

Full Service Description

ENTRY TO REMTECH AWARDS 2018

Applicant Type:	Private Company
Applicant Name:	PLDT 1528 Limited, Hong Kong (PLDT HK)
Headquarter City:	Hong Kong
Headquarter Country:	Hong Kong
Additional Operating Countries:	PLDT Global Corporation, Philippines (ROHQ); PLDT United Kingdom (London Manila Express Remittance); PLDT Singapore; PLDT Malaysia; PLDT United States of America
Year Founded:	June 7, 2002 (incorporation date of PLDT 1528 Ltd)
Innovation Type:	Service
Innovation Name:	Smart World Remit App
Website:	https://www.smartworld247.com/remittance
Mission:	Enabling the Overseas Filipino Workers to Remit Conveniently Anytime

Innovation Description:

There are more than 200,000 Overseas Filipino Workers (or OFs) in Hong Kong with around 80% as household workers. These Filipino household workers, predominantly female, do not have the liberty to leave the house they work for from Monday through Saturday and only have Sunday as their rest day. During their rest day, they maximize the time socializing with fellow Filipino household worker friends and doing personal errands. One pain point they encounter, particularly after receiving their salary, is the time they need to line up at a remittance center to send money to their dependents in the Philippines. At times, they spend 2 to 3 hours of their precious limited time queueing up. And in several instances during their work week, their dependents ask for money due to an emergency (commonly a family member getting sick) or urgent need to buy basic needs or pay urgent bills (medicines, school items, electricity). In such situations, they find it extremely difficult to get special permission from their employer to go out to a remittance center.

Remit Anytime, Anywhere. Fast. Secure. No Lines

PLDT 1528 Limited, Hong Kong (or PLDT HK), a fully owned subsidiary of PLDT Inc., a 90-year old dominant telecommunications company in the Philippines, launched last September 23, 2017 the Smart Word Mobile Remittance App to help Filipino workers to conveniently and securely send money anytime to their

loved-ones back home. Through a partnership with authorized stored value facilities (SVF) provider, Tap & Go, the Filipino worker can load money at any 7-11 convenience store and do remittance in minutes at very competitive rates using the Smart World Remit App.

Integration of Remittance and Telco Services

After sending a remittance through traditional means, the OF is now tasked to communicate with the beneficiary to:

- (1) inform the beneficiary that the money is on its way
- (2) give the beneficiary the Remittance Reference Number which is needed when claiming the remittance
- (3) verify or ensure receipt of the remittance by the beneficiary
- (4) instruct the beneficiary on what to do with the money sent
- (5) monitor the spending of the beneficiary

Currently, the preferred mode of communication is via free chat (such as Facebook Messenger or Viber). However, aside from limited data signal in rural areas in the Philippines, the beneficiary may not always be subscribed to any data plan or may not have access to free wifi which defeats the need to immediately communicate the remittance details.

To address this concern, PLDT HK, a Mobile Virtual Network Operator (MVNO) in Hong Kong, also provides free 200-minute International Long Distance (ILD) calls from Hong Kong to the PLDT network (60 million subscribers of Smart, TNT, Sun and PLDT) in the Philippines for every remittance made through the Smart World remittance app. This gives added peace of mind to Filipino workers as they can immediately confirm that their beneficiaries have received their remittance and check that the money is spent rightfully well. This is a unique value-added service that is not being offered by other remittance companies in Hong Kong.

Now, Filipino household workers in Hong Kong benefit from the convenience of not waiting in-line at remittance centers during their precious day-off or worry about their dependents not having money during emergencies if they were not allowed time to go to a remittance center. They now have more time for themselves and to enjoy with fellow workers.

Corporate Responsibility

As a corporate social responsibility, from January 28 to February 8, 2018, PLDT Hong Kong gave out free remittances fees for all those sending money to affected areas of a volcano eruption (Mt. Mayon) in the southern provinces of the Philippines. This helped OFs to reach out their distressed and affected families.

Financial Inclusion and Purposeful Remittance Campaign

Another pain point by the OFs is that oftentimes the money they send are not spent for its intended purpose. When the OF goes back home, they sadly discover that their hard-earned money was spent on something else, sometimes on non-essential items. This leads to animosity and mistrust that affect the relationships of the OFs with their families. To help in this concern and further strengthen the ties between the OF and his family, PLDT HK and PLDT Global have introduced its Purposeful Remittance campaign through the launch and planned launch of the following:

1. Paving the way to OF Financial Inclusion. Telco load as currency for online payments (currently available) – Overseas Filipino workers in Hong Kong are mostly non-carded (or does not have a debit or credit card), unbanked or underbanked. Hence, the OF is left behind on the global trend of shopping for cheaper products and services available on the internet. PLDT HK and PLDT Global Philippines have introduced in the market, the use of Telco Prepaid Load as their payment method for items that can be bought from its online store, www.smartworld247.com. OFs can now enjoy shopping online using their telco prepaid load, locally and conveniently available in popular Filipino shops around Hong Kong, as an optional payment method. This is an alternative to cash remittance (where OFs send money to their beneficiaries) since they instead purchase essential items online and have it delivered to their family in the Philippines.

2. Building the pillars of Purposeful Remittance. Smart World Purposeful Remittance via App (available by early 2019) – through the Smart World Remittance app, the remitter can select and define where the remittance will be spent on, such as mortgage or electric bill or school tuition fee or for grocery items (pseudo bills payment and online shopping).

Other Projects in the Pipe

A. Special Perks for the OFs to enjoy. Special FX rate for PLDT HK customers (available by 3rd quarter 2018) – if the app detects that the user is also a user of any products of PLDT HK or PLDT Global, the app will provide and show a special discounted remittance rate or higher forex rate.

B. OFs own Retailer Business even when they come home. Smart World Remit Customers as Retailers (available by 4th quarter 2018) – Overseas Filipinos are enterprising individuals who love doing side businesses, particularly “buy and sell” just to have extra or additional income. By 4th quarter of 2018, users of Smart World Remit app can be instant Retailers of all PLDT HK and PLDT Global products, that range from Hong Kong telco products to Philippine telco and other products. The user simply downloads the Smart World Retailer app (app currently under construction) which will enable them to sell any and all products available on the marketplace (www.smartworld247.com) as a retailer. Using the Remittance app, they can fund the selling wallet of the Retailer app by remitting money to their Selling account. As soon as there are funds in the Selling wallet of the Retailer App, the user can start selling all the PLDT Global products available. As a PLDT HK Retailer, the user can also pay Philippine Bills or Shop in behalf of their friends in Hong Kong. The OF can take this Retailer business anywhere and continue it even when they go back home to the Philippines. Therefore, they could earn even when they return home.

Innovation Status: In-market

Innovation Active Since: September 23, 2017

MAIN CATEGORY

Main Category Choice: Remittances for Development

Why do you think you should win this category?

The innovation, a mobile remittance app that can be funded in any 7-11 stores plus free 200 minutes of International Long Distance calls to reach 60 million people (out of the total 100 million population) in the Philippines at very competitive rates, has relevantly solved several pain points of the target market, more than 200,000 Overseas Filipinos working in Hong Kong. The following issues were addressed by the innovation:

1. Inability to send remittance immediately by the remitter to their beneficiary in cases of emergency since they (remitter) is not allowed to leave their post from Monday to Saturday. Using Smart World Remittance App (Smart World Remit), the remitter can send remittance anytime and anywhere in Hong Kong, using 24-hour neighborhood convenience stores, such as 7-11, as cash-in facilities
2. Waste of time and money (2-3 hours) commuting to and lining-up in remittance centers during the remitter's only day-off in a week
3. No immediate available communication between remitter and beneficiary. The free 200 minutes of International Long Distance (ILD) calls to PLDT landline or Smart mobile customers in the Philippines per remittance is the key differentiator of the service
4. The OFs are being left behind the global trend of online shopping for cheaper products since they are non-carded, unbanked or underbanked. As a Financial Inclusion strategy, PLDT HK launched the use of HK Prepaid Load as a currency for online shopping and paying Philippine bills
5. The remittances are not spent on essential expenditures. As planned, PLDT HK will launch its Purposeful Remittance via the Remittance app by early 2019 wherein the remitter can control and define where the money is spent
6. The OFs, after ending their work contract, goes back to the Philippines without a living. The innovation will be solving this problem by making the remitter a Retailer of PLDT Global products. This is planned to start by the 4th quarter of 2018

Upon launch of the service last September 23, 2017 up to February 2018, nearly 4,000 customers registered which generated over HK\$4 Million worth of remittances.

SECONDARY CATEGORY

Secondary Category: Remittance Synergies

Why do you think you should win this category?

The innovation, a mobile remittance app that can be funded in any 7-11 stores plus free 200 International Long Distance minutes of calls to reach 60 million people, is a synergy of 3 companies:

1. PLDT 1528 Limited – Smart World Remittance App service provider and marketing service
2. Tap & Go – stored value facility that links the cash-in facility of 7-11 stores and the Smart World Remittance App
3. PLDT Inc. (through PLDT Global Corporation) – the dominant telecom service provider in the Philippines that connects the International Long Distance calls from Hong Kong to the Philippines

The synergy is unique since PLDT Inc. and PLDT HK are established telecom companies in the Philippines and Hong Kong respectively, hence, venturing into remittance business, a business that it not known for and beyond its area of expertise, just to address the pain points of its customers. This venture was further strengthened by its partnership with Tap & Go, which is also a company not familiar with the remittance business. However, with the vision, mission and objective to help and address the pain points of Overseas Filipino workers in Hong Kong, these 3 companies have synergized to offer the Smart World Remittance App that has now helped the Overseas Filipinos with 1,000 transactions per month for the past 4 months since it was launched.

PRINCIPAL TEAM MEMBERS

TEAM MEMBER #1 (ENTRY REPRESENTATIVE)

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SUPPORTING LINKS

LINK #1:

Link Description: Smart World Remit App - Pitch Deck

URL: <http://docdro.id/pMdMRVS>

LINK #2:

Link Description: Full Service Description – Smart World Remit App