

## **Ninja Van Philippines launches service to increase cash flow for SMEs struggling with expansion amid pandemic**

*The service allows small and medium businesses to receive their cash-on-delivery payments before the delivery is completed.*

MANILA, Philippines – In the Philippines, cash-on-delivery is king. [Making up approximately 80% of online transactions](#), most business owners rely on courier partners to remit cash payments from their customers.

All couriers would require the delivery to be completed before remitting the payment to the online seller. This poses a challenge for online entrepreneurs. With the average delivery time of four to five days for e-commerce orders, sellers may have to wait for up to ten days before they receive their cash-on-delivery payment. This gap between making a sale, and collecting payment impacts online businesses profoundly - in those ten days, businesses could have ramped up their marketing initiatives, diversified their product range, and restocked their items if they had access to some of that cash earned from closing that transaction ten days ago.

Rizza Lana-Sebastian, CEO of popular cruelty-free skincare line Lana PH, encounters this challenge. “When we first started the business, we had to make sure to set up ways to maintain our funds despite waiting for one to two weeks before we receive our cash payments,” Sebastian said.

Covering the first phases of the quarantine in the country, [PWC’s COVID-19 Business Impact Survey](#) revealed that approximately 39% of SMEs identified financing as an immediate need to expand their businesses given the challenges of the COVID-19 pandemic. Most online businesses were challenged by the implementation of the enhanced community quarantine in March 2020, which restricted non-essential e-commerce activity.

When non-essential services resumed beginning April 2020, the Lana PH team had to think fast. “We had to utilize all our resources and take advantage of business solutions that would help us get back on our feet after a month of strict lockdown,” Sebastian said. “One business solution which particularly fit our needs was Ninja Van Philippines’ COD Advance.”

COD Advance is a service that enables online sellers to collect their COD payments the day after their parcels have been picked up. Together with the quick remittance of payments, the service also offers zero interest rates, no collateral and no lock-in period required for SMEs who decide to use it.

In launching this service, Ninja Van Philippines becomes the first and only third party logistics company providing expedited cash-on-delivery remittance. “We recognize that Philippine-based SMEs have been hit hard by the business restrictions put in place during the early stages of quarantine,” Ninja Van Philippines Country Head Martin Cu said in a statement. “We’re optimistic that this service can further address the issue of cash flow of businesses affected by

COVID-19, allowing them to continuously grow their businesses, and have more bandwidth to cover any general or urgent expenses.”