

DTI eyes higher MSME funding after Marcos push in SONA

THE Department of Trade and Industry (DTI) is seeking more funding for micro, small and medium enterprises (MSMEs) after President Ferdinand R. Marcos, Jr.'s renewed call for stronger MSME support in his fourth State of the Nation Address (SONA).

"We are really trying to make sure that we give funding for microenterprises because they need to grow," Trade Secretary Ma. Cristina A. Roque said at a post-SONA discussion on Tuesday. "They cannot be left behind."

She noted that the agency through the Small Business Corp. (SB Corp.), could lend P10 billion to MSMEs.

"But we can go higher because first, the President mentioned that there's really a push for *pu-hunan* (capital)," she said. "So, he

can definitely give more funding... over and above what the SB Corp. has. And there will be an upcoming budget hearing, so of course we will ask for additional budget."

In his address on Monday, Mr. Marcos reaffirmed his administration's commitment to funding small entrepreneurs with low-interest, no-collateral loans.

"We continue to provide free training and capital so they can start their own businesses," he said in Filipino. "We will not stop until almost two-and-a-half million poor families are helped to establish their own small businesses."

Ms. Roque said DTI would prioritize sectors with high potential, including the creative industry and halal.

"We feel that that's one of our aces," she said, citing South Korea

as an example of how the creative industry could boost both tourism and trade.

"Another one is halal. That's also a sector that we need to push because of the potential \$4.5 trillion globally," she said. "We are ready because all we need is the certification, and we already have some funding for certification."

Ms. Roque said DTI is preparing to launch multiple halal-certifying bodies to give businesses more options.

On trade, she said the government is optimistic about concluding a framework for the Philippines-US reciprocal trade agreement by Aug. 1.

"There are no more talks unless something comes up," she said. "They're just polishing it...

But again, it is beyond our control. The ball is in the US court."

She described the 19% tariff as a positive outcome for the Philippines, given that the country only opened the automotive, pharmaceutical and medical equipment sectors.

She doesn't think the deal could affect imports from countries like Japan and India "because cars are still dependent on consumers' preference." "At least, we give the consumers a choice of which kind of medicine that they want," she added.

As for a broader free trade agreement, Ms. Roque said discussions are not yet under way. "For now, there are no talks. But maybe after we finish this negotiation, after we finish the tariff, then we can see where it goes."

— **Justine Irish D. Tabile**



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BXTRA PH

BeepXTRA targets more MSME partners in expansion push

BEEPXTRA Philippines, Inc. (bXTRA), a cloud-based platform that integrates loyalty, delivery and sustainability services, is looking to onboard more than 160 partner merchants each month as it scales its operations to support micro, small and medium enterprises (MSMEs) in the country.

"From the looks of it, from 75 [partner stores], we are aiming to onboard 160 stores and above per month," bXTRA President and Managing Director Jan Vincent P. Mercado told a news briefing last week.

The company, which positions itself as the Philippines' first unified digital ecosystem for commerce and sustainability, aims to break even on operating expenses this year.

"[Based on] our projection, for this year alone, we just want to break even for our operating expense," Mr. Mercado said.

BeepXTRA offers a digital platform that allows businesses — especially MSMEs — to set up online stores, provide customer rewards through a cashback loyalty system and access concierge delivery services through its *Pasuyo* feature.

"Other platforms offer pieces of the puzzle — we built the whole system," the company said.

Mr. Mercado said bXTRA enables merchants to reward customers directly using their own loyalty programs. "We provide the system, and it's really a store system. The stores are the ones who give cashback for as little as 2.5%," he added.

The platform supports in-store, online and delivery transactions and offers free delivery for orders within a 10-kilometer radius. A key part of bXTRA's strategy this year is integrating both large and small businesses within its ecosystem.

"Those large businesses already have a customer base," he said on the sidelines of the event. "So, that can help support MSMEs because our system is an ecosystem."

Within that system, bigger enterprises are linked to smaller firms to foster mutual support and shared customer reach. "The cashback does not go out of the system... It can only be used by merchant members within [bXTRA's] ecosystem," said Jonathan Mangundayao, bXTRA's legal and corporate secretary.

Cashback programs have gained popularity in the Philippines alongside the growth of e-commerce and digital payment platforms, especially as consumers seek savings amid rising costs.

In line with its commitment to sustainability, bXTRA also runs the Trash-to-Cashback initiative, which rewards

users for recycling household waste. Operated on a separate platform, the program is supported through a partnership with Basic Environmental Systems & Technologies, Inc.

"So, whatever gets collected gets brought there to be sorted, prepared, packed and then sent to recycling companies to be recycled," Mr. Mercado said.

Under this initiative, consumers earn environmental points for their recyclables, which are then converted into cashback credits. The program operates through 160 collection centers and three warehouses nationwide.

With both digital and environmental components, bXTRA aims to redefine how Filipino consumers and businesses interact with e-commerce, rewards and sustainability on a single platform. — **Beatriz Marie D. Cruz**

AI adoption boosting growth in PHL IT-BPM sector — Concentrix

THE PHILIPPINE information technology-business process management (IT-BPM) sector continues to grow, supported by increased adoption of artificial intelligence (AI) to help workers adapt to evolving job roles, according to Concentrix Philippines.

"With all the other use cases — like revenue generation and reducing churn — we are continuously transforming our contact centers into profit centers rather than cost centers, and that is driving significant growth for the industry," Amit Jagga, executive vice-president and chief business officer of Concentrix Philippines, said during a media roundtable on Tuesday.

Mr. Jagga said this aligns with the roadmaps of the IT & Business Process Association of the Philippines and the Contact Center Association of the Philippines, which expect at least 5% in revenue growth this year.

"One thing that's for sure is a lot of simple work is moving away, and new complex work is coming in, which means



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CONCENTRIX OFFICIALS address the media during a roundtable held at Bridgetowne, Quezon City on July 29.

there is a lot of reskilling and upskilling that is required for the workforce," Mr. Jagga added.

On Tuesday, Concentrix unveiled iX Hero, an AI-powered application that automates advisor performance to ensure better customer experience (CX) delivery.

Its AI-driven features include automatic conversation transcription, knowledge apps that find and surface ready-to-use answers to customer inquiries, noise cancellation, and speech harmonization.

The company also cited its Harmony feature, which fine-tunes employees' pronunciation while maintaining a natu-

ral and authentic voice. This has been piloted in the language assessment portion of Concentrix Philippines.

"Having the Harmony feature in iX Hero is a perfect example of how AI helps provide access to employment and greater job inclusivity for many Filipinos," Mr. Jagga added.

Based on pilot tests, iX Hero also ensures a 22% reduction in average handling time, and boosts customer satisfaction score by 13.5%, Concentrix said.

Users also saw a 30% improvement in communication, particularly in advisor speech clarity, language proficiency, and non-verbal skills.

iX Hero would benefit workers who struggle to progress through hiring processes due to language barriers, said Larah Diaz-Sta. Maria, Concentrix vice-president for transformation and delivery shared services.

"The way that iX Hero is designed, it's meant to put together everything that the agents or advisors need — from performance coaching, analytics to understanding how the call went, and support with practice and improving their skills," she told the briefing.

"All of that is meant to help them become even more confident that they are able to complete resolutions faster, and they're able to execute their jobs with a lot less stress." — **Beatriz Marie D. Cruz**

PLDT's Smart says it is moving forward with network upgrade

PLDT INC., through its wireless unit Smart Communications, Inc., said it had tested optical transport network disaggregation technology to enhance its network performance.

"PLDT and Smart have long been exploring open and disaggregated architectures to modernize their network infrastructure. This strategic direction also aligns with previous initiatives," Smart said in a media release on Tuesday.

The telecommunications company described the test as key to transforming its network into a more open and flexible one, allowing it to upgrade its network performance and increase its operational efficiency.

Smart said network disaggregation allows telecommunications companies to choose vendors for software and hardware separately, resulting in interoperable hardware and software from multiple suppliers, whereas traditional and vertically integrated networks relied on a single vendor.

"It also ushers in a competitive ecosystem with more options that can reduce costs and accelerate service delivery," the company said.

Radames Vittorio B. Zalameda, Smart vice-president and head of wireless network strategy and architecture, said this approach will improve service delivery and also set a foundation for long-term transformation.

"By virtualizing and decoupling transport functions from proprietary hardware, we are building a more agile, scalable backbone... Our lab tests confirm that disaggregated solutions are now reaching operational readiness," Mr. Zalameda said.

At the local bourse on Tuesday, shares of PLDT closed unchanged at P1,290 apiece.

Smart is the wireless unit of PLDT Inc. 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**

Robinsons Retail Q2 profit drops on higher interest expenses

GOKONGWEI-LED Robinsons Retail Holdings, Inc. (RRHI) said its attributable net income for the second quarter fell by 13.2% to P1.5 billion from P1.72 billion a year earlier due to higher interest expenses and losses from minority investments.

"Net income attributable to equity holders of the parent company was lower by 13.2% to P1.5 billion in the second quarter, driven by higher equitized losses from minority investments, and an uptick in interest expenses given increased borrowings," RRHI said in a statement on Tuesday.

Consolidated net sales for April to June rose by 5.9% to P50.66 billion from P47.82 billion in the same period last year, due to election- and back-to-school-related spending as well as slower inflation. Blended same store sales growth (SSSG) reached 4.8%.

"Notable business drivers for the quarter were the food, drugstore, and department store formats," RRHI said.

Core earnings grew by 3.9% to P1.52 billion, led by higher revenue growth and improved operating efficiencies.

For the first half, RRHI said its attributable net income fell by 66.9% to P2.25 billion from P6.8 billion in the previous year due to a one-time gain from the merger between Bank of the Philippine Islands and Robinsons Bank Corp., which was booked in early 2024.

Consolidated net sales rose by 5.1% to P98.48 billion, as blended SSSG reached 3.9%. Core earnings likewise improved by 4.3% to P2.76 billion.

"The sustained recovery in basket sizes, along with our continued focus on improving assortment has enabled us to accelerate growth and exceed our full-year SSSG target



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in the second quarter," RRHI President and Chief Executive Officer Stanley C. Co said.

"We intend to build on this momentum by further expanding our store network and driving operational efficiencies in the coming months," Mr. Co added.

As of end-June, RRHI had 2,471 stores, consisting of 763 food stores, 1,145 drugstores, 51 department stores, 228 DIY stores, and 284 specialty stores. The company also had 2,116 franchised TGP stores.

RRHI, through its subsidiary Robinsons Supermarket Corp., recently announced that it is entering the motorcycle dealership business through the acquisition of Premiumbikes Corp. from Lance Y. Gokongwei for P146.4 million.

Premiumbikes, which had 214 stores nationwide as of end-June, sells motorcycle brands such as Honda, Yamaha, Suzuki, Kawasaki, Kymco, and TVS.

RRHI shares fell by 1.52% or 60 centavos to P39 apiece on Tuesday. — **Revin Mikhael D. Ochave**