Philippine Stock Exchange index (PSEi) 6,923.41 ▲ 25.87 PTS. ▲ 0.37%

MONDAY, SEPTEMBER 2, 2024 BusinessWorld

PSEi MEMBER STOCKS

AC	Ayala Corp.	P618.00	+P13.00	+2.15%
ACEN	ACEN Corp.	P5.50	+P0.06	+1.1%
AEV	Aboitiz Equity Ventures, Inc.	P33.20	——	
AGI	Alliance Global Group, Inc.	P9.00	-P0.08	-0.88%
ALI	Ayala Land, Inc.	P34.85	-P0.45	-1.27%
BDO	BDO Unibank, Inc.	P152.80	——	
BLOOM	Bloomberry Resorts Corp.	P7.96	+P0.09	+1.14%
BPI	Bank of the Philippine Islands	P126.00	+P1.30	+1.04%
CNPF	Century Pacific Food, Inc.	P36.20	-P0.45	-1.23%
CNVRG	Converge ICT Solutions, Inc.	P15.10	+P0.10	+0.67%
DMC	DMCI Holdings, Inc.	P11.68	-P0.02	-0.17%
EMI	Emperador, Inc.	P18.80	+P0.02	+0.11%
GLO	Globe Telecom, Inc.	P2,224.00	+P24.00	+1.09%
GTCAP	GT Capital Holdings, Inc.	P645.00	+P21.00	+3.37%
ICT	International Container Terminal Services, Inc.	P405.00	+P8.80	+2.22%
JFC	Jollibee Foods Corp.	P260.00	+P0.20	+0.08%
JGS	JG Summit Holdings, Inc.	P24.35	+P0.85	+3.62%
LTG	LT Group, Inc.	P10.18	-P0.04	-0.39%
MBT	Metropolitan Bank & Trust Co.	P73.85	+P0.35	+0.48%
MER	Manila Electric Co.	P415.00	-P10.20	-2.4%
MONDE	Monde Nissin Corp.	P9.46	+P0.01	+0.11%
NIKL	Nickel Asia Corp.	P3.34	-P0.03	-0.89%
PGOLD	Puregold Price Club, Inc.	P28.10	+P0.35	+1.26%
SCC	Semirara Mining and Power Corp.	P33.95	+P0.05	+0.15%
SM	SM Investments Corp.	P895.50	+P10.50	+1.19%
SMC	San Miguel Corp.	P97.20	-P1.80	-1.82%
SMPH	SM Prime Holdings, Inc.	P30.50	-P0.45	-1.45%
TEL	PLDT Inc.	P1,468.00	-P32.00	-2.13%
URC	Universal Robina Corp.	P91.10	+P0.10	+0.11%
WLCON	Wilcon Depot, Inc.	P18.14	-P0.66	-3.51%

SM group keen on more projects with government

THE SM group is keen to expand its involvement in government-led infrastructure projects, SM Engineering Design & Development Corp. President Hans T. Sy, Jr. said.

"We'd love to do more (projects) with the government because we're at the point where it's really partnership with the government that will truly help the country move forward," Mr. Sy, Jr. told reporters on the sidelines of an event last week.

In April, the Department of Transportation (DoTr) began construction on the EDSA Busway Concourse, a key infrastructure project designed to improve commuter access and efficiency.

This initiative is being developed in partnership with SM Prime Holdings, Inc., the property development arm of SM Investments Corp., which has interests in retail, property, banking, and tourism.

The SM group and the DoTr partnered to develop concourses along Epifanio de los Santos Avenue at three locations: SM Mall of Asia in Pasay, SM North EDSA in Quezon City, and SM Megamall in Mandaluyong.

SM Prime is involved in managing and developing various real estate projects, including shopping malls, residential, and commercial properties.

The project will feature a ticketing booth, automatic fare collection turnstiles, ramps, and elevators. Once finished, the project is expected to accommodate around 300,000 commuters daily.

"That is something to be excited about. That is a public-private partnership project with the DoTr," Mr. Sy noted.

"We plan to showcase exactly what we mean by sustainable transport. So, what we hope to showcase with the North EDSA bus station is an example of how it can be if done properly. So, look out for that. We should be finishing that by the end of this year," he said.

He added that the station at SM North EDSA is expected to be completed by the end of this year, while the SM Megamall station is scheduled for completion by mid-2025.

The SM group originally intended to complete the stations simultaneously. However, due to right-of-way issues, the completion will now be done in phases.

"Like a lot of government infra projects, (there are) some right-of-way issues. But, you know, that takes a while. Some things don't generally always pan out the way you want them to pan out," Mr. Sy said. — **A.E.O. Jose**

Converge says Bifrost cable system finished by Q1 2025

CONVERGE ICT Solutions, Inc. is on track to complete the construction of its international subsea fiber cable networks by next year, its chief operations officer (COO) said.

"We are on track for the Bifrost cable system; we'll have it by next year," Converge COO Jesus C. Romero told *BusinessWorld* on the sidelines of the National Retail Conference and Expo in Pasay City last week.

The Bifrost cable system is expected to be completed by the first quarter (Q1) of next year, and the Asia-Hainan-Hong Kong Express (SEA-H2X) Submarine Cable System is set for completion by the second quarter of 2025, Mr. Romero said.

In April, the listed fiber internet service provider said it was delaying the completion of its international subsea cable project to 2025, compared with the initial target of completing the project this year.

The company attributed this delay to permitting issues, especially since some of the project area will pass through international waters, the company previously said.

Bifrost is a transpacific cable system linking Singapore, Indonesia, the Philippines, Guam, and the west coast of the United States. It stretches 15,000 kilometers and boasts a design capacity of up to 15 terabits per second (Tbps).

The SEA-H2X is a 5,000-kilometer submarine cable system connecting Hong Kong SAR China, Hainan China, the Philippines, Thailand, Malaysia, and Singapore. It features a design capacity of 160 Tbps.

Converge said it is allocating the bulk of its P17 billion to P19 billion capital expenditure budget in 2024 for its subsea cable projects and data center development. — **Ashley Erika O. Jose**

ASC starts three-year countdown to 50 years of ad self-regulation

THE AD STANDARDS Council (ASC), a coalition of seven associations representing stakeholders in the advertising industry, will host a summit marking the three-year countdown to the 50th anniversary of advertising self-regulation in the country.

"The country's advertising industry embarks on a three-year series of events..., kicking off in 2024 with Patas na Patalastas: National Summit on Fair and Progressive Advertising Self-Regulation, which will take place on Sept. 4-5 at Makati Diamond Residences," ASC said in a statement on Monday.

"This summit endeavors to elevate the industry through self-regulation, and use the available tools of technology for good. As an industry, it is our responsibility to protect the Filipino consumer and to promote responsible advertising," said Bobby Barreiro, summit chairperson and ABS CBN Corp.'s chief partnership officer.

Advertising self-regulation is "a unique and profound exercise of creative freedom and discipline the industry wants to preserve and future-proof," the group said.

The ASC's trade sector members include the Association of Accredited Advertising Agencies of the Philippines, the Digital Marketing Association of the Philippines, the Kapisanan ng mga Brodkaster ng Pilipinas, the Media Specialists Association of the Philippines, the Philippine Association of National Advertisers, the United Print Media Group, and the Out-of-Home Advertising Agencies of the Philippines. — **Sheldeen Joy Talavera**

CEU board approves increase in number of directors

LISTED educational institution Centro Escolar University (CEU) has approved a plan to increase the number of its board of directors to strengthen corporate leadership.

Under the proposal, CEU's board will consist of ten directors from the previous nine, which in turn will increase the number of independent directors to three from two.

The proposal was approved during a meeting on Aug. 30.

"This proposal to change is related to the proposal to amend the bylaws. The purpose is to increase number of directors from nine to ten, so that the number of independent directors will be increased from two to three," CEU said in a regulatory filing on Monday.

"No foreseen adverse effect. As a matter of fact, the increase in number of independent directors (the ultimate goal for the amendment) is seen as favorable for corporate governance purposes," it added.

CEU said the proposal will be up for stockholders' approval during the annual stockholders' meeting on Oct. 25.

CEU offers training and development through its college and graduate courses, with specialization in the fields of dentistry, medical technology, nursing, education, optometry, nutrition, pharmacy, and business education. — **Revin Mikhael D. Ochave**

BW ONE-ON-ONE

Co-creation with influencers key to authentic brand messaging — Ogilvy

By Aubrey Rose A. Inosante
Reporter

PHILIPPINE BRANDS should leverage co-creation with influencers to deliver more authentic marketing messages, according to global marketing consultancy firm Ogilvy.

"The trap that many brands fall into is wanting creators to merely mouth their brand messages. There's no soul. It's not authentic. I think co-creation with creators is going to be very key," Emily Poon, president for Asia-Pacific at Ogilvy Public Relations, said in an interview with *BusinessWorld*.

Ms. Poon said that "co-create" means working closely with creators to reflect their authentic creative voices in brand campaigns, as they are already trusted by their followers.

This comes as brands aim to engage with the "creator economy," where 50 million content creators globally are expected to generate $500 billion by 2027.

"We have a lot of clients coming to us wanting social buzz, influence buzz, creative, creator-led campaigns," Ms. Poon said.

She noted that aside from macro celebrities, brands now collaborate with influencers with niche interests to create 30-second cutdowns to promote products or initiatives.

"Creating moments where people can talk about becomes viral. It means that we're linking social influence and commerce, and eventually, it results in conversion for the brand," she said.

However, Ms. Poon warned that creators sometimes attract controversy or become subject to cancel culture due to inappropriate current or past actions, which could derail a campaign.

"That's why we are launching this new offer called Influence Reputation, where we look at end-to-end management of influencers. We have tools in place, proprietary tools, to do thorough research," she said.

Ms. Poon also noted that the Philippine advertising industry is experiencing an exciting period due to recent innovations and shifts in how Generation Z engages with information.

She said this audience wants to align with brands that have values. "I like to think of it as three Cs: community causes, culture, and channels, i.e., the platforms they are on," she said.

For the Philippines, Ms. Poon mentioned a campaign called House of Healers with Mind You Mental Health Systems, which addresses mental health in the country, especially in the gaming community.

She said 3.6 million Filipinos suffer from mental health conditions, and 97.3% of them are gamers. In the game sector, professionals play as healer characters and offer consultations.

VIRTUAL AND AI INFLUENCERS

"The Philippines is very much our content hub. We produce a lot of content here for the world and the region, but Vietnam, in this case, is our virtual influencer hub. There is a lot of promise for virtual influencers, and it's a good complement to human influencers," Ms. Poon said.

Among these virtual ambassadors is Minah, Southeast Asia's first healthcare virtual influencer, launched by Ogilvy in Vietnam for the brand MSD. She educates the public on human papillomavirus, a common infection spread through sex.

"Sometimes it is considered a taboo topic to discuss openly, that's why a virtual influencer is so relevant, because at the end of the day, you're chatting with technology," she said.

However, Ms. Poon said that while virtual influencers show promise, they do not replace humans; they exist alongside human influencers and help address the limitations of human engagement.

Artificial intelligence (AI) influencers aim to solve problems such as time-consuming, one-on-one interactions, influencers going off-brand, celebrity scandals, rising geopolitical implications, and current engagements limited by contracting periods for personalities or celebrities, she added.

Minah is among the 200 virtual influencers globally owned by agencies. Ms. Poon mentioned that brands such as Ikea have partnered with Japan's first virtual model and social influencer, Imma.

Another virtual influencer is E.M., a collaborative product between Ogilvy T&A and animation and 3D studio Colory. She has her own social media accounts and collaborates with local brands.

EMILY POON

Ms. Poon likened the appeal of virtual influencers to "tamagotchi," where people resonated with the digital pet even though it is an inanimate object.

"Virtual influencers are very much like human influencers. To resonate with a community, you need to have like-minded interests and passions to relate to them," she said.

"Very often, don't forget, behind an AI influencer is still a human team. A virtual influencer will also stand for some causes."

For virtual influencers, it is important that we disclose. Ogilvy feels very strongly about this, so much so that with the launch of the AI Accountability Act globally, she said, adding that the firm would require brands it works with to publicly declare the use of any AI-generated influencer content.

She also mentioned an Ogilvy campaign for Mondelēz, the maker of Cadbury Dairy Milk chocolate, that featured Bollywood actor and film producer Shah Rukh Khan. His likeness was used to generate personalized advertisements for small businesses.

In the "Not Just a Cadbury Ad" campaign, the businesses were given the power to create their own versions of the advertisement, powered by a machine learning program to recreate the actor's face and voice and include the local store names in the ads.

"This was rolled out around 10 major cities in India. It's called AI-powered hyper-personalized ads," she said.

Besides her position at Ogilvy, she also sits on the AI Advisory Board for the Singapore Institute of Technology and the Industry Advisory Council for the Department of Communications and New Media at the National University of Singapore.

Ms. Poon, who has 20 years of experience in corporate reputation, integrated marketing, and strategic communication, said virtual influencers are not just a fad but show a lot of promise for the industry.

She earned a Bachelor of Business Management with double majors in marketing and law from Singapore Management University and eventually found her way into public relations.

"When I first joined, I didn't know what public relations was. But then when I helped companies and brands tell stories, I fell in love with storytelling," Ms. Poon said, noting Ogilvy was her second agency to work for.

During her 16-year tenure at Ogilvy, she became the youngest and first female head of the company, managing a team of 1,000 across 13 Asia-Pacific markets.

When asked about overseeing 13 markets, she highlighted the diversity of the Asia-Pacific region. "It comes down to empathy. It's essential to understand that there's no one-size-fits-all solution. One must be empathetic to the unique perspectives and needs of each market," she said.