

Ride-hailing industry seen to help boost economy

THE RIDE-HAILING and on-demand delivery services industry is expected to make a notable contribution to the Philippine economy, analysts from the University of Asia and the Pacific (UA&P) said on Tuesday, citing a study on one of the service providers.

Gregorio Mabbagu, a professor at the UA&P-School of Management, said that for every peso spent on the Grab Philippines platform, an additional P3.42 is injected into the national economy.

"If you go home using Grab and it's let say P100, then you

just multiply it to P3.42, so in effect, you are contributing to the economy of about P342," he said during a briefing on Tuesday.

The result was among the key findings in the study conducted by the UA&P-Center for Research and Communications (CRC) titled "The Impact of Ride-Hailing and On-Demand Delivery Services on the Philippine Economy: A Focus on Grab Philippines."

The study, commissioned by a third-party consultancy firm, found that consumer patronage of Grab services accounts for 0.07 to 0.3% of the national gross domestic product.

From 2019 to 2021, Grab's total economic contribution ranged from P37 billion to P165.6 billion, according to the study.

The scope of the study was limited to key regions: National Capital Region, Central Luzon, Cebu, and Davao City. It also considered only the transport services, including four-wheel transport services and two-wheeled services for food and items.

Grab Philippines' business underwent assessment in terms of national multiplier output, national household income, and the national average of unemployed persons.

"The basis of a multiplier study rests on the assumption that an increase in spending translates into spillover increases in the performance of other sectors of the economy," the study said.

The multiplier output for Grab Philippines' services is higher compared to other heavy industries in the country, such as mining, according to the UA&P-CRC.

"We would say substantial as a tech company, especially when it comes to spurring a generation of income," Mr. Mabbagu said.

Meanwhile, a peso increase in spending on Grab Philippines' services generates an additional

P0.44 in the household income of employees and partners, accounting for 0.10-0.17% of the total family income from 2019 to 2021.

During the period covered in the study, the platform's services contributed to an equivalent of between P23.8 billion and P40.3 billion.

The Philippine economy grew by 5.6% in 2023, slower than the 7.6% expansion in 2022.

"The prospects of the industry would definitely be tied to,

among others, the increase in the buying power of households," Cid L. Terosa, an associate professor and senior economist at the UA&P said.

"The increase in buying power of households will definitely push the industry forward and

if you're looking at the better economic performance this year, I would say that the performance of ride-hailing and on-demand delivery services will also improve," he added. — **Sheldeen Joy Talavera**

FULL STORY



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DAY 1
MARCH 19, 2024
9:00 AM - 5:00 PM

KEYNOTE SPEAKER

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Women's Impact in Data,
Digital, and Technology



JANA MARLE-ZIZKOVA
CO-FOUNDER & CEO MEIRO
& SHELOVESDATA

SheFinTech: Pioneering Financial Transformation

SARA VENTURINA
Chief Data Officer
Gcash

DR. ADRIENNE HEINRICH
Head of AI Center of Excellence
Unionbank

MILA BEDRENETS
Chief Growth Hacker,
TONIK

SheCommerce: Redefining Online Retail

PAULINE CASTRO
Head of Traffic Strategy and
Product Operations,
Lazada

Queen of Tech

AMBE TIERRO
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Connecting the Archipelago: Women at the Forefront of AI

KD DIZON
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MARIA GRACE UY
President, Co-founder, and
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Converge ICT

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PLDT and Smart

Innovating Women's Healthcare & Social Media

**DR. CIALUJ TEZA AGBAYANI-CRUZ,
MD, FPOGS, FPSRM**
Obstetrician-Gynecologist and
Reproductive Medicine Specialist,
Bayer Philippines

InnovateHER Health

PAMELA LEE
Head of Marketing
KonsultaMD

DR. VICKY BELO
CEO and Medical Director
Belo Medical Group

Women in Forefront of AI

BIANCA CRUZ AZURIN
Co-Founder
TOXME ACADEMY

DAY 2
MARCH 20, 2024
1:00 PM - 5:00 PM

KEYNOTE SPEAKER

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Persist and Prevail in Tech



PATRICIA MULLES
DIRECTOR & GLOBAL
PARTNERSHIPS HEAD
SHE LOVES DATA

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GOLDA ROLDAN
CEO,
Wunderman Thompson
and VML Philippines

KAREENA MACLANG QUIMSON
Head of Corporate Marketing,
Samsung Electronics

Gaming and Web3: Woman in Next Tech

IVY GUTIERREZ
Lady Traders,
Global Miranda Miner Group

RAINE LA LUNA
Co-Founder
Filipinas NFT, Web3 Cebu &
Sphera Solutions

MYRTLE ANNE RAMOS
CEO,
Block Tides

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KATRINA RAUSA CHAN
Founding Executive Director,
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