying it such as: supporting their financial needs, serving as a gift to other people or gratifying hunger. To Mediana [38], these are considered as non-price determinants of demand, since these considerations in buying are not affected by the price of the product.

Support the Business

Ashe-Edmunds states that the government develops programs and other indirect assistance, which small businesses grow and become independent [39]. In case of Carcar chicharon business, DTI and DOST are government agencies that extend help. To Dagooc, DTI, DOST, and Cebu Chamber of Commerce and Industry are helping the business to penetrate the local and global markets [31]. The DTI and DOST provide the KIs’ trainings and seminars about the new and proper ways of cooking, packing, storing and selling to attain quality products and maximize profit. The DTI-Cebu Provincial Office Director has said in an interview by Dagooc [31] that chicharon and other food industries should be given help, so that they can be more competitive. Although DOST provides trainings on sanitation and food handling, its services are only limited to few owners. DOST’s new technology for chicharon is not given for free, but it is offered as loanable items as part DOST’s Small Enterprise Technology Upgrading Program (SETUP). This ensures that the products attain high quality and increase in production volume [40]. On the other hand, chicharon has not received any assistance from non-government organizations (NGOs) since most of their concerns are already addressed through the city government. However, to Kanal, chicharon business owners are willing to accept NGOs’ contribution in the business, since every NGO offers programs that can give opportunity for the businesses to expand [41].

Regarding the support given by Carcar’s LGU, conducting dialogues with the city officials is perceived by the KIs as the main help extended to their business. Dialogues involve gathering the KIs and raising their concerns with the city officials. According to Bettcher, Herzberg, & Nadgrodkiewicz, private-public dialogues are basis for creation of government programs that eliminate business constraints, improve business climate, and promote inclusive or partipatory policy making, contributing to the growth of trust between the government and business owners[42]. On the local government’s point
of view, giving of livelihood projects to the chicharon business is the most common help. However, most KIs do not feel the help since their family is already engaged in the business, without the help of the government. The local government has given support to the business, except for financial assistance.

Impact to Other Sectors
Based on the responses from the other stakeholders, the business has a potential ground for food tourism. According to some government officials, people come to Carcar City not only to see its tourist attractions and historical landmarks; but also to buy chicharon since it is one of the city’s most famous products. They further add that chicharon contributes to the city’s tourism since it serves as one of the main attractions when guests visit the place. In APEC Philippines 2015, chicharon is being served during the 2015 APEC Summit as one of the local delicacies [43]. Lorencianaaalso mentions that chicharon is one of the top delicacies in Cebu, thus bringing honor to the city [19]. A senator has said that chicharon business impacts tourism and can be further developed by following the Thai Business Model to sustain a robust economic growth [44]. Banking sector in Carcar City has also grown since many business owners opt to save their profit in banks. Percentages of income from the business are also used by some KIs to scholarship grants or as tuition and other school-related fees.

CONCLUSION AND RECOMMENDATION
Chicharon business contributed to Carcar’s small scale industry. Despite various challenges faced; it continued to grow, contributing to the socio-economic development. Its potential cascaded to other economic sectors, especially for the city’s viability as a tourism hub. For further investigation, these are hereby recommended: culture and heritage advocates may continue to find ways to preserve the city’s centuries old delicacy; adoption of new technologies to make the products competitive in local and global markets; and follow up studies to sustain the business’ economic potentiality. Government agencies may continue its present programs to sustain the business; strong financial assistance; improved environmental sanitations; programs and trainings, efficient machinery to help the business prosper and make Carcar a potential tourist destination.

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