

## DoST opens P11.3-M health tech startup incubator in Davao

THE Department of Science and Technology (DoST) has launched an P11.3-million technology business incubator (TBI) aimed at cultivating the healthcare technology startup ecosystem in Davao City and the region, an official said on Monday.

"We are providing a platform for students, faculty, and researchers to transform their R&D outputs into impactful startups, especially in the healthcare sector, that benefit the community," Enrico C. Paringit, DoST-Philippine Council for Industry, Energy, and Emerging Technology Research and Development (PCIEERD) executive director, said in an e-mailed statement.

The DoST-PCIEERD has partnered with the University of the Immaculate Conception to deliver the Mobilizing Advanced Research and Innovations to Advocate Nation-Building (MARIAN) TBI while bridging the gap between academic research and the health tech industry.

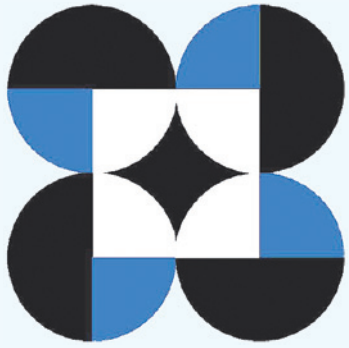
"This collaboration aligns with our vision of advancing technology and entrepreneurship to contribute to the nation's growth and development," Mr. Paringit added.

"We are thrilled about the possibilities this incubator offers to the health technology startup ecosystem in Davao City," said Cesar Ian P. Benabulo, manager at MARIAN TBI.

"We envision an environment where brilliant business ideas and research outputs converge to address pressing societal issues through the development of cutting-edge ICT tools, including mobile and web applications," he added.

Health tech was found to be the third emerging sector among startups in Southeast Asia, below fintech and e-commerce, according to data from Deal Street Asia and estimates from Kickstart Ventures, Inc. Health tech startup deals slowed down to 4.8% in the second quarter of this year, from 7.2% in the first quarter.

Davao City inched up eight places to rank 95<sup>th</sup> out of 1,000 cities in the 2023 edition of the Global Startup Ecosystem Index by research center StartupBlink.



With a score of 0.13, Davao City placed fifth out of the five Philippine cities included in the index, representing about 2% of the country's startups.

Manila, in local first place, ranked 95<sup>th</sup> globally with a score of 7.43 and fintech as its top industry.

"The startup scene of Davao City shows much promise," StartupBlink said.

Trainings and workshops will be conducted with targeted regional partners and mentors to boost awareness and participation in the local startup ecosystem of Davao through the TBI program, the DoST-PCIEERD noted.

Among the 44 TBIs supported by the DoST-PCIEERD, the MARIAN TBI was funded by DoST-PCIEERD through its Higher Education Institution Readiness for Innovation and Technopreneurship program to help universities meet funding requirements and address the growing demand for early-stage regional entrepreneurial support. — **Miguel Hanz L. Antivola**

# Market insights startup takes on big players with 'speed'

By Miguel Hanz L. Antivola

BRANDS, especially those operating in the online world, now recognize the crucial role that such data plays in shaping their decision-making processes, according to market insights technology startup Agile Data Solutions, Inc.

Today, the need for efficient and reliable data acquisition is more critical than ever, said Jason Christian B. Gaguan, co-founder and chairman of Agile Data Solutions, in an interview with *BusinessWorld*. For market intelligence providers, this means embracing innovative technologies that can streamline the process of obtaining accurate and actionable data, he added.

Mr. Gaguan said that Agile Data Solutions employs a hyper-targeted customer modeling strategy in collecting data. "[W]e get data from people, and we tell them straightforward that we are paying for it."

He noted that Hustle PH, the company's data collection app, has gained an active user base of 50,000 acquired organically without any social media marketing spend since its beta version was released in 2021.

Two years later, the company announced an annual net revenue of P27 million, with cost of goods sold (COGS) margins at 37%, down from 50% when it started. "Our COGS margins will continue to decrease," Mr. Gaguan said, projecting 18% by next year.

Mr. Gaguan noted that the few big long-time players in the market insights industry hold almost 90% of the market, while the smaller players occupy the remaining 10%. Big players include Kantar and Nielsen.

"Our proposition will just seem very weird if the client doesn't try it," he said regarding a typical project that costs around 80% less and completes 80% faster than other market players due to the company's model. "Even if it starts from curiosity, they push through."

Agile Data Solutions' strategy, as per Mr. Gaguan, is centered around giving priority to data

quality and speed for business clients. This required the company to innovate beyond the current industry practices in order to distinguish itself.

He said that data collection and projecting product distribution in market insights companies, particularly within the fast-moving consumer goods (FMCG) industry, were previously guided by outdated methods such as door-to-door interviews and tapered estimates.

"The lockdowns happened, so house-to-house interviews weren't conducted," he said on the COVID-19 pandemic marking a shift in operations. "The FMCGs were crying, 'This is wrong data.'"

Coupled by a history of data privacy issues on Facebook where user information was used in the platform's ad-targeting systems and other purposes without permission, transparency became a key concern to address, according to Mr. Gaguan.

Meta, the corporation behind Facebook, is being fined \$98,500 per day until Nov. 3 from Aug. 14 by the Norwegian Data Protection Authority or Datatilsynet upon failing to address the privacy breaches the regulator had identified. In May, the Irish Data Protection Commission fined Meta \$1.3 billion for data breaches.

"We connected the two problems: data maliciously acquired for free and market research practices," Mr. Gaguan said on his founding team upon starting the business in June 2020.

Upon confronting deterrents to market research, the current challenge of Agile Data Solutions is to further scale its database according to different clients' needs.

Mr. Gaguan said that the company is starting to transition to a system platform called software as a service or SAAS — harnessing its serialized database to provide client-specific insights rather than a manually prepared deck. This is aided by artificial intelligence tools which they have rented.

Expected to finish in the fourth quarter of this year, the shift is made to open up market insights to MSMEs (micro, small, and medium enterprises) and other startups,

which used to be relatively inefficient, according to Mr. Gaguan.

With industry players catching up on digital ways and means, Mr. Gaguan said that he is hopeful for the startup ecosystem having the edge to navigate through priorities and opportunities for sustainable growth.

"I'm excited about it because everyone now is starting to innovate — good for the total ecosystem," he said. "The big players are starting to do the right thing. Our challenge right now is to grow faster and faster so they can't catch up."

"The difference between a big company and a startup lies in execution. Even though they have the budget, big companies move a little slower," he added.

"As a small team, we can immediately listen to our customers and change."

### LIMITED CAPITAL

Moving with a straightforward business approach, Agile Data Solutions has seen slow growth and a focus on sustainability given its limited capital.

"We consciously veered away from spending more than what we need," Mr. Gaguan said, mentioning that the company started out using free online forms to check demand and only posted tasks for 'hustlers' upon a client's request.

Moreover, it also did not have the money to spend on social media marketing — a head turner in this age of digital adoption and transformation.

"Organically, a lot of people and influencers with 500,000 subscribers are sharing our platform on YouTube for free," Mr. Gaguan said. "We did not spend anything on marketing for those who would use the app."

The company was also firm with its decision of not seeking initial investment funding upon learning from past startup experiences, according to Mr. Gaguan, who also pioneered business delivery platform Borzo Philippines (ex. MrSpeedy) and hotel booking site OYO Philippines.

"If we get money from investors, they will likely focus on fast growth through 'sexy metrics'

like traffic and the number of app users and clients," Mr. Gaguan said. "And they might ask us to discount our prices drastically."

"It's not sustainable, and focus on the value is lost," he added.

"The first main pillar of our company is to give really fast and accurate data," he said. "The second is to do it sustainably without throwing away money."

### PROPOSITION OVER METRICS

Mr. Gaguan noted an awakening in the business ecosystem, particularly among startups where local and global inflation have shifted priorities to proposition over metrics, given conservative responses to recessionary fears.

An ease in investment deal volume was found in Southeast Asia after an uptick in 2021, according to data from Deal Street Asia and estimates from Kickstart Ventures, Inc. The first quarter of 2022 saw approximately \$5 billion in total deal value, from \$8 billion in the fourth quarter of 2021, the highest reach of the industry.

This decrease is attributed to the moving threat of recession, following a global surge in oil and food prices caused by the Russia-Ukraine war, where people and investors put their money into safer instruments, Dan I. Siazon, co-founder and senior vice-president at Kickstart, said in an interview.

Incentive- and discount-driven business models have begun veering away from the scene, Mr. Gaguan said, realizing its pure focus on rapid growth as unsustainable and being forced to downsize. Resiliency and self-sufficiency are being seen as determining factors of success.

"During this shift, startups right now are going back to the basics where business proposition becomes the center of the conversation and not the 'sexy metrics,'" he said.

"From all the previous excitement of 'sexy metrics' and hedging on a possible future, startups now are becoming more proposition-oriented, which I think is a good direction," he added. "And smaller startups have a chance at getting funded."

## Meralco agrees to sell electric vehicle solutions unit eSakay for P87 million

MANILA ELECTRIC Co. (Meralco) has sold its wholly owned subsidiary eSakay, Inc. to On-Us Solutions, Inc. for P87.4 million, the listed power distributor said on Tuesday.

In a stock exchange disclosure, Meralco said it had signed a share purchase agreement with On-Us Solutions on Aug. 15, the company did

not provide additional information about the transaction.

On its website, Meralco described eSakay as aiming to be an end-to-end electric vehicle transport solutions provider.

Meralco affiliate Metro Pacific Tollways Corp., through its subsidiary MPT Mobility Corp., has a minority stake in On-Us Solutions.

According to MPT Mobility's website, On-Us or Byahe is a privately owned modernized jeepney operator. To date, it operates about 30 "environment-friendly" jeepneys within Metro Manila, Pampanga, and Nueva Ecija.

In March, Meralco announced the creation of a new subsidiary Movem Electric, Inc. that will focus

on the development and deployment of different electric transport solutions. The move allows eSakay to focus on public transportation services.

Movem Electric will own, create, develop, manufacture, produce, operate, install, license and sell service networks utilizing electric energy and other alternative energy sources,

and their component charging stations both for local and foreign markets.

At the local bourse on Tuesday, shares in the company gained P2.60 or 0.76% to end at P344.60 apiece.

Meralco's controlling stakeholder, Beacon Electric Asset Holdings, Inc., is partly owned by PLDT Inc. — **Ashley Erika O. Jose**

### FULL STORY



Read the full story by scanning the QR code or by typing the link [tinyurl.com/ctsv26v6](https://tinyurl.com/ctsv26v6)

## Globe to defend mobile market lead

GLOBE TELECOM, Inc. aims to defend its mobile market leadership after the results of the subscriber identity module (SIM) registration showed that it still has the highest number of subscribers, its top official said.

"I think it has been some time since we have been leading. We captured leadership in 2016, it is now seven years, and we expect to defend that as well in the coming years," said Globe President and Chief Executive Officer Ernest L. Cu in an online media briefing on Tuesday.

Data from the National Telecommunications Commission showed a total of 113.97 million SIM registrants or 67.83% of 168.02 million total subscribers.

Globe was able to register a total of 53.73 million subscribers or 61.9% of its 86.75 million total subscribers by the end of the grace period or by July 30.

Meanwhile, Smart Communications, Inc. closed the registration period with 52.5 million or 79.18% of its total users, while DITO Telecommunity Corp. registered a total of 7.74 million users representing 51.72% of its total users.

"We always stated that we want to register close to 100% of our active subscribers or loading subscribers, and we managed to do that because

at the 54 million mark our revenues were not affected," Mr. Cu said.

"Globe has said this many times that we have never really been focused on the number of subscribers we have, it is just a by-product of overall leadership in the industry," he added.

Darius Delgado, head of Globe's consumer mobile business, reiterated that the SIM card registration will have no material impact on the network operator's top line.

"We have seen our top-ups, pick-ups and acquisitions in the last five weeks and they are still at least 50% higher than how it was pre-SIM registration deadline. And this is because we have already registered 99% of our revenue base," he said.

Meanwhile, Martha M. Sazon, president and chief executive officer of GCash said that the platform expects a decline in user base after the registration period.

"We are not reporting the registered users now because we are waiting for the cleanup from the SIM registration. Just to let you know, we are expecting a significant decline similar to the telcos in terms of our user base as we are dependent on SIMs registered," Ms. Sazon said.

However, she also said that the decline will not impact GCash's reve-

nues significantly as it will be shifting focus on the quality of its users.

### OUTLOOK

For the second half of the year, Globe is expecting lower spending due to the slowdown of the economy which could affect the business, according to Mr. Cu.

"I have to say that in the coming quarter, there could be some headwinds primarily [due] to the slowdown of the economy," he said.

In the second quarter, the country's gross domestic product expanded by 4.3%, or slower than the 6.4% economic growth in the first quarter and the 7.5% last year.

"But there is also talk that inflation may be tapering off already. We are hoping that the (central bank) will hold on to the interest rates and not increase rates once again," he said.

Nonetheless, Mr. Cu said that he was very pleased with Globe's first-half results and that the team is "optimistic that it can continue for the balance of the year."

Globe Chief Commercial Officer Maria Louisa Guevarra-Cabreira said that the optimism also comes from the improvement of average revenue per unit as mobility increases. — **Justine Irish D. Tabile**

## Home Renovation Made Easy with The Great Installation Deals at 0%

Wilcon Depot, the Philippines' leading home improvement and construction supply retailer, introduced The Great Installation Deals at 0%, a game-changing option for homeowners to start their dream renovations easily and conveniently.

The Great Installation Deals at 0% will be offered exclusively at all Wilcon Stores from August 15 to September 15, 2023, with its partner banks, BPI and Citi.

Wilcon Depot understands the importance of creating a warm and inspiring living space, as it adheres to its mission to help people build, improve, and refine their homes for a sustainable and comfortable life. With this promotion, customers can enjoy flexible payment terms that allow them to spread out their payments over a specified period of time at 0% interest. This means that homeowners can focus on upgrading their home necessities without the added burden of high rates.

Wilcon Depot is a one-stop shop for all home improvement needs that offers a diverse range of high-quality



materials, including tiles, sanitaryware, plumbing, furniture, home interior, building materials, hardware, electrical, appliances, and other DIY products.

To make it easier for every customer to reach any Wilcon Stores via call, Wilcon also launched its 88-Wilcon Hotline, wherein customers can experience convenient, personalized shopping by dialing 88-945266.

For more information about Wilcon, visit [www.wilcon.com.ph](http://www.wilcon.com.ph) or follow their social media accounts on Facebook, LinkedIn, Instagram, YouTube, and TikTok. You can also subscribe to the Wilcon Depot Viber Community and connect to the stores near you.