



**ADR Institute**  
**Digital Readiness PH**  
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**Booey Bonifacio**  
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# Digital transformation is about building a new future, not returning to pre-Covid normal

## Spurring sustainable economic recovery

- How do we contribute to a coherent national agenda for digital transformation?
- How do we ensure partnership with government and across industries to make this happen?

## Ensuring shared growth

- How do we ensure the drivers of economic growth are working for everyone?
- How will digital transformation impact the most vulnerable?

Public-Private collaboration must underpin digital transformation: working together for building digital infrastructure, empowering economic actors and getting regulation right

# Tech for Good Institute: upcoming nonprofit initiative on tech and society in Southeast Asia

A new platform to bridge policymaking and technology by:

- Establishing common ground on the impact of technology in the region
- Support action oriented insights on how tech can address social challenges

## Areas of focus

- Platform Economies
- Future of Work
- Digital Finance
- MSMEs and rural businesses

## Types of engagement

- Annual Dialogue
- Conversations/Op-eds
- Research publications
- Education programmes

# TFGI's launch research piece examines how platform companies can help transform SEA's economy

## Key stats on SEA

Southeast Asia has the foundations for a vibrant Platform Economy...

**7 in 10**

SEA-6 population aged 15+ had **used at least 1 O2O service** in past 12 months

**1 in 5**

MSMEs **are on e-commerce platforms**, of which **half have increased their share of revenues** from Platforms vs. 1-2 years ago

... with Platforms having a positive impact on MSMEs and consumers

**80%**

MSMEs agree they need to use **Platforms to succeed in the future**

**78%**

Consumers agree that Platforms have had a **positive influence on their quality of life**

Opportunity exists to unlock further potential in the Platform Economy

**8%**

**Online food and e-commerce sales**, as % of total food and retail sales

**25%**

Consumers using **three or more O2O services**

# This piece examines the drivers of the Philippines' economy of tomorrow

- **Internet inequality exists** within and between urban and rural regions
- However, an encouraging observation is that among mobile internet subscribers, 2 in 3 (or 33% of population) have and use a mobile wallet

## Digital infrastructure

Mobile internet subscribers: **48%**  
Mobile wallet users: **33%**

## Physical infrastructure

Same-day delivery: **16%**  
Mobile internet download speed: **38th percentile**

- **Disparity in access to same-day delivery among cities and municipalities** for faster “offline” delivery in an O2O platform economy
- With mobile download speed at 38<sup>th</sup> percentile, improvements needed for a good user experience of digital products and services

- MSMEs with online presence have good progress in shifting sales channel mix
- Online sales in the US\$111B of food and retail sector made up only 3% of total sales
- **Help MSMEs transform digitally to have an online presence**

## MSMEs

Online food and e-commerce Net Merchandise Value: **3%**  
MSME sales from O2O platforms: **66%**

## Consumers

Digital consumers\*: **74%**  
Consumers using three and more O2O services: **25%**

- Strong start in consumers participation with 74% having purchased online in last 12 months
- However, only 1 in 4 consumers has a more immersive experience in the O2O platform economy



# Digitalizing PH MSMEs

Helping food businesses and micro entrepreneurs adapt to a **digital-first economy** and unlock its many unique benefits

Providing merchant-partners with **timely** and **meaningful** solutions

Helping merchant-partners **grow** and **succeed** amidst challenging market conditions

An average of

**1M+**

Consumers supporting SMBs on a monthly basis (based on 2021 YTD)

Small and medium businesses saw

**134%**

Growth in transactions on Grab platform based on Jul 2021 vs Jan 2020

*Source: Grab PH Market Insights data*



# Filipinos have been spending more on breakfast

+35% growth vs 2019!



## Most important meal

Filipinos do not skip breakfast! Not wanting to spend a lot of time, people choose meals that are easy to eat and clean up.



## Tea or coffee?

Filipinos love to start their day with coffee. **Top beverages** ordered on GrabFood include **iced coffee and caramel macchiato**. Consider having a bundle with a drink.



## PHP 145-147

Average budget for breakfast



## Early risers!

Breakfast orders start around 7am, and peak from 9-10am.



## What is trending?

They also like a mix of American breakfast items, fried food, and carb-loaded meals like spaghetti or fried rice.

# SEA Platforms' responsibility

Platforms must hold themselves to high standards for their role in the Platform Economy

## Platform behavior

## What it means

## Examples

### Increase transparency, be accountable and co-create solutions

Be authentic, transparent, and collaborative with **Policymakers** in a manner that deepens understanding of Platform's business and Platform Economy

Co-create regulations, policies and initiatives that amplify Platform benefits, while delivering on commitments

Mobile payment platform offered a cash disbursement system for government aid to reach users more quickly and partnered with tax agencies to support contactless tax filing and payment

### Invest in Platform Ecosystem building

Enhance access and guide **MSMEs and Consumers** towards using Platforms services safely and responsibly while benefiting from the experience

Upskill **Workers** for longer-term career advancements

E-commerce platform developed a credit score for MSMEs which enabled access to capital loans to grow their online shops

E-commerce platform also encouraged users interested in upskilling to apply for its digital training program that included mentoring

### Promote Platform users' interests

Build trust and enhance security for **users** e.g., data protection. Engage in healthy and fair competition with other **Platforms** to create better user experience e.g., data interoperability

Global financial services company developed a set of data responsibility principles on its commitment to data security

### ESG responsibility

Create long-term **Environmental** value and social outcomes in **Communities**, independent of profit objectives

Multi-service platform which is working towards carbon neutrality by accelerating transition to electric vehicles for drivers