# Brands need clients' insights to grow — Synergy

By Brontë H. Lacsamana Reporter

CONTINUOUSLY monitoring the needs and wants of consumers, especially in uncertain times, is vital for brands to innovate and sustain their business, according to a market research expert.

Brands exist because of the customers who remain loyal to their products or services, so growing a business is basically "a race towards providing solutions to customers' latest problems," said Germaine A. Reyes, president and chief executive officer of Synergy Market Research and Strategic Consultancy, in an interview.

"Consumer purchase decisions are very much affected by what's happening around us, the macroeconomic factors," she told Business-World. "That's why we really need to stay tuned to how the needs and wants of consumers are evolving."

The economy grew by 6.4% in the first quarter of 2023, the slowest pace in two years, as high inflation and rising interest rates dampened consumer spending, according to a report by the Philippine Statistics Authority in May. With tight monetary conditions, high prices have resulted in low consumer demand.

In light of this slowdown, brands must fine-tune their business strategies to avoid being tone-deaf to the plight of the average Filipino, according to Ms. Reyes.

Here are the adjustments that brands can make to their content based on the 2023 study titled "Finding Certainty in Uncertainties: Consumer Insights and Trends for Brand Growth" by Synergy in partnership with YouGov, an international research and data analytics company.

# **PRICING AND PACKAGES**

Nine out of 10 Filipinos are struggling to meet their basic needs, according to the study.

Ms. Reyes said that one crucial aspect sought by consumers is affordability when it comes to brand offerings. This does not necessarily entail reducing product sizes but rather exploring strategies to enhance their

"That doesn't mean that it's the cheapest available," she said. "It's just an opportunity for brands to innovate their offerings."

Whether it is providing product

bundling different products together in a package, brands can develop numerous solutions to make purchases worthwhile.

The study also showed that consumers exhibit a heightened focus on investment and savings, while maintaining a positive outlook. Additionally, they are adept at recognizing price increases across various categories. "[Brands] have a role to play in spurring consumer spending in the Philippines — by not just increasing prices right away," Ms. Reyes added.

# **STRONG STANCE ON ISSUES**

Filipino consumers are highly conscious and have greater expectations from brands and their marketing efforts, according to the study by Synergy and YouGov.

One aspect is sustainability, where businesses are expected to embrace environmentally friendly practices encompassing supply chain processes and internal operations. Another significant aspect is diversity, equity, and inclusion or DEI.

"Companies can conduct the necessary workshops, from the management down to the ground-level employees, so they're more aware of these issues," said Ms. Reves.

The study also found that less than 20% of Filipino consumers feel they are adequately represented in advertising. More than a third disagree that they are even represented at all.

On the flip side, the lack of diverse representation leaves open "a wide playing field."

Ms. Reyes recommended that businesses consider various markets: "So much representation can be done, from gender equality and women's empowerment to PWD (persons with disabilities) and senior inclusion."

# **HEALTH AND WELLNESS**

Aside from physical health being a major concern arising from the pandemic, there is a significant global prevalence of individuals facing mental health issues.

According to the market study, around six or seven out of 10 Filipinos have experienced psychological distress since the onset of the pandemic.

"Brands must bear in mind that empowering messages can help alleviate distress," said Ms. Reyes.

Specifically, younger consumers tend to struggle in finding outlets for their mental well-being. Therefore, businesses can play a role in engaging and attracting Generation Z by

activities and branding initiatives, she also said.

"Ideas that emerged from previous webinars included providing moments of entertainment through innovative packaging and fostering family bonding to create a support system."

#### **BRAND HEROES**

According to Synergy's research, social media remains the top channel for capturing consumers' attention.

However, beyond that, influencers have become essential for brands.

"Gen Zs are in search of heroes, and influencers essentially serve as their heroes when it comes to discovering products, gaining knowledge, and finding entertainment," said Ms.

This trend is particularly evident on TikTok, the widely successful short video app, which offers entertainment, educational content, and even shopping experiences.

"It's a platform for recreation, education, and discovering new things, such as products and ideas," she said.

Brands, she also said, must recognize that social media serves multiple purposes for tech-savvy consumers. Only then can they develop more effective marketing strategies.

## **ARTIFICIAL INTELLIGENCE**

Ms. Reyes also noted that technology is continuously evolving, much like consumer trends. This parallel development makes it appropriate to utilize technology to adapt to changing consumer preferences.

Artificial intelligence (AI) is a timely example, although it has been around for some time, she said.

"It's only recently that AI-related brands have become more popular, and it's because of ChatGPT, which actually leapfrogged everyone else in terms of awareness, usage, future use, and interest," she noted.

The market study found that there is real interest in the technology across generations, from Gen Zs who use AI for their studies to millennials who use it for work purposes.

Still, it is too early to tell how lucrative AI-related innovations could be on a large scale, with public opinion split on the matter — from those who believe it is transformational to those who oppose it for promoting a lack of creativity, according to Ms. Reyes.

She added that keeping abreast of more consumer studies in the coming vears will help brands and businesses in gaining a deeper understanding of



# Local MSMEs warned against cryptocurrency scams

THE reputation of cryptocurrency usage in the Philippines faces a significant challenge due to numerous scams, according to a payment fintech, highlighting the primary issue surrounding the adoption of digital currencies in the country.

"Bitcoin has suffered reputational damage due to the many cryptocurrency scams and ponzi schemes in the space, but it's nothing that [it] won't overcome," Pouch.ph Chief Executive Officer Ethan Rose told Business World in an e-mailed reply to questions on Tuesday.

"We encourage traditional businesses not to gamble with copycat coins which were designed to enrich the founders and VC (venture capitalist)-backers, but rather to utilize the only truly decentralized currency," he added.

He also said that small businesses in the Philippines have the opportunity to attract foreign customers who are willing to spend more by incorporating digital payment systems.

"One of the significant challenges for the growth of small businesses is the availability of payment methods, with credit cards charging fees up to 3%."

Businesses can "support seamless payments from foreign e-wallets and attract a new base of high-paying customers with minimal fees," as it allows those without credit cards or even local currency to make online or in-store purchases, he added.

Because there is a large pool of micro, small and medium enterprises (MSMEs) in the Philippines, ranging from mom-and-pop stores to boutique hotels, incorporating fintech solutions will streamline processes and improve efficiency for a significant portion of the population, both local and foreign, he noted.

Visa's 2023 Consumer Payments Attitude study found that 62% of Filipinos carry less cash because digital options are now available.

Over 400 small businesses in the Philippines are now learning to accept and process crypto payments through Pouch.ph, Mr. Rose said.

The platform allows customers to pay by scanning a merchant's QR code with a Bitcoin wallet, converting the Bitcoin currency to Philippine peso and sending the money directly to the merchant's bank or mobile cash app.

The digital payment platform said it has launched its services in Boracay, with more than 250 local businesses now accepting Bitcoin payments. The company also hopes to onboard more merchants in Cebu City, Dumaguete, Iloilo, Bacolod City, and Metro Manila. - Brontë H. Lacsamana

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Republika ng Pilipinas LUNGSOD NG MAKATI SANGGUNIANG PANLUNGSOD OF MAKATI

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#### **ALSO IN ATTENDANCE:**

Secretary to the

ATTY. DINDO R. CERVANTES

Upon motion of Hon. A.P. Padilla, duly seconded, the Sangguniang Panlungsod of Makati, by

a unanimous vote, approved City Ordinance No. 2023-101 on third and final reading.

CITY ORDINANCE NO. 2023-101 Authors: Hon. A.P. Padilla, Hon. R.A.Q. Saguisag, Jr., Hon. D.B. Almario,

Hon. B.B. Baniqued, Hon. V.V. Hilario, Jr., Hon. M.F. Vitales, Hon. R.C. San Pedro, Jr., Hon. J.M. Ariones, Hon. A.J. Cruz and Hon. C.C. Ortega

Co-Authors: Hon. M.D.M. Arayon, Hon. M.J.P.Q Arenas, Hon. L.S. Javier, Jr., Hon. E.M. Marquez, Hon. K.T. Sarosa, Hon. A.A.M. Yabut and Hon. J.C. Villena, IV

AN ORDINANCE DECLARING THE ANNUAL BUDGET FOR C.Y. 2023 OF BARANGAY

MAGALLANES TO BE IN CONFORMITY WITH EXISTING LAWS, RULES, AND WHEREAS, Section 333 (a) of R.A. 7160, otherwise known as the Local Government Code

of 1991, provides that the Sangguniang Panlungsod shall have the power to review barangay ordinances which relate to barangay budgets for the purpose of ensuring that the provisions of the aforementioned law are complied with;

WHEREAS, the Sangguniang Barangay of Magallanes, by virtue of Barangay Appropriation

Ordinance No. 01-S-23, approved its Annual Budget for C.Y. 2023, a copy of such barangay ordinance, including its supporting documents, is hereto attached and made an integral part hereof as **Annex** "A";

WHEREAS, the Honorable Members of the Sangguniang Panlungsod of Makati extensively reviewed the subject annual budget;

WHEREAS, after careful perusal of available documents, it was ruled by the Members of the Sangguniang Panlungsod of Makati that the proposed Annual Budget for C.Y. 2023 of Barangay Magallanes is compliant with the minimum requirements as prescribed by existing laws, rules, and regulations; hence, this Ordinance.

NOW, THEREFORE, BE IT ENACTED, AS IT IS HEREBY ENACTED BY THE SANGGUNIANG PANLUNGSOD OF MAKATI, METRO MANILA, BY THE POWERS VESTED IN IT BY LAW, IN SESSION ASSEMBLED, that:

Section 1. The Annual Budget for C.Y. 2023 of Barangay Magallanes is hereby declared to be in conformity with existing laws, rules, and regulations.

Section 2. The Certification issued by the Budget Department dated 25 May 2023, which attests that the Annual Budget for C.Y. 2023 of Barangay Magallanes substantially complies with the provisions of pertinent laws, rules, and regulations, is hereby adopted in toto, a copy of such Certification is hereto attached and made an integral part hereof as Annex

**Section 3.** The provisions of this Ordinance are hereby deemed separable. If any provision hereof should be declared invalid or unconstitutional, the remaining provisions shall remain in full force and effect.

Section 4. All ordinances, resolutions, and executive orders which are inconsistent with any of the provisions of this Ordinance are hereby repealed or modified accordingly.

Section 5. Let a copy of this Ordinance be furnished to the Office of the Mayor, Office of the City Administrator, Law Department, Budget Department, Accounting Department, Urban Development Department, Department of the Interior and Local Government (DILG)-Makati City, Liga ng mga Barangay, Sangguniang Barangay of Magallanes and other departments, offices, and agencies concerned for their information, guidance, and

Section 6. This Ordinance shall take effect immediately upon its approval.

ENACTED BY THE SANGGUNIANG PANLUNGSOD OF MAKATI, METRO MANILA, in its Regular Session held on 31 May 2023.

> Secretary to the Sangguniang Panlungsod

Certified true and correct by:

HON. MONIQUE YAZMIN MARIA 6. LAGDAMEO Vice Mayor & Presiding Officer

HON. MAR-LEN ABIGAIL S. BINAY

Date of Approval: