

# **SIGNED, SEALED, DELIVERED: The E-commerce Industry and Delivery Couriers' Brand Impact in the Philippines**

# Delivering The Latest Trends

This report will provide readers an understanding of what were the trending topics for the ecommerce industry. Specifically, the growing courier service industry here in the Philippines and at the end, translating said trends into actionable insights.

In terms of **media type**, this report includes materials from Twitter and Facebook. Data used in this study was also taken from various sources such as Isentia's Workbench and Socialblade

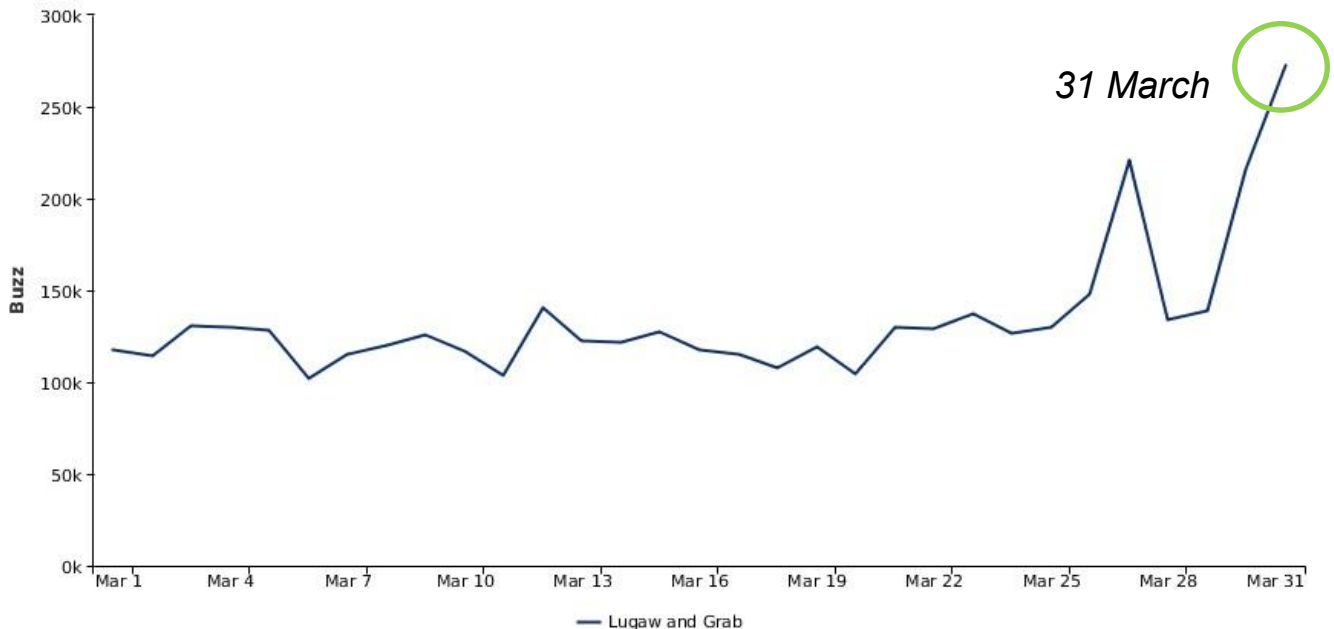
The date range for this study is the month of March 2021.



# Stay Essential: 'Rice' To The Occasion

On 31 March 2021, a GrabFood driver was confronted by a law enforcer for delivering *lugaw*, a local rice porridge meal that the latter deemed as non-essential, following the Department of Health's Inter-Agency Task Force (IATF) guidelines for the community quarantine. This was dubbed as the '**lugaw incident**' by social media users. It was caught on video and since then, it has gone viral.

The incident was the headline of almost every mainstream and social media news outlet. This prompted Presidential Spokesperson **Harry Roque** and Department of Interior and Local Government (DILG) Undersecretary **Epimaco Densing III** to clarify IATF guidelines.



*Data from Isentia's workbench. According to Isentia data, there has been **4,164,685 Buzz on the keywords "Grab" and "Lugaw" on 31 March, 2021.***

Garnering considerable traction, GrabFood capitalised on this trend by releasing a promo that uses the code **“LUGAWISESENTIAL”**, generously applying no delivery charges off of their GrabFood orders.



*Grab Philippines has used the incident as an opportunity to promote their brand by giving users the promo code “LUGAWISESENTIAL”*

To further establish the gravity of this incident, local comedian Michael V. uploaded a song parody of *Torpedo*, while incorporating the *lugaw* incident. The video garnered **263,000 views with over 21,000 likes** in just a fortnight.



*Thumbnails of Filipino comedian Michael V's parody cover*



# Discounts! Get Your Discounts Here!

*With a fine printed catch*

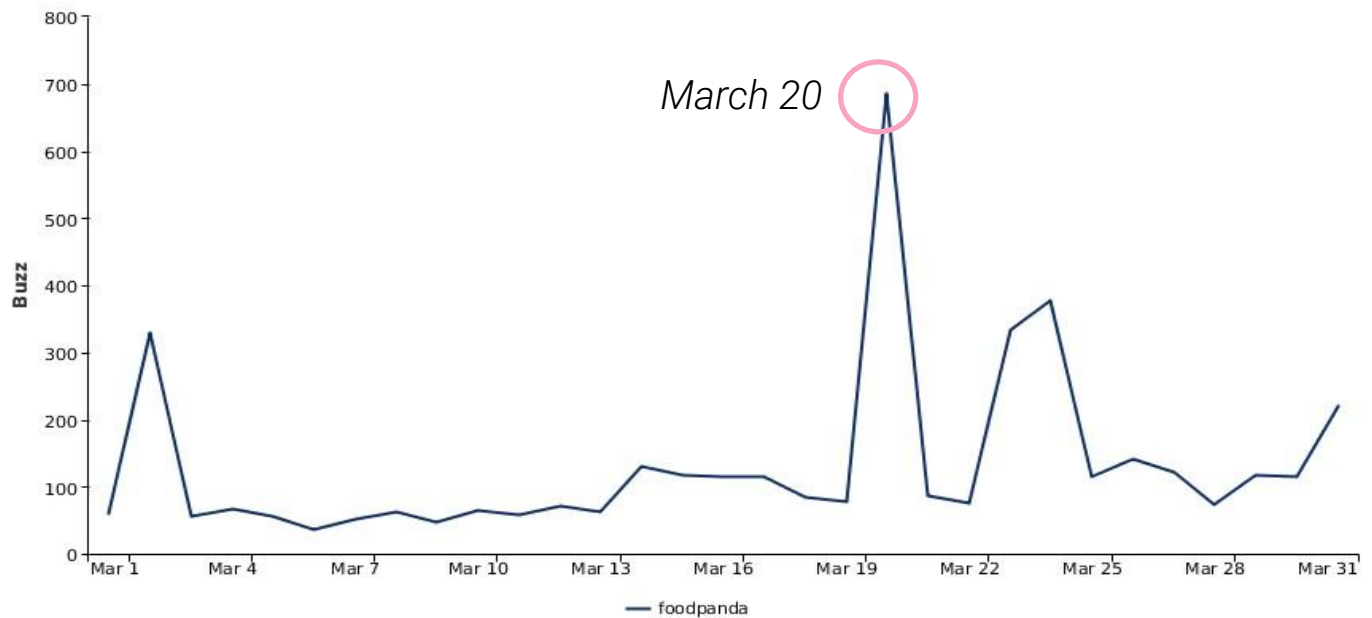
Popular food delivery app Foodpanda also garnered significant social buzz. A conversation driver for Foodpanda was their collaboration with fast food giant McDonald's giving users **50% off** of their food purchases on 18 March 2021. Although, some were unhappy being misled by the endearing headline and not knowing that the maximum discount was **PHP75** only – as indicated by its very small font relative to its headline.



*Foodpanda's post which promotes the said food discount in collaboration with fast food giant McDonald's. There is a small disclaimer text under the discount rate.*



# Performance Buzz: Peaks On The Panda



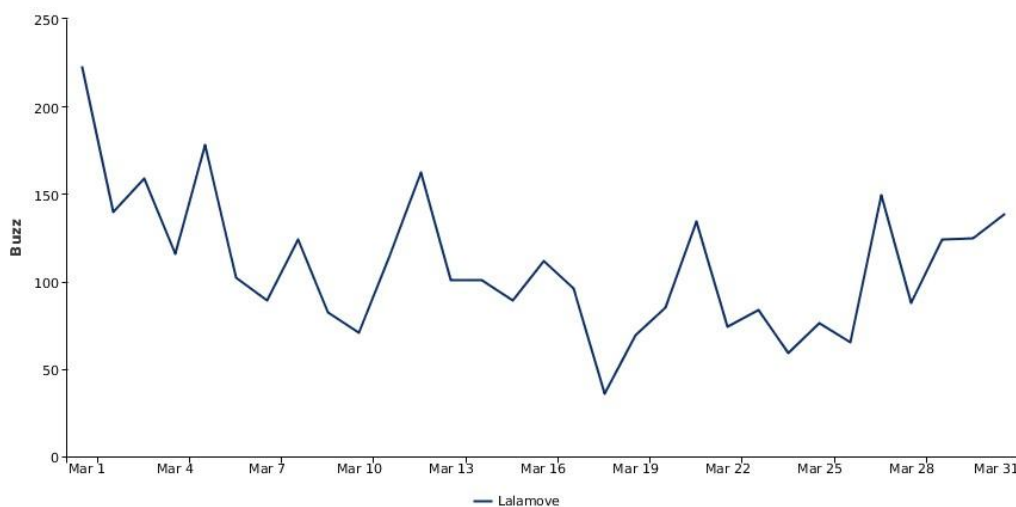
Data from Isentia's workbench. According to Isentia data, there was **5,176 Buzz** on the keywords "Foodpanda" and "food panda" on 20 March 2021.





# Star Recognition Or Resignation?

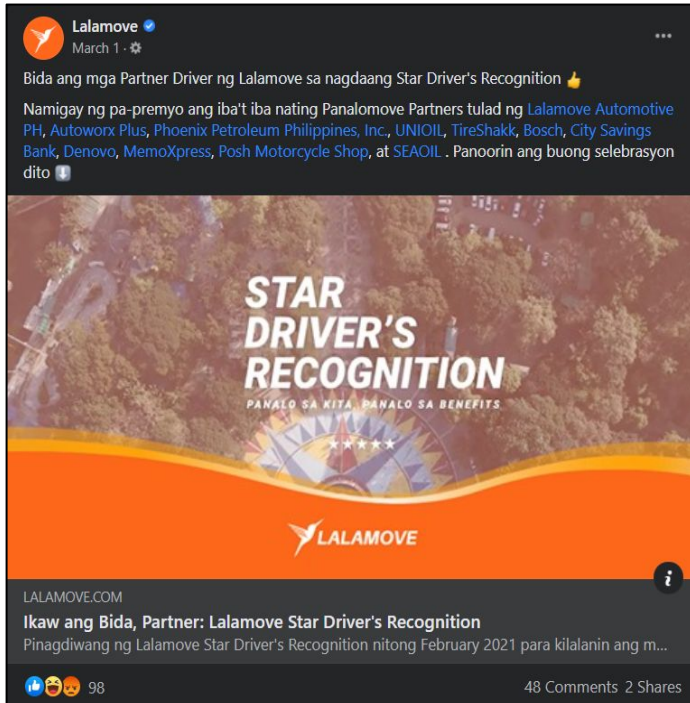
Lalamove is big on **highlighting its employees** - with posts such as Star Recognition, highlighting its workers for their exemplary work despite the pandemic. Still, netizens expressed their dismay towards the company over the **low rates and incentives** that their employees receive. A Facebook page named “Lalamove Riders Group” is full of these types of sentiments. With over **18,000 members**, it serves as a space for Lalamove riders to share and exchange information regarding company updates and also their own experiences as a driver for Lalamove.



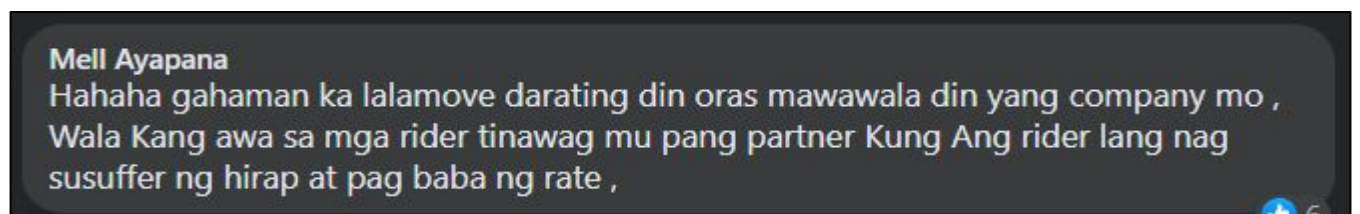
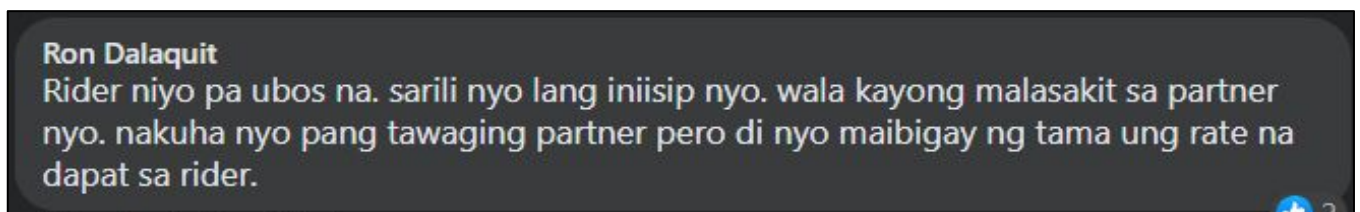
*Data from Isentia's workbench. According to Isentia data, there has been a total of **3,365 Buzz on the keyword 'Lalamove'** for March 2021.*



# Star Recognition Or Resignation?



*Posts from Lalamove's Facebook page showcasing their riders*

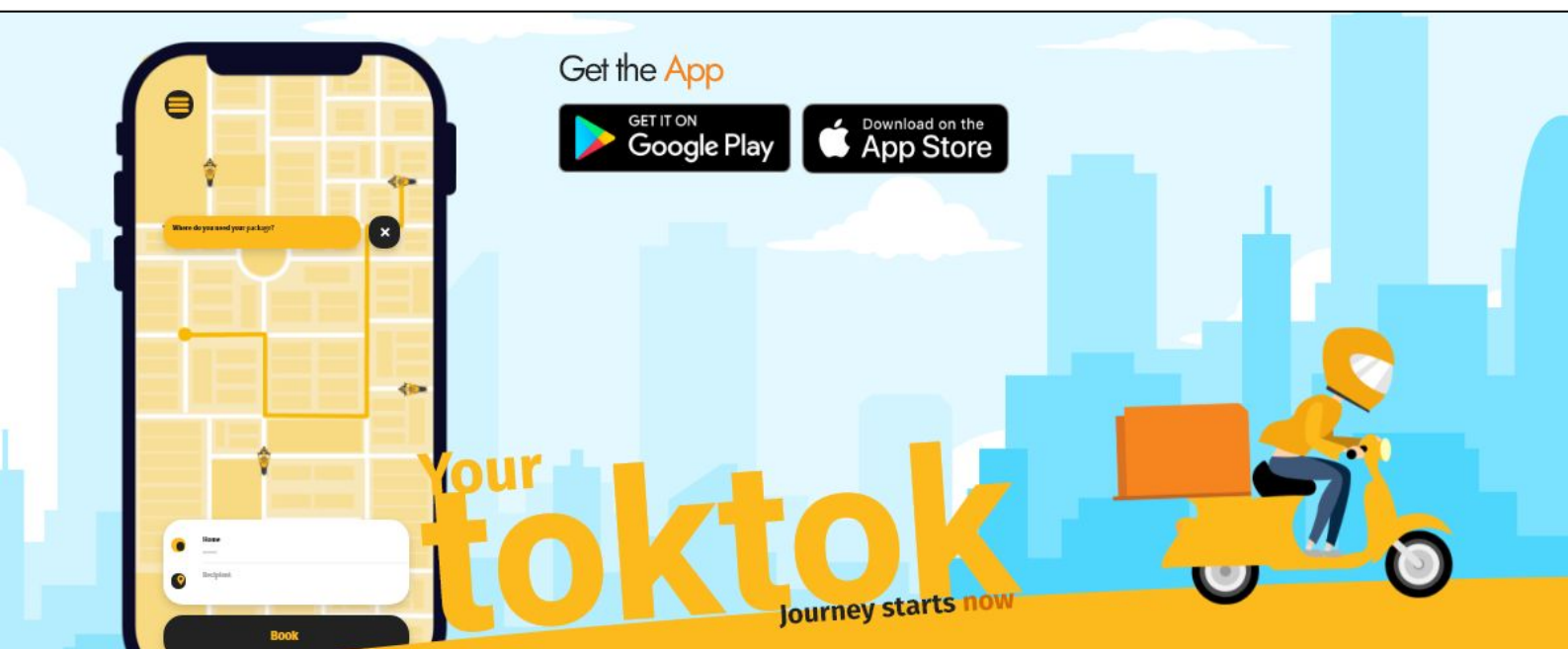
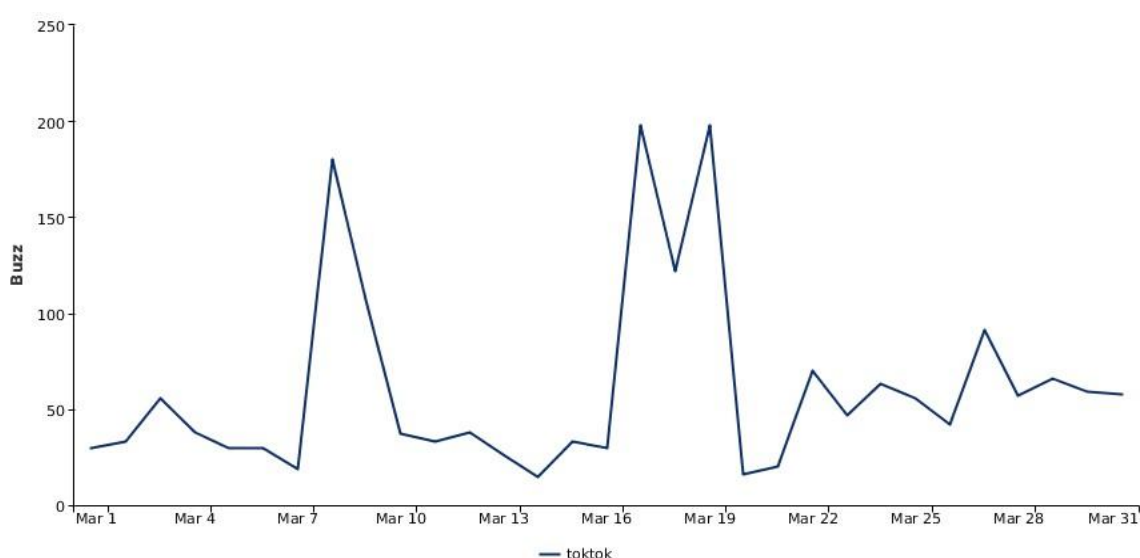


*Some comments from members of the Lalamove Riders Group expressing their dismay on the unfair rates for Lalamove's riders.*



# Toktok On Your Doorstep: New Gamechanger?

Toktok is a new industry player, an express courier service in the Philippines. What is different about Toktok from its competitors is that it is the first delivery service that offers **online franchising**. For as low as **PHP 16,888**, you can be a Toktok operator. With ads suggesting that you can earn up to **PHP 60,000** a month, it is no wonder why app downloads reached **153,644** within just four months from its launch. According to Isentia data, there was a total of **1,898 social buzz on Toktok in March 2021**.

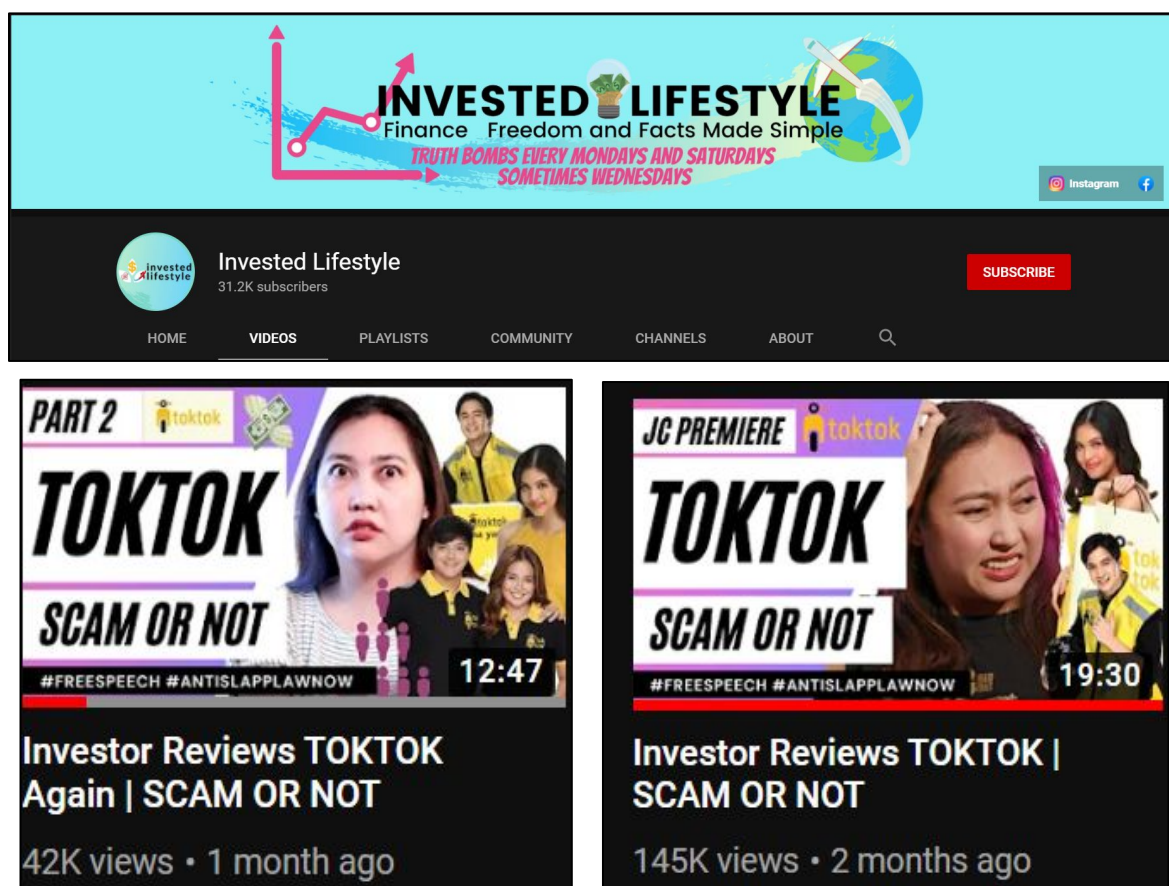


# Hyped Much? : Is Toktok Not Walking the Talk?

A YouTuber that goes by the name **Invested Lifestyle**, who primarily makes content about investments and finances, made two videos about Toktok questioning its legitimacy. With the total views of the video reaching almost **200,000**, it became her most popular video on her channel. On her video she pointed out that there are **three red flags** that might suggest that Toktok operates on a Multi-Level Marketing (MLM) scheme.

These points are:

- **Extravagant claims, as suggested by their ads.**
- **More focused on recruitment and downlining.**
- **You need to buy products to qualify for incentives.**



*Thumbnails from videos related to Toktok in Invested Lifestyle's YouTube account*

# Celebrities Galore: TokTok Stirs The Buzz

An article made in January about Toktok highlighted the courier service's operations and how one can truly profit from either being an online franchisee, a recruiter, or an operator.

- As an online franchisee

You can become one after purchasing their toktok online franchise for

**PHP 17,888 + PHP 5,000** worth of load credit. You are now entitled to 3% of delivery fees.

- As a recruiter

For every successful referral you have, you earn **PHP5,000**.

- As an operator

Aside from 3% commission, you will also get 7% of the successful deliveries your riders make as an operator.

## Is Toktok Online Franchise a Real Franchise?

We don't agree with the term used by Tiktok. It's hard to call it a franchise when all you must do after paying Php17,888.00 is just share your affiliate link.



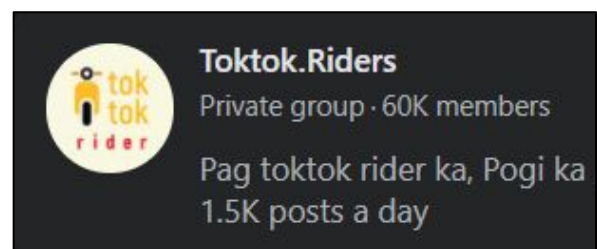
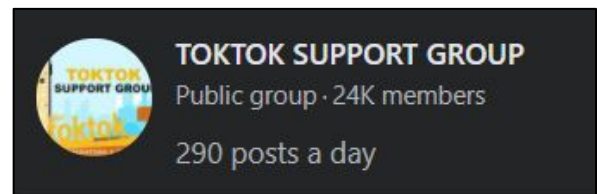
Ad featuring top-billed Filipino celebrities. The caption 'KakaTOK na nationwide' serves as a word play for Toktok and the Filipino word for knock, 'katok'



# Is There an “Oversaturation” of Instant Delivery Services in the Market?



With how oversaturated the delivery service industry is right now, Toktok riders are **having a hard time getting booked for its services as well as operators having a hard time finding riders.**



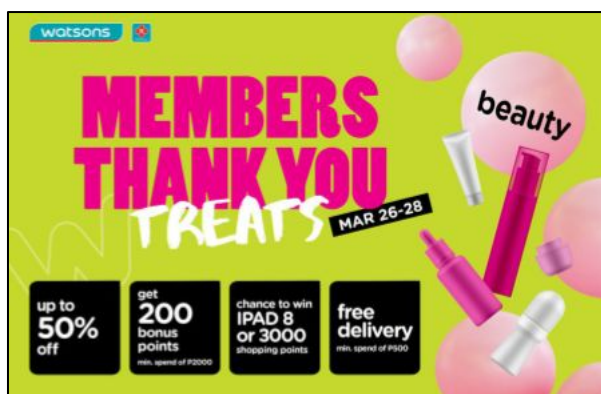
*A Facebook Group for Toktok riders and users*

Facebook pages for Toktok riders and operators are full of complaints like these. These sentiments were so rampant that moderators of the public Facebook group had to censor complaints and redirect them to another Facebook group that is private.

# Thank You, Next: What Will We Get From This?

## PARTNER WITH THRIVING INDUSTRIES DURING THIS PANDEMIC

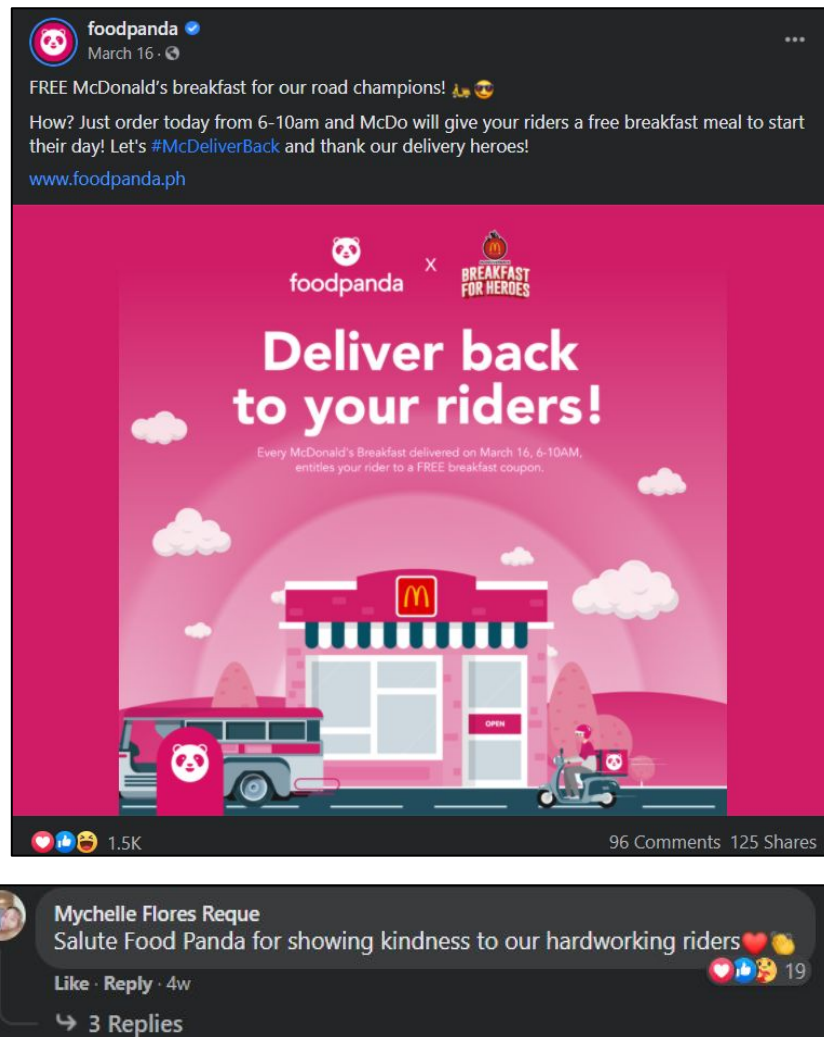
Other than food, beauty and health essentials are still in demand and it makes sense if they would now allow deliveries of these items. Take the drugstore chain Watsons for example. Exclusive deals and discounts on their products were conversation drivers for the month of March and people showed interest. Consider partnering up with industries that are still doing well during this pandemic. **Be their designated couriers for their deliveries.**



# “Ride Or Die “: No Riders, No Business

## TREAT YOUR EMPLOYEES WELL

With online retailing projected to grow 25% by the end of 2021 (via *Grit.ph*), delivery riders are now more in demand despite the dangers of going outside in this pandemic. **They are essential workers and netizens are keen to news about them. Tread carefully.** Remember that these employees are not restricted to voice out their complaints to just you and the company. They also have social media accounts wherein their voice will always reflect the businesses they keep afloat. With **proper compensation, recognition, and incentives**, these riders will less likely complain about your company which in effect will protect the image of your brand.





# For Real: Big Discounts? It's A Prank!

## SPILL THE BEANS: AVOID MISLEADING THE PUBLIC

Following the Foodpanda x McDonalds 50% off promo, netizens were quick to voice out their disappointment over the misleading headline that food purchases from McDonalds via Foodpanda are 50% off – only to later discover that the maximum discount for the purchase is capped at PHP75. In comparison to just headlining “**PHP75 off of your food purchase**” consumers will still see this as a win and will prompt a more positive feedback rather than complaints from being misled.

**People are always on the lookout for vouchers and any discount is a good discount.**



*Facebook comments reacting to the misleading promotion by FoodPanda and McDonald's*

# Grab The Bull By The Horns: Tip Mishaps To Your Favour

## CAPITALISE ON NEWS RELATING TO YOUR BRAND

People love having a common enemy and the *lugaw* incident is the best example for the month of March. With almost over 4 million buzz in less than a month, it was the highlight for the month of March. GrabFood taking advantage of the situation was a smart marketing move. Majority of the feedback towards the brand were very positive and many applauded GrabFood for having the rider's back. With over thousands of deliveries made in a day, issues and incidents will occur. **Consider giving your drivers bodycams or any recording device that they can use while on duty.** Not only will this help in capturing said incidents, this can also ease resolving scamming issues and other fraudulent activities from either the rider or the buyer's end.

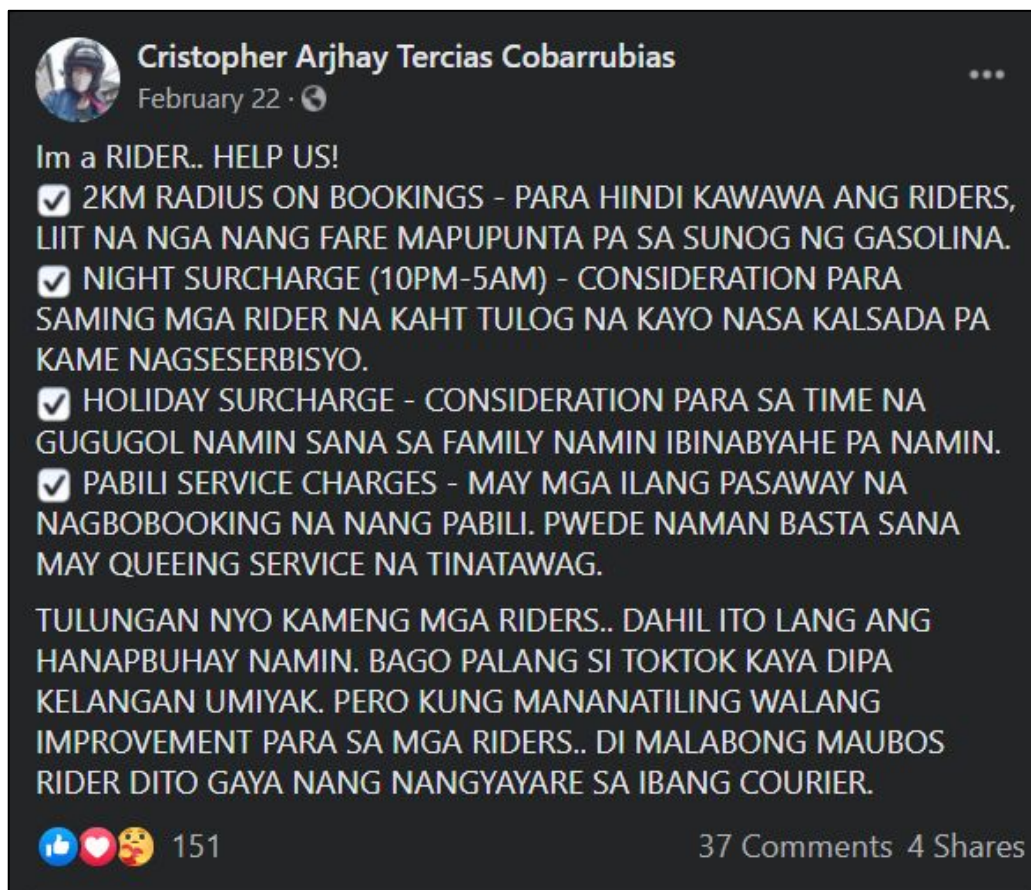


*Grab Philippines has used the lugaw incident as an opportunity to promote their brand by giving users the promo code "LUGAWISESENTIAL"*

# Looking Through The Lens: The Next Steps

## LISTEN TO FEEDBACK AND COMPLAINTS

Public Facebook pages about your company that serve as a public forum are readily available for you to read. **Your employees are your best critic** and some of them are members of those public pages. Especially for a new company like Toktok, they will need as much input as they can get. Suggestions, recommendations, and even complaints are present in these pages. Brands should look into these and incorporate inputs if possible.



*Sentiment from a Facebook user, asking for support from other Facebook users and suggesting fairer compensation for riders*



# Make Your Move: Play To Your Strengths

## SPONSOR, DON'T RECRUIT

The damage has already been done and you have already established how your operations work as a company. MLMs get a bad rep for “using” others as a way of success but there are legitimate MLMs that are genuine in their purpose to help others. Look at it from another perspective, you as an operator/recruiter is being rewarded for helping others succeed.

Toktok is built upon the gimmick of being the first delivery service that is also available for franchising (*unlike other MLMs that sell supplements with no therapeutic claims*), which is great. They already established their difference from other competitors in an oversaturated market. **Commit to that advantage.** Direct selling is best if you truly believe in the product or service you are selling. **Be honest with your potential recruits and make sure they understand everything before committing.**



# What Our Insights Leaders In The Philippines Say



**Francis Angelo Calucin**, Insights Analyst, Philippines

"To fetch your new shirt you just bought online, to give you your food that you've been craving all weekend. Delivery services are now needed more than ever. But what delivery service should you avail? This trendspotting report incorporates the inputs of all consumers and translating them not just into actionable insights that brands can use, but also into informed decisions consumers can make when choosing which delivery courier is best for them."

---

**Rowelyn Bigayan**, Insights Analyst, Philippines

"On top of health concerns, brands have shifted towards a more digital aspect so customers can buy their products from the convenience and safety of their homes amidst the pandemic. In spite of contact restrictions and lockdown regulations, companies were able to continue operation and provide jobs, while adapting to the new normal. The use of trendspotting studies will highlight how brands can leverage the potential of digital transformation and optimize conversations to understand and cater to the needs of the public."



# What Our Insights Leaders In The Philippines Say



**Kate Dudang**, Insights Manager, Philippines

"Ecommerce is one of the industries that has been catapulted at the forefront of retail by the pandemic. With a lot of chatter surrounding the industry, it is important to be on the know regarding the relevant conversations that have resonated well with the digital public. Trendspotting reports like this peek into significant discussion points where actionable insights are drawn to help brands better connect with their intended audience."

---

**Victoria Bernadette Lazo**, Insights Manager, Philippines

"Since the pandemic, the ecommerce and logistics industries have boomed. Alongside tighter community quarantine guidelines in the country, more people realize the convenience of having things delivered to their doorstep. Now, more than ever, is the right time for ecommerce companies to listen in on the buzz surrounding their industry. On top of listening, these companies need to look for ways to make the conversations work in their favor. Trendspotting reports like this do just that."







Please do not hesitate to get in touch with us for more information on this whitepaper.

### Contact Us

 : [info.asia@isentia.com](mailto:info.asia@isentia.com)

 : [isentia.com](http://isentia.com)

 : [linkedin.com/company/isentia/](https://www.linkedin.com/company/isentia/)

 : [facebook.com/isentiacom](https://www.facebook.com/isentiacom)