



**FOR IMMEDIATE RELEASE**

## **Online Selling Trends for Filipino Entrepreneurs for 2021**

MANILA, Philippines (5 February 2021) -- When the COVID-19 pandemic hit, trade largely faltered. As a response to lockdown restrictions, consumers everywhere rapidly changed their buying behavior. In the Philippines, the most notable shift has been the surge in online shopping, with approximately [30 percent of Filipinos buying grocery essentials online](#).

Within days, we saw the rejuvenation of the Filipino's entrepreneurial spirit as a response to shifting buyer behaviour. Most entrepreneurs have pivoted to the digital space, while existing online entrepreneurs looked into refining their presence.

[At least half](#) of Filipino consumers are expected to sustain their preference for online shopping once the pandemic is over. According to Global Web Index's [Coronavirus consumer behavior research](#), these behaviours saw the biggest increases among Filipino consumers as a result of the pandemic:

- Looking for cheaper versions of products from alternative brands
- Looking for flexible payment options (e.g. pay in instalments, etc)
- Cutting back on daily purchases
- Delaying big purchases
- Reducing regular financial commitments (e.g. cancel subscriptions, memberships, etc)
- Waiting for products to be on promotion, discount, sale, etc

Filipinos said they delayed purchasing clothes, personal electronics, flights, and luxury items. But when the time comes that they can afford to splurge once more, they plan to prioritize home appliances and personal electronics.

Aside from these shifts in consumers' priorities, Filipino entrepreneurs should also consider other ecommerce trends in 2021, such as the types of products to sell, marketing strategies, and online business models.

### **Tips on selling trends for budding and seasoned entrepreneurs**

#### *Maternity and baby*

The University of the Philippines Population Institute and the United Nations Population Fund [estimates](#) a 2021 baby boom with approximately 2.56 million babies born this year. To compete

in this space, online sellers should focus on *essential* baby and maternity products, such as items for feeding/breastfeeding and newborn care, as opposed to luxury items.

On Shopee, pajama sets, bibs, baby wipes, and reusable diapers are some of the best-selling items in the Babies & Kids category, with thousands of sales a month. Baby cribs are among the most popular products on Lazada. Meanwhile, items related to breastfeeding—ice packs, storage bags, supplements like malunggay tea—are bestsellers on Babymama.ph

#### *Accessories for sanitation*

If there's one thing the COVID-19 pandemic taught us, it's to not skimp on safety measures. It has almost become intrinsic for Filipinos to sanitize, wear masks and face shields in public places. We foresee the sustained demand on personal protective equipment (PPEs), such as masks, face shields, and disinfectants.

#### *Beachwear and accessories*

This year, local travel restrictions are expected to ease up with news of vaccinations on the horizon. With tourist favorites like [Boracay and Palawan](#) opening up their borders to local tourists with heightened safety precautions, other destinations are expected to follow suit within the year. As confidence in local travel increases, entrepreneurs can expect a modest rise in demand for travel essentials such as beachwear and other travel accessories.

#### *Cooking and baking tools*

During the early stages of lockdown, Instagram feeds everywhere were adorned with photos of delicious home cooked meals and baked goods, many even elevating their hobbies into businesses. The explosion of new food sellers during the pandemic says it all—people are spending more time in their kitchens. And this newfound love for home cooking will stay, according to the [Coronavirus consumer behavior research](#). Searches for “baking” and “cooking,” as well as related terms, have also soared, [according to Google Trends](#).

It is wise to look into selling cooking and baking tools, supplies, and equipment. Search Facebook buy-and-sell groups for cooks and bakers to [find out what people are looking for](#). Check out the most popular food items on Facebook and Instagram and figure out what tools and supplies are needed to make them.

#### *Fitness equipment*

Demand for home fitness equipment has [risen](#). Not surprising, as gyms around the country are either closed or open on a limited capacity. Top sales on Shopee and Lazada include yoga mats and jump ropes. But other brands selling large equipment and weights have been thriving as well. Businesses such as Play Hard Fitness started offering delivery services of their multi-station home gyms during the quarantine, and have even joined major online sales like 12.12.

Sellers can also focus on verticals, especially if it is within their interest. For example, if you're aiming to become a triathlete, sell apparel, gear, and supplements that help triathletes train.

Another area to capitalize on is people's need to be outdoors and escape the city after long months of community quarantine. Case in point: Google searches for "biking" and "cycling" have risen in the past year.

#### *WFH equipment and fashion*

Even before Covid-19 broke out, many Filipinos were already working from home. The Philippines is the world's [fastest-growing gig-economy market](#), and these freelancers tend to work for overseas clients. The country even signed a [Telecommuting Act](#) into law to help reduce the notoriously heavy traffic in major cities.

Still, WFH is here to stay. So think of items that make it easier. Find the best-value monitors, wireless keyboards, ergonomic chairs, standing desks, lamps, and more.

And as the surging popularity of *pambahay* chic and the [stellar performance of makeup brands](#) during 11.11 imply, people want to look presentable and Zoom-ready while working from home.

#### **Amplify your brand through effective marketing**

It's crucial to meet buyers where they are. Even if a business has its own ecommerce website, it is still necessary to be present in the platforms where buyers are most comfortable browsing, asking questions, and making purchase decisions. It would be wise to stay up-to-date on the most relevant marketing trends for the coming year.

#### *Conversational commerce*

With more consumer-to-consumer transactions and social selling taking place, messaging apps are now an important tool in any ecommerce seller's arsenal. A [2019 study commissioned by Facebook](#) showed that 66% of Filipinos who made purchases through messaging platforms planned to spend more on c-commerce shopping in the future.

Even big brands like [Jollibee](#) have jumped on the conversational commerce bandwagon, signaling its importance and effectiveness in reaching Filipino consumers.

The Philippines is one of the [biggest adopters](#) of c-commerce in SEA. No surprise there—[97%](#) of internet users in the country use chat apps.

But you don't need the stats to tell you that. You've probably observed that your buyers like to ask you questions on Messenger or Viber.

Would it be useful to add a pop-up chat window for these platforms on your site? But more importantly, do you have a system in place for responding to queries? Is your staff trained to be informative, polite, cheerful, and (when needed) persuasive on chat?

### *Sales, promos, flexible payments*

As the coronavirus consumer behavior study showed, Filipinos are now looking for more flexible options and discounted prices. To meet this demand, you can hold sales more frequently or at a larger scale.

Try creative ways to put your products on sale or offer freebies without suffering a loss. Examples include product bundles, tiered pricing, and free shipping for a minimum purchase.

### *Tapping online communities*

Raise your hand if you're now part of an online barter group or have joined an online community for plantitas or other hobbyists.

If groups like these allow sales posts, it's worth pouring marketing time and effort here, as there's a high potential for group members to be interested in your products.

Or if you're looking at something you can manage in the long term, consider setting up your own interest group.

### *Working with nano- and micro- influencers*

If you're a seller on a small budget, try working with nano- and micro-influencers for marketing campaigns. The upside is that these types of influencers often focus on a niche. That means a small but dedicated and highly engaged following.

See, for example, the [engagement rate](#) of different kinds of Filipino influencers:

- Nano-influencers (1k-10k followers): 4% to 10%
- Micro-influencers (10k-100k followers): 0.5% to 9%
- Macro-influencers (100k-1m followers): 0.3% to 4%

It's easier to find the right influencer to work with if you're in a specific niche. If you're selling accessories for cats, it's a no-brainer to try tapping Panther.

### *TikTok*

TikTok [took the bored, quarantined world by storm](#) in 2020, and it's not going away anytime soon.

The [Philippines' top TikTok influencer](#), Nina Guerrero, has 10.2 million followers (up from [2.3 million in 2019](#)) and an engagement rate of 17%—a figure Facebook advertisers can only dream of.

Of course, make sure first that your target customers are on TikTok. It's going to take a lot of time and creativity to get your brand noticed on the platform, so there should be a clear potential return on investment here.

But can TikTok actually influence buying decisions? According to this list of [“TikTok-Approved Products You Never Knew You Needed In Your Life”](#), yes, it can.

#### *Weird, experimental ads*

Could 2021 be the year Filipino businesses dare to make surreal, quirky ads like those viral videos from Japan and Thailand? [RC Cola’s ad](#) may have left you scratching your head, but admit it—it *got people talking*.

And based on social media buzz, it looks like after surviving the weird year that was 2020, people are ready for more of these kinds of bizarre marketing campaigns.

Before releasing a video designed to get buzz, make sure you’ve planned your marketing funnel. Where do people go after seeing your video? Provide links to relevant website pages, blog posts, or product listings to increase conversion.

#### *Woke ad messaging*

Filipinos like it when brands [address issues](#) they care about, [including Covid-19](#), in their marketing campaigns.

[Millennial customers](#), in particular, expect brands to speak out. But [Gen Z](#) takes it a step further, and expects brands and their employees to walk their talk by supporting and contributing to social causes.

So be careful not to shoot yourself in the foot. Don’t be woke for the sake of being woke—choose an issue that you truly care about and that you’re capable of supporting.

#### *Video marketing*

On Facebook, videos have [higher engagement](#) among Filipinos compared to other types of posts. But this is probably old news to you—you already know we Pinoys love watching and sharing videos online.

This pastime is increasing as Filipinos reported [spending more time on YouTube](#) during the pandemic. If you don’t have a YouTube channel yet, you might consider starting one, if your audience is there.

But if you’re planning to hit many social networks—TikTok, YouTube, Instagram, Facebook—make sure you don’t get overwhelmed. You can plan out your videos so that every shoot covers material that can be shown on each platform. You could have one video on YouTube, and cut it into different segments and lengths for posting on other platforms. That way, you can hit many birds with one stone.

## **Business models to consider this year**

2020 challenged many businesses to rethink the way they should conduct their business, especially those in the retail sector. If you're still refining your eCommerce strategy or would like to try new ways to capture a bigger chunk of the market, check out these online business models below.

### *Consumer-to-consumer*

With selling platforms and social media marketplaces, ordinary consumers can now become sellers, too. And when the pandemic hit, [even more people started selling online](#).

C2C sellers often start out with smaller volumes and less frequent deliveries. That's why they need to find logistics partners who can accommodate both on-demand and scheduled shipping, who don't require a minimum volume of shipments, and who provide affordable rates and convenient booking.

Ninja Van, for example, offers [prepaid packaging and flat-rate shipping fees](#) for social media sellers. And when the seller is ready to become a small business, Ninja Van offers services for the increased scale, too—all the way to enterprise-level demands.

### *White label*

This is a popular option for people who don't create their own products. A white label seller buys items from a manufacturer and places their own branding and logo on it.

Keep in mind that in an arrangement like this, you can't dictate things like dimensions, materials, and design.

So as a white-label player, you'll need to differentiate yourself from sellers of the same products through distinctive branding and marketing campaigns. Make sure you offer original pictures, more detailed product descriptions, and better customer service than other sellers who carry the same items.

### *Dropshipping*

Dropshipping suffered due to factory lockdowns and supply-chain disruptions during Covid-19. But with China appearing to have gotten Covid-19 under control, there's hope for dropshipping to bounce back in 2021.

It's a good idea to source from other countries, too. Southeast Asian nations have [Free Trade Agreements](#) that make it more convenient and affordable to import certain products. You could also look at countries that are famous for specific goods—for example, you can find dropshipping suppliers of cosmetics in Korea.

Services like [Ninja Direct](#) can help you get started with dropshipping by providing you access to brands from various countries through one platform. This service buys the products on your behalf and delivers them straight to your customers' doorsteps.

### **Gear up for better months ahead**

This year is already off to a turbulent start, and one can only imagine what may happen in the months ahead. However, though this year comes with many uncertainties, as an entrepreneur, it's best to focus on what you can control - your product strategy, marketing campaigns, and business model, to increase your chances of success during this unprecedented time.

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