

the sectors

Where now meets next

## The perfect tune: How a father-son duo grew their local business globally

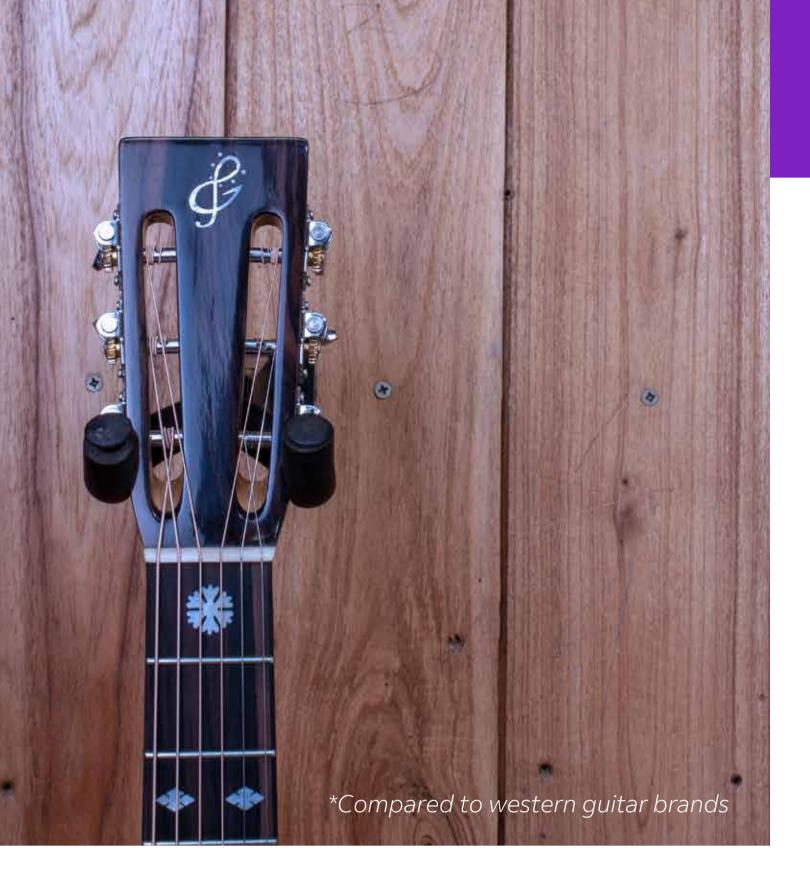
The guitar is one of the most popular musical instruments. Here's how one Philippines-based classical guitar-player started a guitar company, and how his son took the business to international waters. This is the story of Fernando "Andoy" A. Dagoc, Fernando "Steve" M. Dagoc Jr. and their hand-crafted guitar company, **Ferangeli Guitar Handcrafters**.

## The great solo: It all began with one man

### All successful brands have unique stories, and Ferangeli is no different

- In the 1990s, guitars made in the Philippines weren't globally coveted. Classical guitar player, Andoy, wanted to change this by improving its make with the best sound possible.
- After painstaking research, he developed guitars that were on par with global instruments and also cheaper than most competitors offering similar quality. Thus was born the Cebu-based guitar brand: Ferangeli Guitar Handcrafters.





# A successful riff: Increasing brand recognition locally and overseas

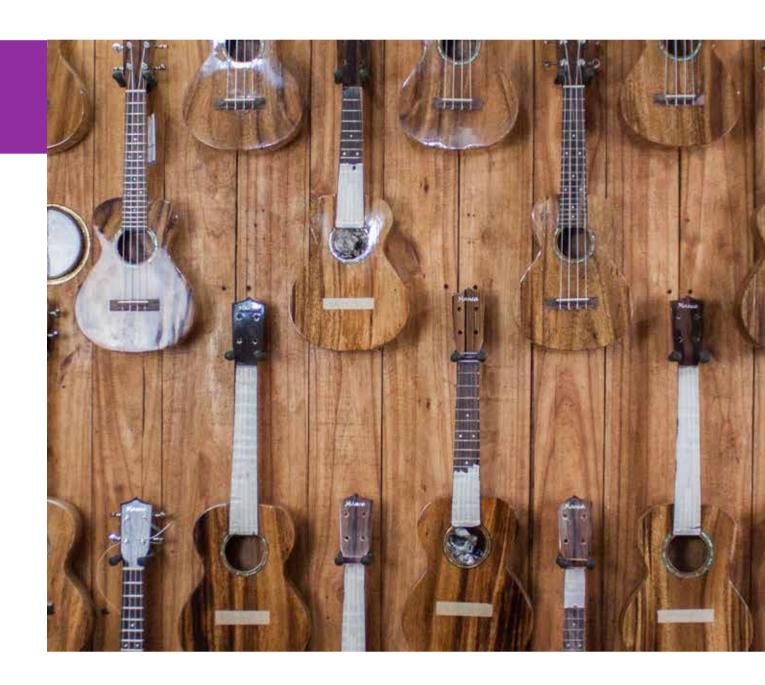
Ferangeli struck a chord with guitar-lovers in the Philippines and abroad because of the attention to detail that goes into the making of the instrument

- The guitars are made with popular local wood that takes one to nine years to dry
- Ferangeli guitars are unique\* they are made using wood from mango and jackfruit trees
- Each guitar goes through multiple quality checks for cracks and other imperfections
- The brand offers immense customisation options to guitar-lovers

## A tremulous note: Hitting a rough patch

While Ferangeli's popularity increased via word of mouth from tourists in Cebu in the early 2000s, the brand faced difficulties in fulfilling international consignments

 All orders were initially taken over the phone, before moving to email. Even with email, custom order placement involved over 100 exchanges to nail down specifics. Once the guitar was ready, shipping overseas was a hassle due to third-party reliance.





## A new symphony: Ushering in the next era (and generation)

By 2010, Fernando "Steve" M. Dagoc Jr. got involved with the business. As Andoy's son, Steve

#### wanted to grow the brand by taking it online:

- He suggested building a website for Ferangeli. At first, Andoy was a bit hesitant, but eventually recognized the opportunity and agreed.
- The brand website was built in 2013 listing all the products and walks visitors through the customization process and options.

## The much-needed amplifier: A boost to the business

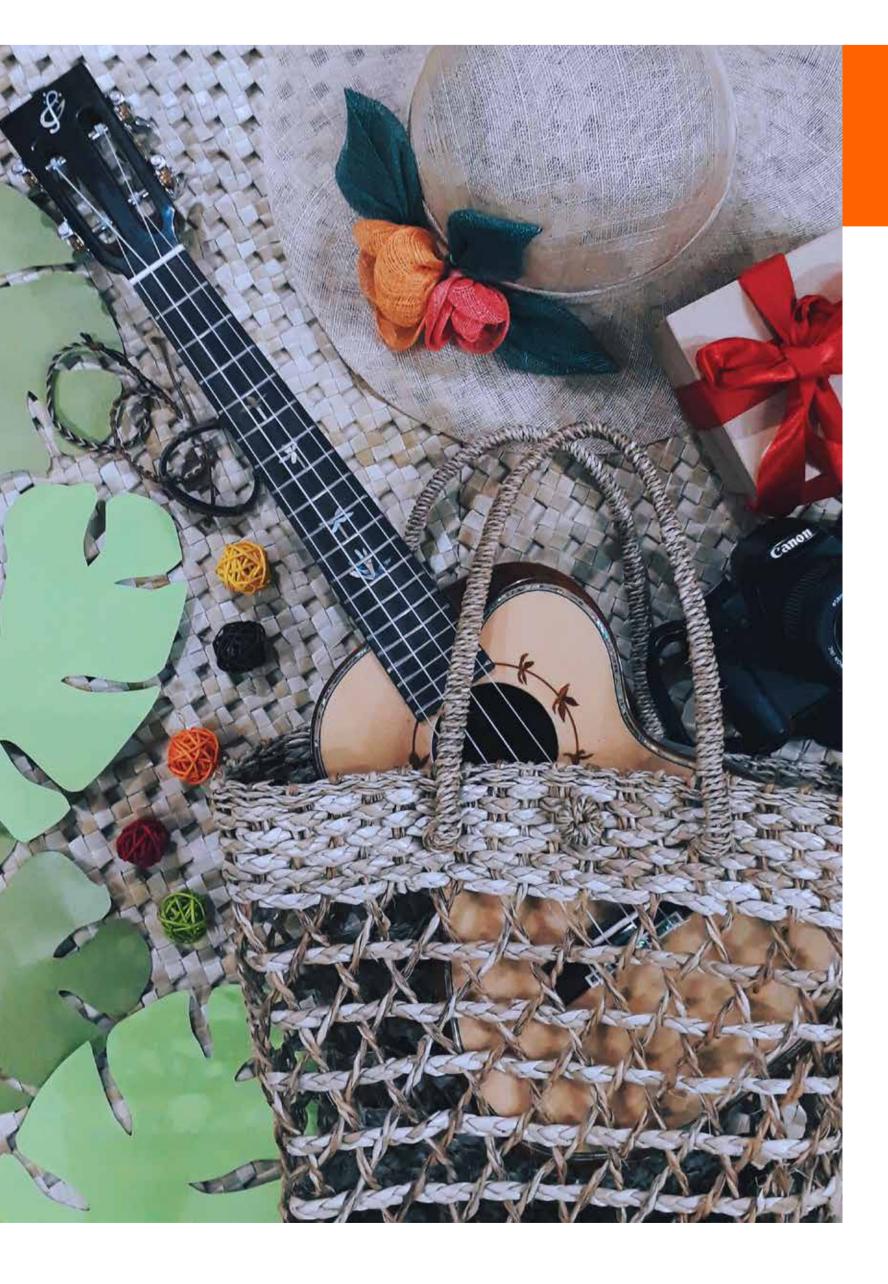
While having a detailed website is an important first step toward business growth, Ferangeli needed support in the form of a reliable logistics provider

- As the international orders grew, Ferangeli tested out a few logistics providers. However, confusing processes and lack of cost transparency were major hindrances.
- Steve chanced upon the international shipping services provided by FedEx in 2016 and decided to give them a go.

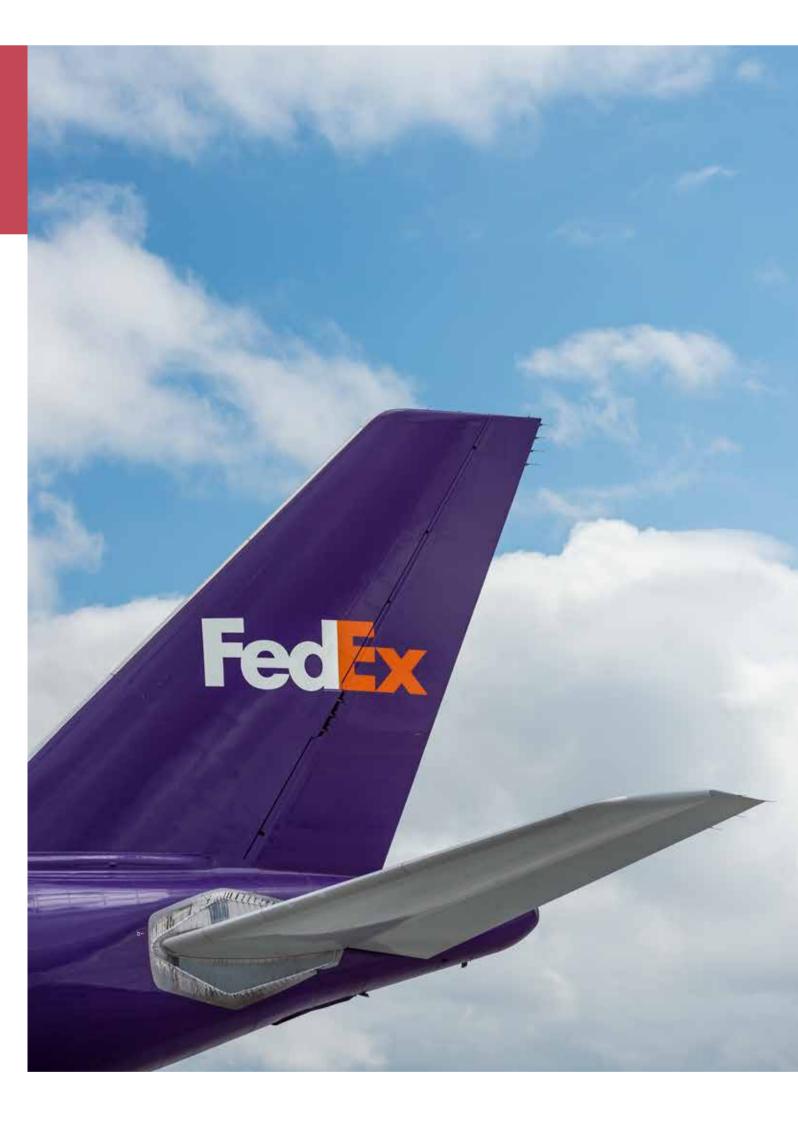


## Ever since, Ferangeli ships with FedEx because it provides:

- A cost-efficient and transparent solution
- Automated processes with zero physical paperwork
- Responsive service with *fast turnaround times*
- A seamless web experience for both customers and Ferangeli
- Upfront information about costs and other important logistical details



## Not quite the crescendo: Planning for the future



Steve has achieved much for Ferangeli already, but he has no plans of stopping anytime soon

- 300 custom guitars since 2018
- 70-100 custom orders each year
- Orders from the U.S., Australia/New Zealand, Japan, Singapore, and Europe



## Plans to keep growing the business overseas include:

- Making the website more informative. For example, adding a page for frequently asked questions and making checkout easier
- Pumping up the brand's digital presence through ads
- Holding an international exhibition
- Improving production efficiencies as the brand does not want to jeopardize quality over speed

While Ferangeli seems to have found the formula for a great melody, the brand continues to push boundaries. Steve provides one piece of advice for other small businesses:
go online. Now, more than ever, people are turning to the Internet to find information and shop, so if any business is looking to grow, it has to be discoverable via digital channels.

Find out how other small businesses across Asia, the Middle East and Africa are delivering their passion to the world.

