

Mobile ad-blockers could wipe out billions in ad revenue

AFP, Paris

MOBILE Internet sites face a new threat as millions download ad-blockers to their phones and tablets, removing pesky adverts but potentially wiping out billions of dollars in advertising revenue.

There were close to 200 million downloads of ad-blocking software by mid-2015, according to research firm PageFair, but only 1.6 percent of the blocking was done on mobile devices rather than computers.

That could be changing as mobile ad-blocking software becomes increasingly popular across the globe, particularly after the high-profile move by Apple to incorporate it directly into its latest iPhone and iPad operating system iOS9.

The software tends to be cheap and effective. Quickly installed, it reduces the clutter on web pages, speeds up performance and spares users from some of the click-bait that many find hard to stomach.

"When people are even willing to pay to stop adverts, it gives you an idea of how fed up they are," said Hicham Berrada, head of France de Teads, a video advertising firm.

While the Chinese government trawls websites for politically sensitive content, they remain littered with pop-up advertising, forcing millions to buy apps such as "360 Mobilephone Guard".

In Hong Kong, mobile ad-blockers "Purify Blocker" and "Crystal" recently entered the top 30 paid-for iPhone apps.

A study by Adobe and PageFair in August said the losses for websites that rely on advertising could be huge -- totalling an estimated \$21.8 billion (19.3 billion euros) this year and rising to \$41 billion in 2016.

But few mourn the loss of nuisance publicities, with Hong Kong tech site Unwire.hk recently promoting the blocking apps even though the magazine itself relies on advertising revenue.



AFP

There were close to 200 million downloads of ad-blocking software by mid-2015, but only 1.6 percent of the blocking was done on mobile devices, according to a research.

"As an employee of Unwire, writing this tutorial does not do good to the boss's livelihood, but I also understand some people do not have unlimited data plans and it's a pain to be receiving data-consuming ad banners," said reviewer Tim Yan.

There is particular concern that Apple's promotion of ad-blocking may bring it into the mainstream, where once it was reserved for more tech-savvy users.

"It's dangerous because it democratizes ad-blocking and we know how good Apple is at making these things simple for users," said Berrada.

Apple has little to lose, given that it does not rely on advertising revenue in the same way as digital competitors like Google and Facebook.

As a result, Google has been more reluctant to embrace ad-blocking apps, although some third-party developers are offering

them for Google's Android mobiles, with one app boasting more than half a million downloads.

"Google doesn't make it easy because it makes most of its money from advertising," Silicon Valley analyst Rob Enderle told AFP.

"If advertisers get the sense everyone is blocking ads, they are going to stop funding content," he said.

"There is a big concern. A lot of publishers can't take another readjustment in ad revenue. The folks who make the primary money on advertising are starting to squawk with concerns."

Digital media advertising had been forecast to grow 15.7 percent in 2015, according to analysis agency Carat, but that could soon look like a peak.

"We were in an extremely favourable situation because mobile opened up a huge range of

functions that were not available on the web," said Sophie Poncin, head of an Internet advertisers' union in France, highlighting the particular value of GPS positioning for advertisers.

In an industry in which creative destruction is the norm, the ad-men are already reacting to the new environment and calling for change.

Berrada's firm recently published a manifesto urging less-annoying ads: an end to pop-up videos that fill the whole screen and give users the option to skip ones they don't like.

They are also appealing to users to recognise the importance of advertising in keeping the Internet free.

"With television, people understand perfectly well that advertising finances private channels," said Poncin. "We never took the time to explain to a user how everything works."

Impact of social business to expand with time

SUNTU KUMAR GHOSH

SOCIETY, the aggregate of people living together in a more or less ordered community, is an inevitable part of our life. Every society has its peaks and lows even in this 21st century.

Dictators and slavery are mostly gone, no caste system is visible anymore, but differences in the people in a society and their standards of living are clearly visible.

Now that our society has gone through continuous developments and evolution, business not only serves the purpose of supplying money, but also improves the living standards of the underprivileged people and reduces the gap between different classes.

Now, what exactly is social business? Let's imagine a world where every child goes to school; no child dies of hunger or malnutrition; no mother loses her life while giving birth; water, gas and electricity reach even the most rural areas of Bangladesh, and every man can afford at least the five basic necessities.

It all might seem too utopian to be true, but it is not impossible. Social business is designed to respond to these challenges. Each social business addresses a specific social problem.

These are usually not-for-profit organisations but that does not mean they do not make profits at all.

But rather, the profit goes into the operations of the business again and no personal gain is redeemed by the investors.

Social businesses have always existed in our society but those lacked discipline in the past. However, now it is taking a proper shape and the impact is even more forceful.

Yunus Centre organises Social Business Day and Social Business Youth Summit every year to promote social business and motivate young professionals to enter this industry. Many universities around the world have opened Yunus Centre on their campuses to practise and learn about social business and its practical and positive implications on the society.

Thus, young entrepreneurs with new ideas and plans are stepping into this industry to bring change, and to be the next big changemakers.

Social business can be a very small venture by one person who wants to make a difference in his surroundings. Or, it can also grow into a large organisation that changes lives every moment, like Grameen Bank and Brac.

The advent of microcredit has revolutionised the scene for rural agricultural

workers and small business entrepreneurs.

Grameen Bank being the pioneer of microcredit opportunities has spread the model and many organisations are now giving similar services.

Together, the organisations are reaching thousands of people in need around the country. When no financial institutions stood beside them, social business did.

With similar goals in mind another giant brand in Bangladesh started its journey -- Aarong.

Aarong, a concern of Brac, began by engaging a small number of rural women to make handicrafts. The only buyers at that time were a few small retailers in Dhaka.

But now Aarong has 15 extraordinary outlets all over Bangladesh and is known as one of the biggest fashion retail chains.

Behind this huge success are the stories of 65,000 artisans--85 percent of whom are women and supported by Aarong.

Aarong took the initiative to engage them directly with handicraft works and created a direct effect on their lives. Aarong also provides free education to the children of the underprivileged artisans.

Health and nutrition have always been a prime focus of social organisations because for all other challenges to be met, good health and nutrition are unavoidable.

The supply of nutritious and hygienic food has also reached impoverished areas of Bangladesh through social organisations. Grameen and global nutrition brand Danone collaborated to provide nutrition, especially to the children, in impoverished areas.

The number of schools has also increased impressively from the involvement of social organisations with the goal to provide every child with a minimum level of education. More children are now sent to school for education.

Social organisations like Brac play a vital role in the development and education sectors. Schools have reached even the remotest areas of our country.

Social businesses have also changed mindsets towards these necessities and guided people on how to reach them.

Women empowerment schemes have changed the ideas and standards of women in Bangladesh. The number of working women has increased notably through women empowerment initiatives.

The impact of social business will only expand with time, as charities do not solve social problems, but social businesses do.

The writer is an assistant professor at Brac Business School under Brac University. He can be reached at: suntu_ghosh@yahoo.com.

Ford to invest nearly \$2b on China development

AFP, Shanghai

US auto giant Ford will invest nearly \$2.0 billion on research and development in China, it said Monday, despite falling sales in the world's biggest auto market.

The 11.4 billion yuan (\$1.8 billion) investment, to be completed by 2020, will build up Ford's R&D capability in the country, especially at an existing engineering centre in the eastern city of Nanjing, the company said in a statement.

"With this investment in research and development, the next generation of Ford vehicles will be completely designed around our customers," said Mark Fields, Ford's president and chief executive officer.

Ford sold 700,196 vehicles in China during the first eight months of 2015, but that was down around one percent from the same period last year, amid an overall slowdown in the market due to weaker economic growth.

In August alone, the carmaker reported sales of 79,608 vehicles in China, a three percent decrease compared to the same month in 2014.

Still, Ford will expand its product line for the Chinese market by launching two electric vehicles next year, the statement said.

Beijing has made new-energy vehicles a priority but sales have disappointed despite the government push, industry officials say.

Qatar sees oil price recovery in 2016

AFP, Doha

Qatar's oil minister said on Sunday he saw signs of an oil price rise in 2016 because of a recovery in the global economy and growth in demand.

In a statement, Energy Minister Mohammed bin Saleh al-Sada -- who is also acting president of OPEC, the Organization of the Petroleum Exporting Countries -- said the oil price has "bottomed out" and he sees signs of recovery next year.

He said world GDP growth in 2016 is slated to be 3.4 percent as against an expected 3.1 percent in 2015, and that this would result in an increase in global oil demand by 1.3 to 1.5 million barrels per day (bpd).

Growth in supplies from non-OPEC producers over the past five years has substantially reduced in 2015 and is likely to show zero to negative growth in 2016, the statement said.

"On the other hand, call on OPEC oil is expected to become healthier from 29.3 million bpd in 2015 to 30.5 million bpd in 2016 as indicated by increasing demand from both developed and emerging markets," it said.

Sada added that current low market prices have spurred oil firms to reduce their capital expenditure by almost 20 percent this year from \$650 billion in 2014.

Gold glitters for India's leaders but jewellery guarded tight

AFP, New Delhi

CARESSING delicate bangles she hasn't taken off since her wedding 11 years ago, Geetanjali Agarwal says she won't hand over her gold to the government, as it wages a campaign to make the nation's hoard of the precious metal more productive.

"For a woman to part with her jewellery, that is very difficult," said the 38-year-old New Delhi housewife, who also buys gold coins at the Indian festival of Diwali as an investment.

"My daughter is 10 years old and I'm already collecting pieces for her."

Industry experts say India has around 20,000 tonnes of the precious metal lying idle in Hindu temple vaults, bank safes and jewellery boxes -- a trove worth about \$700 billion at current prices depending on purity levels.

The country vies with China for the title of the world's biggest consumer of gold -- for centuries considered a precious store of wealth -- and imported about 900 tonnes last year, its second biggest import after oil.

Now the government is encouraging people to lend their gold to banks through the Gold Monetisation Scheme starting in November, hoping to bring the national stash into the economy.

Households or temple trusts deposit their gold with banks and earn tax-free interest, so the idea goes, and banks then lend it to jewellers and a valuable asset is brought into circulation.

"A lot of people, particularly women and those in remote rural areas, hold jewellery which is lying idle in India, which is not taken as an investment," Gopal Krishna Agarwal, economic affairs spokesman for the ruling Bharatiya Janata Party, told AFP.

"(This scheme) can earn some return for those persons."

But many, such as Poonam Vohra, a housewife from the capital's middle-class suburb of Rajouri Garden, say they are unsure about handing over their treasures.

"Gold is a really expensive buy and as it is we don't have much, so whatever we have we'd rather keep," said the 52-year-old, who keeps most of her jewellery in a bank vault after being robbed of a gold



AFP/FILE

Indian sales personnel wait for customers at a jewellery store in New Delhi.

chain while walking in Delhi.

With little state social security to fall back on, gold is a vital safety net in India, in particular for women, for whom it may be the only savings they have.

It is especially important in rural areas where many people do not have access to the formal banking system.

"Whenever there's a wedding or some function I take it out," Vohra said.

"Maybe it will be my child's wedding in six months. I don't want to give it away." A similar scheme in 1999 was a near-total failure, thanks to low interest rates.

The government promises the new scheme is different, with the minimum deposit lowered from 500 grams to just 30 grams -- roughly the same as three gold bangles.

Banks will be allowed to set their own interest rate, expected to be between two and four percent, and post offices will boost the scheme's reach in rural areas.

One fear is that households may face uncomfortable questions about where their gold came from, amid an intensifying crackdown on "black money".

"People are still bothered about the tax queries. There is a myth that all Indians hold gold as unaccounted wealth," said Somasundaram P.R., managing director of

the World Gold Council India.

Another sticking point is that gold has to be melted down to test its purity -- though depositors can watch from a gallery -- with the risk it could turn out to be worth less than thought.

For jewellers in Delhi's Karol Bagh, where the streets are lined with shops selling diamonds and antiques, monetising India's gold stash would be good news, reducing the need for expensive imports. "It will be good if our gold gets rotated, if the gold that is lying in bulk with people is put to use," said Anoop Dhar, manager of the opulent Sunar jewellery store.

"Nothing can be better. We wouldn't have to bring in gold from outside."

But at the bustling old market of Zaveri Bazaar in Mumbai -- the centre of India's jewellery trade -- some are sceptical the scheme will succeed, noting that it is still easy for people to take out loans against their gold or sell it if they need cash.

"Indians have a family jeweller like a family doctor, and so have access to gold saving schemes run by their trusted jewellers," said Prithviraj Kothari, head of Riddhi Siddhi Bullions in Mumbai, India's largest gold trading firm.

"Why would they allow the government to peek into their gold?"

OnePlus announces plans to make in India

REUTERS, Bengaluru

Chinese phone maker OnePlus said it had entered into an agreement with Foxconn Technology to manufacture phones in India, making the mobile phone company the latest to join a spate of rivals who have announced similar plans.

"All our handsets are made in China and then shipped to India. So, making them locally will help reaching our Indian customers faster," Chief Executive Pete Lau told reporters in a conference on Monday.

India, under Prime Minister Narendra Modi, has sought to reboot manufacturing, but the country is yet to rival China, particularly in technology where most factories will likely be assembly units to begin with.

Foxconn, the world's biggest contract manufacturer for electronic parts, has said it is aiming to develop 10-12 facilities in India, including factories and data centers by 2020.

"India being one of our biggest markets worldwide, we are committed to a long term sustainable growth path. This move will strengthen our presence and help us step up momentum in India," Lau said.

A growing middle class and an expected surge in the use of mobile data in the coming months have turned India into a lucrative market for Chinese players. India is the fastest growing smartphone market in the world, but most Indians are first time user, preferring cheaper alternatives to iPhones or higher end Samsung devices.

Local production of OnePlus' upcoming devices will start before end of this year, the company said, with a peak capacity of producing up to 500,000 units per month.

Rivals such as Oppo and Xiaomi have already announced plans to manufacture in the country.