



Tight budgets no barrier for SMEs' cybersecurity — expert

By Miguel Hanz L. Antivola

SMALL- and medium-sized enterprises (SMEs) are attractive targets for cybercriminals due to their potentially limited security measures, according to an expert.

A cyberattack can be disastrous for enterprises, often leading to not only monetary losses but also reputational damage that can erode customer trust, Yeo Siang Tiong, general manager for Southeast Asia at Kaspersky, said in an interview with *BusinessWorld* on the sidelines of the company's Asia-Pacific Cyber Security Weekend in Bali, Indonesia last week.

"Having that security stance ahead of time is important," Mr. Tiong said on prioritizing cybersecurity in response to the increasing number of data breaches.

The Philippines ranked fourth globally in the number of cyberattacks and second as the most attacked country by web threats worldwide last year, data from Kaspersky and the Department of Information and Communications Technology showed.

Kaspersky reported that SMEs in the Philippines saw 658,874 web attacks in the first half of 2022 alone, with 17,786 detections of Trojan-password stealing ware attempting to infiltrate the corporate network and steal sensitive information.

Mr. Tiong noted that small business owners must invest in their people and technology as their first key steps to protecting their enterprise. "Your devices and central resources are protected, and you encrypt the chan-

nel going in — that is when your company is fully protected."

"A simple firewall was enough before, but now on top of that, you need to have a VPN (virtual private network)," Mr. Tiong said on the perimeter of wireless connections of a business network getting more difficult to defend.

Devices such as personal computers, laptops, and even mobile phones brought into the workplace must each have an encrypted channel to prevent open invitations for hackers, he noted. "The very virtue that [employees] bring a compromised device into the company's environment, the company is affected as well."

Although investment in software is more manageable than that in hardware, Mr. Tiong noted the need for expertise to handle threats and attacks when they actually occur in the business.

"If there's an alert or warning, you should know how to respond to it," he said. "We have seen a lot of SMEs who cannot handle and come to a point in time when they seek expertise."

Mr. Tiong said that a lot of SMEs work with a close system integrator or IT provider, but some also outsource and pay a fixed sum to a dedicated provider who can monitor and respond to their security. "It makes sense to get someone to handle everything for them."

However, an investment in employee awareness is a key aspect in cybersecurity solutions as criminals are targeting anyone with a device, according to Mr. Tiong.

Kaspersky has said that it currently receives an average of 400,000 new unique malicious

samples every day, from one new virus every second in 2011 and one every minute in 2006.

With limited resources, Kaspersky recommends that SMEs create a cybersecurity handbook, grant employees minimum access rights, use a secure password manager, and install antivirus software on corporate devices.

"Small business owners may think their companies are too insignificant to become a target for cybercriminals. There is a certain logic in that because attackers usually look for maximum profit with minimum effort," Mr. Tiong said.

"This sector is part of a bigger chain and like dominoes, if a single password stealer can enter a small enterprise's systems, consider the entire chain compromised," he added.

"As they grow up in their journey, there would be more investment you put in central resources to protect the company and monitor suspicious activity in real time."

"It still remains the same. It's a catch up game. Stay aware and ahead of it."

TYPES OF CYBERATTACKS

Mr. Tiong noted that phishing, ransomware, cryptojacking, and drive-by download attacks are common threats faced by SMEs, similar to those encountered by large enterprises.

Phishing involves the deceptive process of obtaining a user's credentials and confidential information. Through the use of social engineering techniques, fraudsters present themselves as legitimate providers or organizations, sometimes resorting to

intimidation to coerce recipients into revealing personal data.

Ransomware has taken a new form with the emergence of ransomware-as-a-service (RaaS), wherein criminal groups rent out the program to encrypt or block access to data and then demand ransom from the victim, as explained by Mr. Tiong.

According to Kaspersky's report, from 2015 to 2022, 58% of malware families offered as a service are ransomware. Notable families include Conti, REvil, LockBit, ClOp, and DarkSide.

Moreover, cryptojacking uses phishing or malware to gain hidden unauthorized access to a user's cryptowallet. "It compromises your devices and hijacks its bandwidth to do cryptomining," Mr. Tiong said.

In 2022, Kaspersky research found cryptojacking accounted for over 5% of attacks on internet-connected computers. In the same year, Kaspersky software detected nearly 30 million cryptojacking attempts aimed at business systems.

SMEs also contend with drive-by download attacks, which involve unintentionally downloading malicious programs onto a user's device. These attacks typically occur on seemingly safe websites and exploit security vulnerabilities within a system. A common tactic involves inserting a flash drive loaded with malware into the company's PC, according to Mr. Tiong.

"Employees need to be aware of these, in company or personal devices," he said. "The two key steps a company needs to do are invest in its people and invest in the technology."

Lower transaction fees crucial for small business digitalization — Enstack

TRANSACTION FEES for digital payment acceptance should be reduced to incentivize and expedite the digitalization of small- and medium-sized enterprises (SMEs), according to Enstack, a local e-commerce solutions provider.

"Digitalizing SMEs in the Philippines remains challenging due to high transaction fees and the cumbersome payment account setup processes," the company said in an e-mailed statement.

"Transaction fees, currently averaging 3% for person-to-merchant (P2M) payments, drive up operational costs and push small businesses towards less scalable person-to-person (P2P) payment methods," it added.

Enstack noted that the government acknowledges the necessity of aiding SMEs, as the digital economy contributed 9.4% to the gross domestic product, equivalent to P3 trillion in 2022.

The Philippine central bank aims to digitize 50% of retail payments to empower small businesses, foster economic growth, and bridge the digital gap in the Philippines, it said.

Enstack noted that reducing transaction fees can help SMEs expand their customer base.

At the same time, there is a need to simplify payment account setup. One solution, according to Enstack, is requiring an ID and proof of billing to start accepting debit and card payments. Online bank transfers and wallet payments can

be facilitated with an ID from the merchant, it noted.

Another suggestion is optimizing end-to-end digital payment tools. Manual processes can lead to inaccuracies in inventory and payment management, Enstack said.

"By providing practical solutions tailored to the unique challenges faced by SMEs, we aim to empower them to embrace the benefits of online commerce and maximize their growth potential," said Macy Castillo, Enstack's chief executive officer and co-founder.

Enstack is organizing its first Build-a-Biz competition to improve the adoption of digital sales strategies among SMEs.

The competition offers a cash prize of P1 million to the SME with the highest grossing sales completed through the Enstack app by yearend.

Businesses must register with the app by Oct. 31 and compete for the highest sales in any two-month period between July 1 and Dec. 31 this year to win the top prize.

The winner also gets to receive mentorship and brand exposure.

"During the contest, participants gain access to a dedicated support team, exclusive expert webinars, and the knowledge to navigate the digital landscape successfully. Our platform minimizes setup challenges, enabling a swift and effective store launch and checkout," Ms. Castillo said. —

Patricia B. Mirasol



TOWFIQ BARBHUIYA-UNSPASH

Eastern Communications, ePLDT tie up for connectivity solutions in data center

TELECOMMUNICATIONS company Eastern Communications has entered a partnership with ePLDT, Inc. to provide connectivity solutions to the latter's hyperscale data center in Laguna.

"ePLDT and Eastern Communications are aligned in a shared goal to advance the Philippines as a regional hyperscale hub. Through this partnership, we continue to foster hyper-collaboration within the telecommunications industry through VITRO Sta. Rosa," Victor S. Genuino, president and chief executive officer (CEO) of ePLDT, said in a media release.

ePLDT, the information and communications technology (ICT) arm of listed telco giant PLDT Inc., earlier announced a plan to construct its 11th data center — VITRO Sta. Rosa, which will sit on a five-hectare lot in Sta. Rosa, Laguna.

"This collaboration allows Eastern Communications to provide greater value to our customers by offering solutions for data redundancy addressing their disaster recovery needs. We have full confidence in ePLDT's capabilities, as we drive technological innovation and empower businesses in their digital transformation journey," Eastern Communications Co-Coordinator Aileen D. Regio said.

Eastern Communications said the partnership will also strengthen its operational capacity in disaster recovery by allowing it to add a redundancy system for its data services.

The country earlier issued the Philippine Digital Roadmap, which

is said to make the country a pioneer in digital transformation in Southeast Asia.

"One of the driving forces behind the country's digitalization is its progressive data center industry which has shown steady growth in recent years due to the rising demand for digital services and the government's efforts to attract business process outsourcing (BPO) and IT services," Eastern Communications said.

Eastern Communications equips businesses with cloud and data services to allow them to accommodate large-scale applications and secure storage.

Separately, PLDT together with its wireless subsidiary Smart Communications, Inc. are set to explore the use of artificial intelligence (AI) technology to capacitate network operations more efficiently and to boost customer experience.

"We cannot navigate the new world with an old map. Things are changing, technology is developing, and we need to leapfrog in terms of our plans and strategies," Alfredo S. Panlilio, PLDT and Smart president and CEO, said in a media release.

The company has been considering AI and how to utilize the technology to grow its business, Mr. Panlilio said, adding that the

company has been in a constant search for emerging technology considering that the industry is an ever-changing landscape.

"We have to think beyond what we are doing today and innovate. The challenge for us is finding the next big idea, and possible growth areas," he said.

"AI and machine learning enable us to have a more predictive — and later on, prescriptive — way of operating our network," Eric Santiago, network head of PLDT and Smart, said.

AI will allow the company to provide a better experience for its customers, Emmanuel C. Lorenzana, chief transformation and customer officer of PLDT, said.

"As this develops, we will see that even more complex and highly personalized interactions will be driven by AI. Another use case for AI is Customer Value Management or CVM, where we can push offers that are tailor-fit to our subscribers' needs," Mr. Lorenzana said.

Both PLDT and Smart have set their goal to explore other emerging technologies to help elevate the customer experience in line with the government's national digitalization ambition.

At the local bourse on Tuesday, shares in the company shed P18 or 1.5% to end at P1,182 apiece.

Hastings Holdings, Inc., a unit of PLDT Beneficial Trust Fund subsidiary MediaQuest Holdings, Inc., has a majority stake in *BusinessWorld* through the Philippine Star Group, which it controls. — **Ashley Erika O. Jose**



Experience the Joy of Car-Free Sundays at Ayala Avenue, Makati



The bustling Ayala Avenue transforms into a vibrant, pedestrian-friendly oasis on Sunday mornings as Ayala Land Inc. (ALI) announces Car-Free Sundays for the month of September.

As part of Ayala Land and Makati City's commitment to creating a healthier, more livable and family-friendly city, ALI announced that Ayala Avenue will be closed to vehicular traffic every Sunday morning from 6:00 to 10:00am throughout the month of September, starting on September 3.

Scheduled to coincide with the International Carless Day that happens during the same month, Car-Free Sundays at Ayala Avenue is an initiative by Ayala Land and Make It Makati with the support of the local government of Makati. It is a testament to their dedication towards promoting environmental sustainability and healthier lifestyle choices.

Residents and visitors alike are invited to come



experience Ayala Avenue as never before. Walk, run, cycle, or simply enjoy a leisurely stroll your family, friends, fur babies and even for some me time, down the expanse of the avenue without worrying about vehicular traffic and your safety.

The grand launch on September 3 (Sunday) is set to be an exciting event with a range of fitness and fun-filled activities to enhance the experience.

To kick off the event, the Adidas Runners Manila will lead a warm-up session. From seasoned runners to beginners, enthusiasts are invited to join in a 5k Run. Cyclists can also participate in the ceremonial bike ride after the run or just bike and enjoy the car-free road.

Various fitness sessions will also be part of the day's agenda. A relaxing yoga class at the scenic Ayala Triangle Gardens will be the perfect way to stretch and cool down after the run, or simply to enjoy a peaceful start to the day.

The best part? All planned activities are free for everyone to participate in.

Stay updated with all the details of the event by following the Facebook and Instagram account of Make It Makati. Experience how Ayala Avenue transforms into a pedestrian's paradise every Sunday of September. Come to Car-Free Sunday Mornings at Ayala Avenue — where we turn the road into your playground!