

Globe Business seeks digital transformation partnerships with more MSMEs

By Arjay L. Balinbin
Senior Reporter

GLOBE GROUP's Globe Business on Wednesday said it is currently reaching out to more micro, small and medium enterprises (MSMEs) in the country to accelerate their digital transformation.

"Globe Business seeks to go beyond the surface by helping

MSMEs with innovations that accelerate business growth, expertise that guides businesses forward, and... care that supports their journeys, so they can achieve more business breakthroughs," said KD D. Dizon, head of MSME Group at Globe Business, during a virtual media event.

"We recognize the pain points of these MSMEs. To help them prevail, we provide innovative solutions that accelerate business growth," she added.

MSMEs, which make up 99% of the country's businesses, help reduce unemployment by creating jobs. They employ 63% of the country's total work force.

"We believe that if we help them succeed, we also help our nation succeed," Globe Telecom, Inc. President and Chief Executive Officer Ernest L. Cu said.

Among Globe's digital offerings are business-grade connectivity plans from GPlan Biz and GFiber Biz.

GPlan Biz is one of Globe's connectivity plans intended for MSMEs.

"Aside from its basic mobile connectivity features, [GPlan Biz] allows users to use GCash for business to purchase digital solutions or pay suppliers conveniently, among others," Globe Business said.

"Subscribers can enjoy unlimited 5G network for six months as well as unlimited text and call to all mobile net-

works and landlines nationwide," it added.

Meanwhile, GFiber Biz Plus is a business-grade broadband plan that promises seamless online activity for MSMEs.

"It also comes with two pieces of Wi-Fi mesh that help strengthen internet coverage in different parts of an establishment, and unlimited calls to all mobile networks and landlines nationwide, allowing entrepreneurs to be worry-free

of top-up call charges," Globe Business said.

Vehicle Tracker is another digital solution that allows MSMEs to manage their fleet and ensure safe delivery with real-time monitoring feature.

Globe Business also introduced its Cloud Payroll, which automates employee records and fast-tracks payroll processing, as well as ChatGenie, which lets MSMEs manage their transactions across different channels on one platform.

More Filipino consumers using business messaging platforms

By Patricia B. Mirasol
Reporter

MORE Filipino consumers are using online messaging platforms to reach businesses, with firms also recognizing the importance of engaging with customers, a study showed.

A 2022 study on business messaging by Meta and Boston Consulting Group (BCG) found that over 40% of Filipinos messaged businesses more frequently now versus before the coronavirus pandemic.

Three in five Filipino consumers also chat with businesses at least once every two to three weeks. This trend was similar across all age groups, particularly among millennials and Gen Zs who message businesses up to eight times a month.

Filipino consumers (71% of respondents) were likewise among the leading adopters of using messaging to chat with a business.

The study titled "Business Messaging: The Quiet Channel Revolution across Tech" sur-

veyed 6,500 respondents across Asia-Pacific (APAC), including Australia, Korea, Indonesia, Taiwan, Thailand, Vietnam, and the Philippines.

"The Philippines has leapfrogged many markets in terms of adoption and engagement online," said Anthony Oundjian, managing director and senior partner at BCG, in an Aug. 16 media round table.

Mr. Oundjian said bulk of the growth of e-commerce in the country happened during the pandemic.

"I think that Filipinos remain among the most engaged and the faster to adopt new services, once the supply side is ready," he added.

In the region, one in three consumers in APAC said they chat with businesses at least once a week. Nearly two-thirds (or 65%) prefer contacting businesses through chat rather than through e-mails or calls.

Meanwhile, almost all (or 97%) of businesses recognize that messaging apps are important for success. The study showed businesses have been finding more

ways to use messaging to connect with customers, whether it be for inquiries, lead generation, consultative support, re-marketing, or after-sales.

There are differences in customer messages received across industries, Mr. Oundjian said.

"[For] food and beverage, messages are around basic inquiries, feedback, and recurring notifications," he said. "For products [geared] for mothers and kids, there is more of an [exchange of advice] on the relevance of the products, and the fit to their specific needs, so there's more personal engagement that can also translate to lead generation and sales."

More than half of the firms interviewed said they used business messaging for after-sales service. An average of 69% also reported using messaging to process orders and transactions.

"It's very important that each business thinks about what's relevant for them, what works, and what can be scaled," Mr. Oundjian said.

He added that many of the questions in the study (such as

how many times respondents went online) were non-platform specific, except for those that asked particulars (such as the respondents' preferred channels).

"Pretty much anyone who starts messaging sees a dramatic increase in their sales," said John M. Rubio, country director at Facebook Philippines.

Almost every Filipino is on Facebook multiple hours a day, he said at the Meta-organized event. The Philippines is the leading country worldwide on Messenger, he added.

"More and more people are starting to share stories, do reels..." Mr. Rubio said. "We [have the] ability to stitch that audience and connect them with [business] customers."

He noted how neighborhood shops can create a storefront on Facebook within a day.

"To get yourself discovered on Facebook, on Instagram, and then be able to immediately translate that discovery into a potential purchase — a direct connection with the customer — is unparalleled by any other platform," he said.

Apple suppliers to make Apple Watch, MacBook in Vietnam — Nikkei

APPLE, INC.'s suppliers are in talks to produce Apple Watch and MacBook in Vietnam for the first time, Nikkei Asia reported on Tuesday, citing people familiar with the matter.

Apple's Chinese suppliers Luxshare Precision Industry and iPhone assembler Foxconn have started test production of Apple Watch and MacBook in Northern Vietnam, the report added.

Apple has been shifting some areas of iPhone production from China to other markets, including India, where it started manufacturing iPhone 13 this year, and is also planning to assemble iPad tablets.

India, the world's second-biggest smartphone market, along with countries such as Mexico and Vietnam are becoming increasingly important to contract manu-

facturers supplying American brands, as they try to diversify production away from China.

Apple, Foxconn and Luxshare Precision did not immediately respond to a Reuters request for comment.

Last week, Taiwanese contract manufacturer Foxconn gave a cautious outlook for the current quarter after posting results that exceeded expectations, citing slowing smartphone demand after a pandemic-fueled boom.

Like other global manufacturers, Foxconn — formally called Hon Hai Precision Industry Co. Ltd. — has dealt with a severe shortage of chips that hurt production, as bottlenecks from the pandemic lingered and the Russia-Ukraine war further strained logistical channels. — **Reuters**



Shakey's to spend P362 million for store expansions in second half

SHAKEY'S Pizza Asia Ventures, Inc. said that it will be fully exhausting the remaining P362 million from its capital expenditure budget this year on store expansions of its five brands in the second half.

"The team will be busy with expanding these brands and that is the priority but we'll be on the lookout for any 'wow-ing' or fantastic opportunity that may come. If it comes, it comes, but what

we'll be focusing on is growing organically with the brands that we have now," Shakey's President and Chief Executive Officer Vicente L. Gregorio said during the Philippine Stock Exchange's Star Investor Day on Wednesday.

In the first half, the company spent P288 million from its largest capital expenditure budget to date — P650 million — for store network expansion.

"We had the highest allocated budget for this year compared to anytime in Shakey's history," Mr. Gregorio said.

As of June this year, the company's existing brands opened 10 new stores from 316 last year: seven company-owned and three franchisee-owned.

The Shakey's group has five brands to date: Shakey's Pizza Parlor, Peri-Peri Charcoal Chick-

en and Sauce Bar, Project Pie, R&B Tea, and Potato Corner.

Potato Corner, which it agreed to acquire late last year, opened 101 new outlets in the first semester, bringing its outlet network count to 1,265 excluding those in Indonesia.

"We are ready to scale up the business even more and we want to strengthen the roster of our brands to fuel growth for 2022," Mr. Gregorio said.

Despite being present in more than 38 countries, Potato Corner remains to be "under-penetrated" locally. More establishments in the country can be tapped for outlets of the food kiosk chain, Mr. Gregorio noted.

Mr. Gregorio said: "In international, the floodgate has been opened, there have been a lot of inquiries and we just want to fine-tune our international pro-

gram making sure it's gonna be 'wow-ing' and profitable for all our franchise partners."

"The brands that we have — Shakey's, Peri-Peri, and Potato Corner — have the potential to grow domestic and international," he added.

On the stock exchange on Wednesday, Shakey's shares rose by 2.46% or 19 centavos to P7.92 apiece. — **Justine Irish D. Tabile**



Cebu Pacific increases Cebu-South Korea flights

BUDGET carrier Cebu Pacific (CEB) said on Wednesday that it is increasing the number of direct flights from Cebu to Seoul, South Korea, because demand has gone up.

"Starting Sept. 9, CEB intends to increase its flights from Cebu to Seoul (Incheon) to a daily operation from its current twice-a-week service," the airline said in an e-mailed statement.

"This ramp-up... reflects the travel demand amongst Filipinos and foreigners," said CEB Corporate Communications Director Carmina Reyes-Romero.

The budget carrier's Flight 5J 128 is scheduled to depart Mactan Cebu International Airport at 12:25 p.m. and will arrive at 6:10 p.m. (Korea local time). Its return flight, 5J 129, is scheduled to depart Seoul at 6:55 p.m. and arrive in Cebu at 10:50 p.m. (Philippine local time).

The airline said it currently flies to Cebu from 22 domestic destinations, including Bacolod, Boracay, Butuan, Cagayan de Oro, Calbayog,

Camiguin, Clark, Coron, Davao, Dipolog, and Dumaguete.

"With our extensive domestic network in and out of Cebu, we are happy to provide more flight connections to our passengers. We hope this encourages every Juan to fly more and travel international for less via Cebu Pacific," Ms. Romero added.

Fuel surcharge is expected to decline from Level 12 to Level 9 next month due to the lower average price of jet fuel.

Level 9 on the Civil Aeronautics Board's matrix permits a fuel surcharge per passenger of between P287 and P839 for domestic flights and between P947.39 and P7,044.27 for international flights.

On Tuesday, Cebu Pacific Chief Commercial Officer Xander Lao said that the budget carrier "welcomes" the adjustment in the fuel surcharge policy.

"We look forward to the lower fuel surcharge, which should help make fares more affordable and stimulate air travel," he said in a statement. — **Arjay L. Balinbin**

CTA declines to review marketing firm's refund claim

THE Court of Tax Appeals (CTA) has denied TKH Marketing's appeal to refund an item shipment due to an excess value-added tax (VAT) payment worth P1.5 million.

In a 15-page decision on Aug. 8 and made public on Aug. 15, the CTA Special Third Division said it did not have jurisdiction to decide on the refund claim.

"Clearly, petitioner (TKH Marketing) failed to fulfill the requirements of the law in claiming a VAT refund, thereby resulting in the lack of jurisdiction of this court," CTA Associate Justice Maria Belen M. Ringpis-Liban said in the ruling.

"In other words, the burden of collecting the subject VAT remains with the CIR (commissioner of internal revenue). As such, it is the CIR who has the authority to decide on the refund claim of petitioner pursuant to Section 4 of the NIRC of 1997."

A district collector granted a refund of the excess VAT payment in the amount of P958,725 and required the firm to properly liquidate and apply for a tax credit certificate pending the approval of the commissioner of customs (CoC).

The CoC affirmed the district collector's decision and forwarded the appeal to the CIR.

The refund claim was then reviewed by the CIR, which the official denied since the appeal was filed beyond the two-year prescriptive period under the country's revenue code.

"As stipulated therein, recovery of tax erroneously or illegally collected may, within 2 [sic] years after the payment of the tax or penalty was made, be claimed as tax credit or refund," the CIR said in a letter to the CoC.

Under the country's revenue code, refund of taxes or penalties are allowed unless the taxpayer files the administrative claim in writing with the CIR within two years after the payment.

The marketing firm argued the tax court and the Bureau of Customs had jurisdiction over the issue.

The court noted that the protest filed with the district collector cannot be treated as a claim for a refund since only the CIR has jurisdiction over these claims.

In a separate letter, the Bureau of Internal Revenue said the CTA did not have jurisdiction over the petition, reiterating the late filing of the claim.

"If the court has no jurisdiction over the nature of an action, its only jurisdiction is to dismiss the case. The court could not decide the case on the merits," said the tribunal. — **John Victor D. Ordoñez**

SPNEC to use raised funds to buy land for solar plant

SOLAR Philippines Nueva Ecija Corp. (SPNEC) is allotting proceeds from its various capital raises to secure 2,500 hectares for its 3.5 gigawatts (GW) of solar farm project in Nueva Ecija and Bulacan.

"By the end of this year, our planned share issuances should result in the consolidation of ingredients that would enable SPNEC to expand its flagship project," said Leandro L. Leviste, president and chief executive officer of SPNEC, in a media release on Wednesday.

SPNEC claimed that its expansion of operations in the area would be the

world's largest solar farm with a combined capacity of 4 GW and would also surpass the capacity of the total grid-connected operating solar plant in the Philippines at over 1.3 GW.

The company has secured an expansion of operations in the same area of land for its 500-MW solar project, for which the first 50 MW and the transmission for the full 500 MW are under construction.

According to SPNEC, the scale is made possible by Solar Philippines Power Project Holdings, Inc. (SPPHI), its parent firm, which secured land and permits for the said

project in 2016, when (SPPHI) applied for its first Department of Energy solar energy service contract in the area.

In an earlier disclosure, SPNEC said that it targets to complete its asset-for-share swap deal with SPPHI by the end of this year, with its stock right offering to be completed in September.

SPPHI and SPNEC signed the share-swap agreement for the issuance of around 24.37 billion shares at P2.50 apiece. Once executed, SPNEC would acquire shares of SPPHI in a portfolio of projects. — **Ashley Erika O. Jose**