

GP's net profit makes strong recovery

STAR BUSINESS REPORT

Grameenphone has made a strong recovery from the coronavirus pandemic as its net profit rose 22 per cent to Tk 890 crore in the third quarter, benefiting from the ongoing economic revival.

The net profit after tax also advanced by the same margin from the second quarter of 2020, data from the largest mobile phone operator showed yesterday.

With this, GP rebounded from the massive fall its net profit incurred in the second quarter, when it tumbled 23.87 per cent because of the Covid-19 crisis.

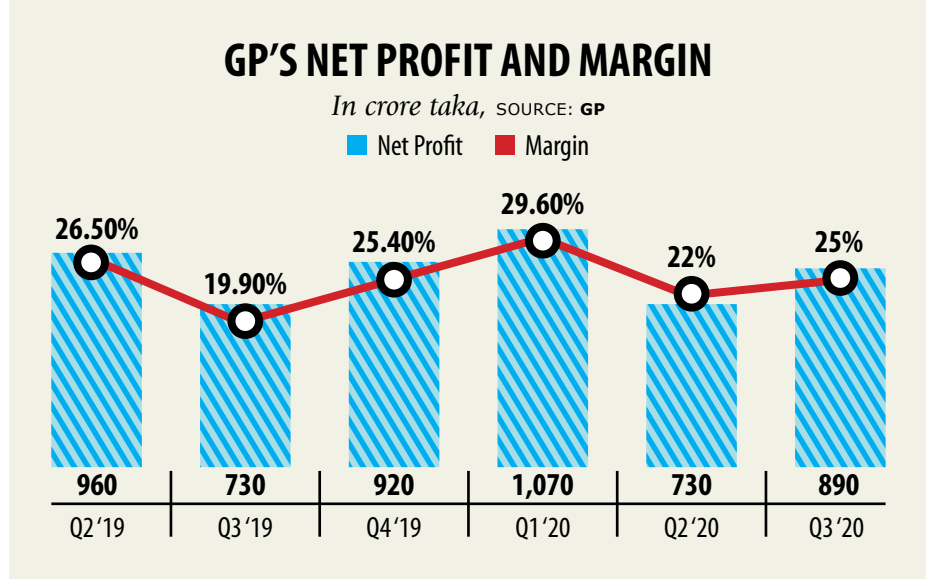
The profit margin rose by 5.1 percentage

points to 25 per cent in the July-September quarter, which was 19.90 per cent in the third quarter last year and 22 per cent in the April-June quarter this year.

"Grameenphone is reporting a recovering topline in the third quarter of 2020 as the economic activity of Bangladesh gradually resumes following the initial months of the Covid-19 pandemic," said Yasir Azman, CEO of the operator, in a press release.

Earnings per share (EPS) also rose: it was Tk 6.59 in the third quarter, up from Tk 5.38 in the July-September quarter last year, according to a posting on the website of the Dhaka Stock Exchange (DSE).

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Stocks on upward curve after five-day fall

STAR BUSINESS REPORT

The benchmark index of the Dhaka Stock Exchange (DSE) has bounced back from a decline spanning five consecutive days.

The DSEX rose 24.50 points, or 0.50 per cent, to 4,902.15 yesterday.

Many investors are buying their stocks of preference at lucrative prices due to the market slump, according to a stock broker.

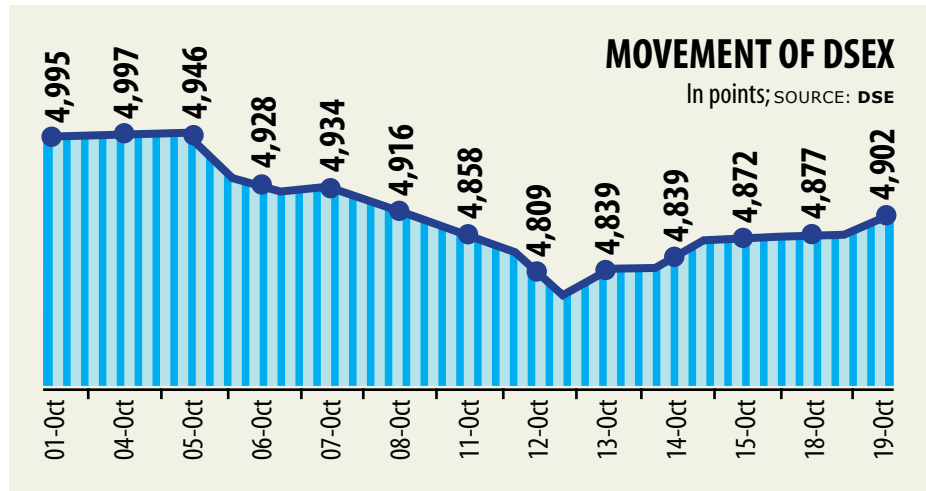
The index rose 1.28 per cent over the past

three days following a 1.92 per cent decline over the previous five, DSE data shows.

The insurance sector also had a positive impact on the index, said the broker.

Despite continuous warnings from the insurers that they have no undisclosed price sensitive information that could manipulate their stock prices, the shares of insurance companies are rising, he added.

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Development works, including earth filling, being carried out by various investors at Bangabandhu Sheikh Mujib Shilpa Nagar in Chattogram. Factories of 13 different companies are now under construction in the economic zone and the plants may go into production by next year.

Bangabandhu Shilpa Nagar taking shape defying all odds

The industrial city now has \$19b investment proposals, which may cross \$30b by 2030

JAGARAN CHAKMA

The Bangabandhu Sheikh Mujib Shilpa Nagar (BSMSN) seems to be taking shape day by day as investors have started developing the physical infrastructure of the 30,000-acre economic zone.

While visiting the country's future industrial hub last Friday, this correspondent witnessed massive development works, including earth filling, being carried out by various investors.

Meanwhile, businesses from home and abroad have come up with investment proposals worth \$19 billion for the industrial city, said Paban Chowdhury, executive chairman of Bangladesh Economic Zones Authority (Beza).

Of them, foreign companies, including Wilmar of Singapore, Adani Group and Asian Paints of India, Sojitz Corporation of Japan, Nippon Steel of Japan and Yabang Group of China, wanted to invest \$10 billion, he said.

"The remaining \$9 billion proposals came from local businesses. The major investors are: TK Group, Karmo Foam Industries, Mango Teleservices, BDCOM Online, Bashundhara Group, Siraj Cycle Industries, Abdul Monem Group, Star Consortium and Ayesha Clothing Company."

Out of the around 200 international and local investment proposals, 76 came from local garment makers, he added.

Moreover, three local entities—Confidence Group, Energypac and state-owned Rural Power Company Ltd—have expressed their willingness to invest nearly \$3 billion in the power sector, he said.

"We hope the total investment in BSMSN will reach \$30 billion by 2030, which will be

equivalent to the total investment made on all other zones," he added.

Even amid the pandemic, the Beza received over \$1.5 billion in investment proposals from home and abroad.

Factories of 13 different companies, including Asian Paints, McDonald Steel and Modern Synthetic, are now under construction, he said. "These factories may go into production by the next year."

Some other factories are currently waiting for the utility connections to start their construction work, he said.

Earlier, the World Bank handed over \$500 million for the development of the industrial city and the global lender attached a condition that no factory should start construction work before getting utility connections.

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The rise of live-commerce and shoppertainment



RASHEDUN NABI

I was introduced to F-commerce, which refers to conducting online business activities on a Facebook page or application, when my wife started her own F-commerce initiative in 2016. She had asked me to help design a logo, a loyalty programme and obviously boost the page and its products.

She then started her own venture, called Shopping Glowrist, in 2017. She now imports different gift items, clothes and accessories from Thailand and India which are sold through her page.

And it was through her that I first learned about online streaming and how it can be used by F-commerce merchants to show their products live. Potential customers can also ask questions about the products during a live session, which reminds me of TVC or Asian Sky Shops but with more interaction from viewer's end.

Statista, a German research firm, recently said Bangladesh's e-commerce market is currently valued at \$1.6 billion, which will double to \$3 billion by 2023 on the back of a digital foundation laid down by the government and a young and tech-savvy population.

According to the Statista report, the online fashion market in Bangladesh is currently worth \$598 million and it has the prospect to reach up to \$1.24 billion by 2023. The online sales of toys and hobby products stand at \$260 million and it can almost be doubled to \$442 million by 2023 as well.

Since the online fashion market included dresses, makeup and



skincare, it is one of the fastest growing e-commerce sectors in Bangladesh and so, the popularity of the Live Commerce will also increase as selling these products online requires live streaming.

In Bangladesh, sellers go on Facebook Live to promote items, respond to questions and take instant orders. Some products attract larger crowds than others. On an average, there are 100-200 live-streaming sessions performed in Bangladesh daily, which increases to over 500 during festive seasons. Sometimes there are 1,000-2,000 viewers in each live session. Unfortunately, there is no reliable data on what amount of

sales a merchant generates from each session.

Taobao, a Chinese online shopping website, launched a live streaming feature four years ago and is now dominating the market with \$28 billion in sales in 2019. This number grew 150 per cent year-on-year between 2017 to 2019.

Despite the staggering growth, it only counts for 3 per cent of Taobao's entire GMV. Less than 30 per cent of its merchants have tried the new way of selling, according to an executive at a data company we interviewed.

The huge potential of this market attracted more players to join the

race. E-commerce companies in South East Asia are taking inspiration from China's 'shoppertainment' trend to sell goods during live streams. Lazada and Shopee are among those that believe live stream e-commerce shopping can greatly help brands and sellers to connect with audiences in South East Asia.

Currently I am in Thailand to implement a couple of projects and experience the growth of overall live-commerce in Thailand.

I had the opportunity to visit Shopee and Lazada and talk to them and both organisations believe that live streaming helps bridge the omnichannel retail gap as consumers no longer need to visit a physical store to see a product or speak to a store attendant to fulfil an order.

Lazada has its own live streaming feature in the app, named LazLive TV. They also launched the LazTalent show, where they search for new

shopping gave rise to live-commerce. The frequent change in their lifestyle and online habits have made brands and influencers take advantage of live-streaming to enhance their online presence and increase revenue.

Live streaming is a great way to build communities, tell stories and engage with others in real-time. It builds up that know, like, and trust factor at a super-accelerated rate.

Shoppers are eager to spend time on platforms that offer them easy, faster, and innovative ways to shop. With such technology penetrating the retail industry, live commerce will become the new face of shopping.

Moreover, if an e-commerce platform wants to attract more merchants, it should give more ways to present products to customers. Sellers can instantly connect with their customers through live streams that require just a mobile phone and a decent internet connection.

Sellers are able to address queries through the live chat function in real-time, eliminating the hassle of going through individual questions on item listings.

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Bangladesh's e-commerce market is currently valued at \$1.6 billion, which will double to \$3 billion by 2023 on the back of a digital foundation laid down by the government and a young and tech-savvy population.

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