



International
Labour
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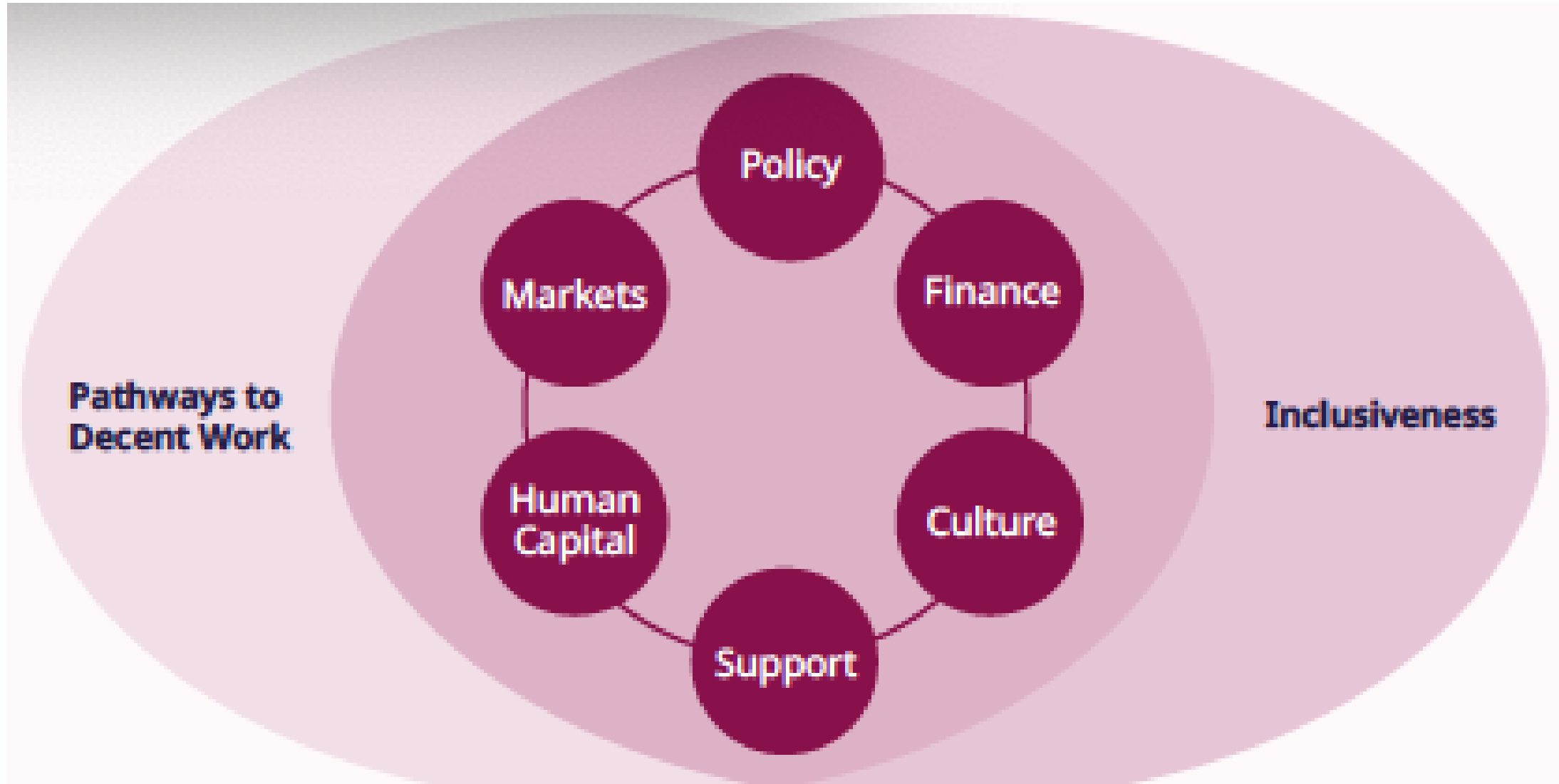
Making Digital Entrepreneurship Ecosystem Work for MSMEs with cases of business digitalization and digital financial literacy

ADB Launch Seminar of the Asia SME Monitor 2024
Designing an MSME Ecosystem for Resilient Growth in Asia and the Pacific
Day 2

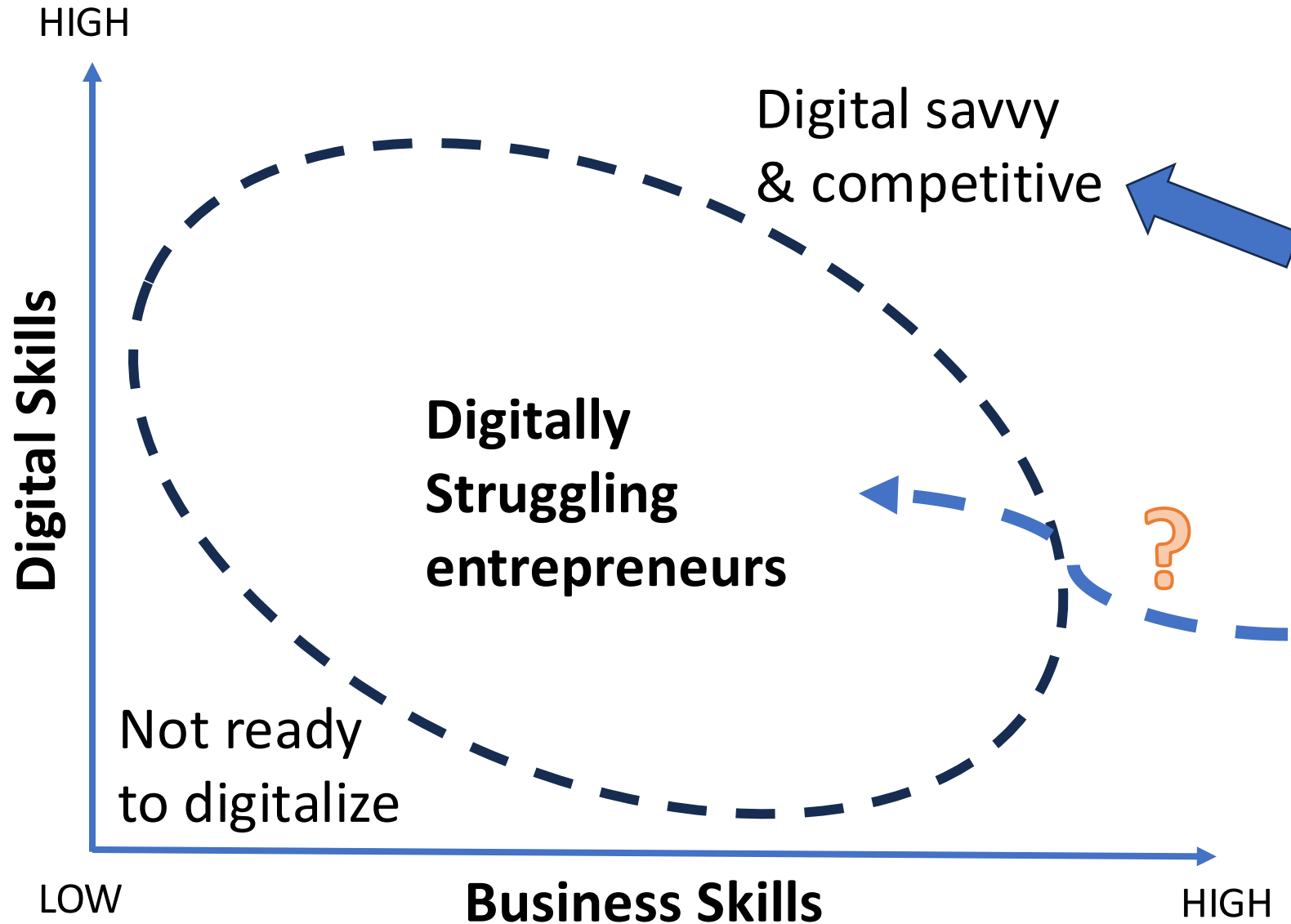
November 21, 2024 | Asian Development Bank

Hideki Kagohashi
Enterprise Development Specialist
International Labour Organization

INCLUSIVENESS & DECENT WORK – weak linkages in the MSME support ecosystem



Plausible market failure in the MSME digitalization ecosystem



- Online classes
- Self-learning courses
- YouTube videos
- Programming training
- Technical contents
- Support to high potential startups

Weak attention to what really works for the average MSMEs

Address the market failure of MSME digitalization support

Overkill phenomenon Case 1: MSMEs did not adopt Enterprise Resource Planning (ERP) software after the training



“We offered a training on ERP software to 30 MSMEs, but only 1 adopted ERP after the training”

– *testimonial of a local chamber of commerce official.*

Address the market failure of MSME digitalization support

Overkill phenomenon Case 2: Community enterprises did not implement digital marketing techniques after the 6-month training

Out of 10 community enterprises:

- 4 did not create FB business page
- 4 had no/infrequent posts
- 1 excellent case on FB marketing did not have presence in Google Map
- Challenge to maintain repeat customers due to weak products



Reality Check:

Q) What support will help develop businesses in the realities of MSMEs?

Lessons learned from our experiences



Convince MSME
trainers/coaches
of the viability of
MSME
digitalization
BEFORE training
them



**Q1) What disruptive technologies
will help RO8 MSMEs leapfrog?**



**Q2) Do RO8 MSMEs have sufficient connectivity
to enjoy digitalized businesses?**



**Q3) Will the digitalization work
for
the RO8 MSMEs?**





Disruptive Technology 1: Internet anywhere with Starlink

(currently available in 21 countries in A&P)



Expanding network of rural digital centres



**Digital
Transformation
Centres**



LEVEL 1

DIGITAL COMMUNITY CENTERS

aim to improve digital literacy and access at the barangay level.

LEVEL 2

ICT TRAINING ROOMS

aim to provide regular basic, intermediate, and advanced ICT skills trainings at the city/ municipality level.

LEVEL 4

INNOVATION HUBS

aim to incubate and launch innovative digital products and services at the regional level.

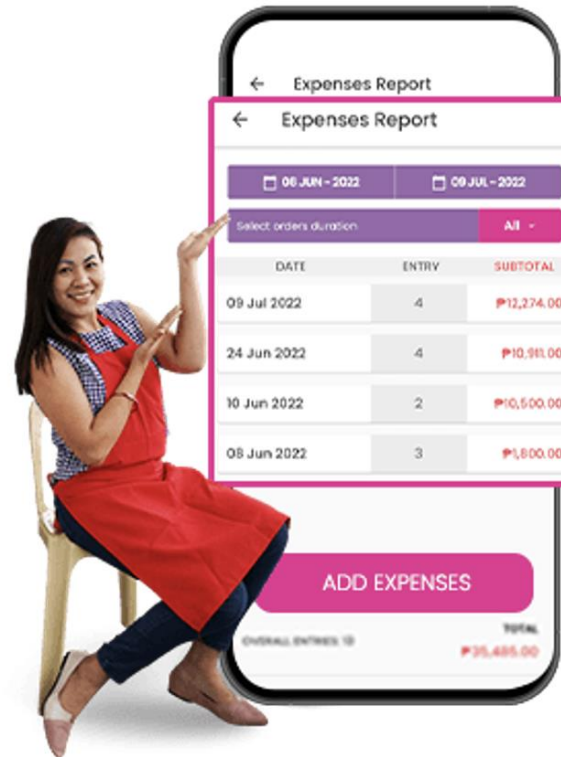


DICT committed to providing fast and reliable internet connectivity to geographically isolated and hard-to-reach localities

DICT's 'Broad Band ng Masa' bridges digital divide in Sulu Province
Published on: October 19, 2023



Technologies that work offline or with low bandwidth



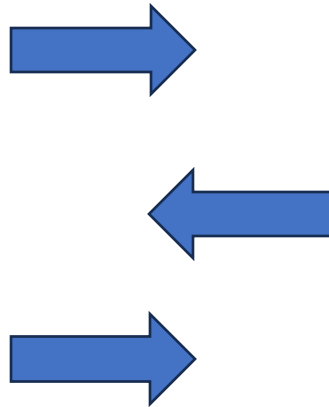
FREE Expense Tracker

You can record and track all your store's expenses using your phone.



Expected usage of digital centres in MSME digitalization

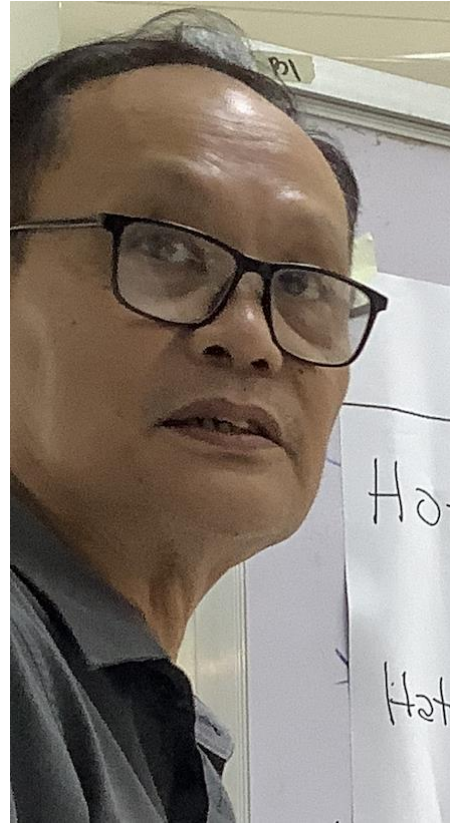
*Offline or low speed
at home/business*



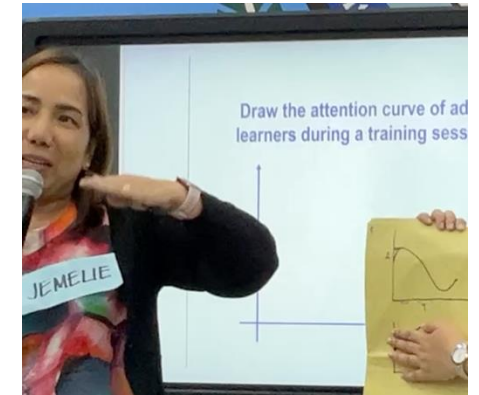
Online & high speed at DTCs



- *Venue for online classes for local MSMEs*
- *Connected co-working space*
- *Platform for continuous coaching & monitoring*



Digital novice
MSMEs still need
“human touch” to
initiate their digital
journey



Disruptive Technology 2: Generative AI for everyone



MSMEs will only learn when we apply the adult learning principles....

- ☐ Experience-based learning
 - ☐ Relevance and practical application
 - ☐ Problem-centred approach
 - ☐ Respect and collaboration
 - ... etc.
-
- ✓ **Don't go technical**
 - ✓ **Fit to the mobile-only environment**
 - ✓ **Use FREE apps/tools for lean start**
 - ✓ **Focus on use cases that solve their problems**



Popular AIs offer free versions, good enough for digital novice MSMEs



	ChatGPT	ChatGPT Plus	Google Gemini	Gemini Advanced	Claude 3 Sonet	Claude 3 Opus
Fee	Free	USD20/m	Free	PHP1,100/m (USD20/m) 2m free trial	Free	USD20/m
Model	Free access to GPT-3.5 Limited access to GPT-4o (Omuni)	Access to GPT-4o (Omuni) and all others	Gemini Pro 1.0	Gemini Pro 1.5	Sonnet	Opus
Message limits	Approx. 10 messages in 5 hrs w/ GPT-4o. Automatically switch to GPT-3.5 afterwards.	5 times more messages w/ GPT-4o.	Gemini has a limited context window, which means that it may “forget” content in a long conversation.	1 million tokens (roughly 750,000 words, i.e., plenty)	200k tokens. Reportedly users encounter message limits. Claude says there is no specific token limit when conversing, though.	At least 45 messages every 5 hours, often more depending on message length, conversation length, and Claude's current capacity.
File uploads	Limited access	Yes	No (Google Drive files can be accessed by enabling Extension)	Yes. Interacts with Google Sheets.	Yes (max 5 files, 10MB each)	Yes
Vision (image recognition)	Limited access	Yes	Not yet	Not yet	Yes	Yes
Web browsing	Limited access	Yes	No	Not yet	No	No
Voice and conversation	Voice-to-text w/ phone & desktop app	Natural voice conversation w/ phone app	Voice-to-text w/ web & phone app. Reads out response w/ phone app.	Voice conversation will be available for mobile users in the coming months.	Voice-to-text w/ phone app	Voice-to-text w/ phone app
GPTs/publicly available prompts	Access to GPTs	Create and use custom GPTs	No	No	No	No
Image generation	No	Yes (DALL-E)	Yes	Yes	No	No

[Updated as of May 2024]

Don't teach A-Z on AI; focus on use cases for MSMEs



From the People of Japan

Artificial Intelligence for the digital novice MSMEs

MSME digitalization Training-of-Trainer Workshop under the ILO-Japan project
Bringing Back Jobs Safely under the COVID-19 Crisis in the Philippines: Rebooting Small and Informal Businesses Safely and Digitally in partnership with ECCP-CRESCENT project

Zamboanga City, 05 December 2023

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Enterprise Development Specialist
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Use case I: Make AI your marketing planner

1. Create “personas” as the target for my product.
2. Conduct a user interview for the personas.
3. Develop a marketing plan based on the user interview.



JOSH HUTCHINS

"The book is way better than the movie."

Age:	26
Location:	Boston, Massachusetts
Occupation:	Software Engineer
Income:	More than \$85k
Status:	Single

By day, Josh is a software engineer. In his spare time he enjoys **diving into a good book or enjoying the occasional beer with his buddies**. He's not one for the outdoors, but you'll likely find him posted up in a cafe.

Search and try GPTs that support your daily FB posting
(* now accessible with free version of ChatGPT)

GPTs

Discover and create custom versions of ChatGPT that combine instructions, extra knowledge, and any combination of skills.

marketing phrase

Search Results

- SEO Copilot: SEO Copilot Let's You Combine Your Digital Marketing Expertise with AI. Type in...
- Idea Generator for Writers and Marketers GPT: Creative writing and marketing assistant, specializing in generati...
- Phrase Crafter AI - EchoNex: Creates catchy marketing phrases utilizing the creative power of Artificial Intel...
- Marketing Genius: Expert in creating marketing strategies and phrases for diverse platforms.
- Blog Post Writer: Create instantly top tier marketing copy, including catchy and viral phrases.
- Promo Phrase Pro: Generate fun and catchy phrases for your social media posts.
- Marktify: Predict the future where your phrases are not merely spoken but it's a prophecy.
- Startup Marketing Advisor: Assists entrepreneurs on marketing strategies based on their startup phase.

Marketing Genius

You

Can you suggest a catchy slogan for my product?

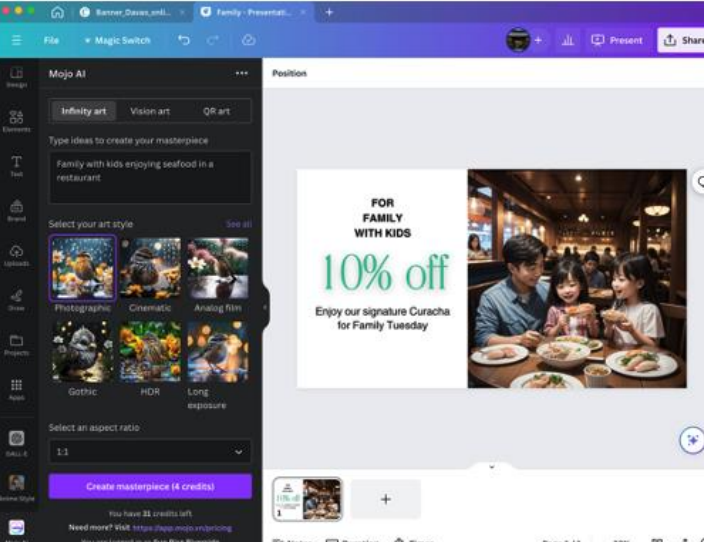
Marketing Genius

Absolutely, I'd be happy to help with that! To create a slogan that really resonates with your target audience, I need a bit more information about your product. Could you please tell me:

1. What is the name of your product?
2. What type of product is it?
3. Who is your target audience?
4. What are the key benefits or unique selling points of your product?
5. Is there a specific tone or emotion you want the slogan to convey (e.g., humorous, serious, inspirational)?

With these details, I can craft a slogan that aligns perfectly with your brand and appeals to your customers.

Use case II: Let AI minimize SNS marketing time & efforts



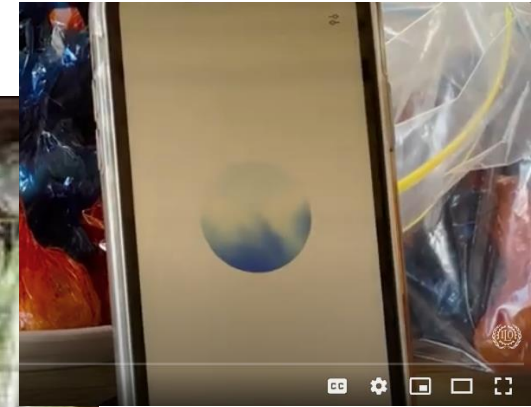
FOR FAMILY WITH KIDS

10% off

Enjoy our signature Curacha for Family Tuesday

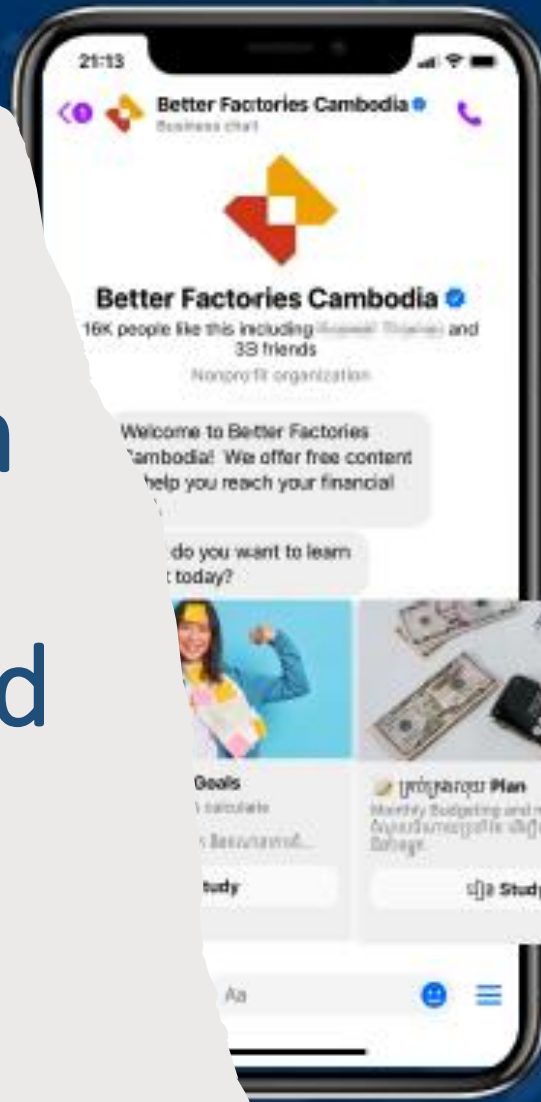
Generate an image for SNS posting INSTANTLY

AI voice mode is transforming how we deliver business coaching



AI improves Siargao coco candy business in the Philippines - full version
<https://www.youtube.com/watch?v=fZggTm95fYw>

ILO FinEd on
SNS makes
MSMEs good
borrowers



Welcome to Boost Platform!

Congratulations on making the decision to support your chat-based financial education taken a strong step toward realizing the full potential of the digital revolution.

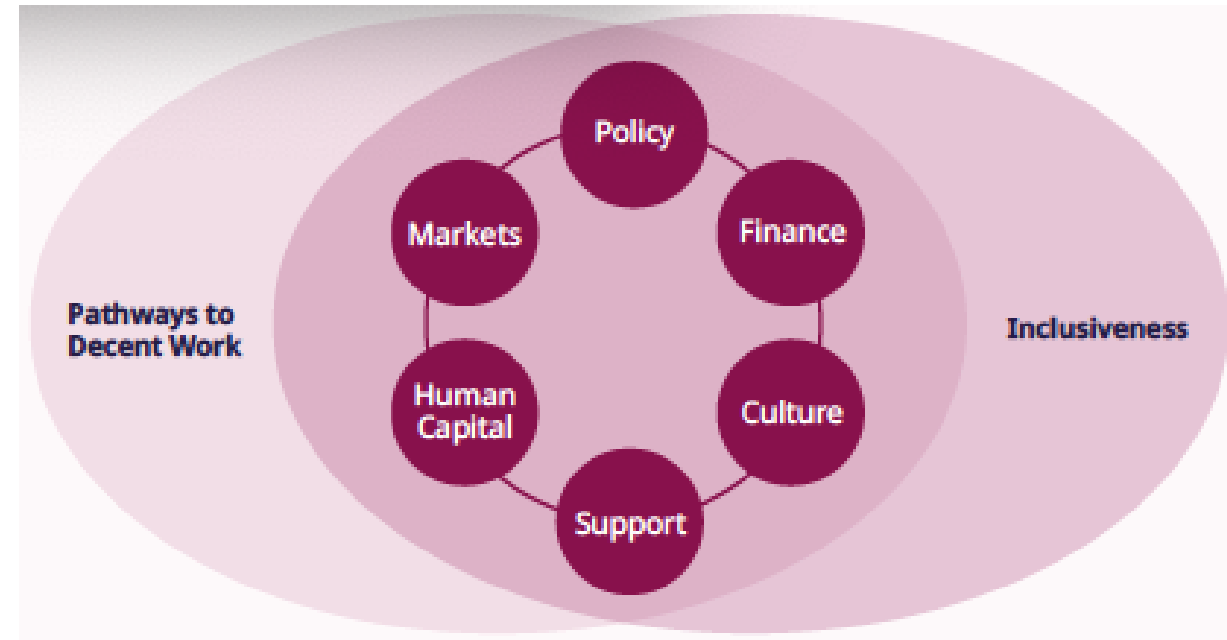
This guide is intended to provide key information to get up and running with your new Boost Platform and facilitate your onboarding process.

Are you convinced?



We do not duplicate what existing ecosystem offers, but...

- ✓ Assess the existing ecosystem with focus on inclusiveness & DW.
- ✓ Promote interventions that work with the digital novice MSMEs.
- ✓ Pilot models for innovative AI and financing solutions.
- ✓ Facilitate community of practice (CoP) among trainers/coaches to make their learning curve steeper.
- ✓ Develop spaces where ecosystem actors can meet and explore joint problem solving.





Our ecosystem approach continues under the
Joint UN Program Sep 2024 – Aug 2027



JOINT SDG FUND



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Contact: Hideki Kagohashi (Kagohashi@ilo.org) or Kathy Brimon (brimonkatherine@gmail.com), ILO Country Office for the Philippines