

# Skilled workforce key to driving digital growth

*Carrie Chen, digital distribution manager of Telenor Digital, says a more conducive regulatory environment is needed*

MD FAZLUR RAHMAN

**S**KILLED workforce and a more conducive regulatory environment are crucial to driving the digital growth in Bangladesh, said Carrie Chen, digital distribution manager of Telenor Digital.

She said universities in Bangladesh should keep pace with the digital growth and offer digital marketing courses to train a new set of people who are going to join the workforce.

"Regulatory environment is crucial. If we have free and open internet then it is going to encourage this industry and help this industry grow," she told The Daily Star in an interview in the capital on Saturday.

Chen was in Dhaka to attend the second Digital Marketing Summit, organised by Bangladesh Brand Forum, at GP House. She said digital services have to be made relevant to the majority of the people.

"We have already started to see a lot of good ideas and how we can utilise digital channels and mobile internet to come up with the services that are relevant to people."

When asked whether the internet should be made more affordable for the people in South Asia where a lot of people live below the poverty line, she said the internet largely improves the lives of people and makes things such as shopping and banking convenient.

"Something, which is so valu-

able to consumers, should be made affordable so that more people can enjoy these services."

It is good to see that innovations like mobile health services, mobile payments and mobile banking are coming from emerging markets, said Chen, who studied international relations and economics at Boston University and earned an MBA degree from Wharton business school at the University of Pennsylvania.

"We are already seeing new ideas from places such as Bangladesh. I think, in the future, we will be leading the development of the products that are going to be relevant to majority of the global population."

She said Bangladesh will become one of the countries where companies will look for growth because of the country's huge population.

Chen gave an example of her own company Telenor, which is based in Norway, a country of only five million people.

She said Europe is now experiencing slowdown and the economy is not doing so well.

In order for Telenor to grow, the company earlier decided that it needed to expand in other markets, she said. "Now we are in markets such as Bangladesh, Pakistan and Myanmar, which are the frontier markets."

Chen said, when it comes to marketing, Bangladesh is still relying on traditional channels such as print, television and radio. "But that's going to be



Carrie Chen

changed when consumers are able to afford cheaper handsets and faster internet."

On digital marketing, she said, as networking technologies offered by operators are improving and more people are coming online and using these services, people's attention is shifting from the traditional media to the online media.

"Then that is going to be a sign for marketers to shift their marketing dollars from offline to online."

In terms of effectiveness of marketing, online campaigns are much easier than doing those

offline, she said. "In general, marketing is cheap in the digital media compared to the traditional outlets. This is going to be the trend in Bangladesh."

She said there are a lot of talks for companies going digital, and business leaders know it is important to go digital. "But it is not an easy process to switch from running your business in a traditional manner to digitising your business."

"The intention is there, but how do you execute it? Do we have the right people in place? Are they empowered to run this

digital transformation process? You need to address this key question."

She said Telenor recognises the need to move from being just a traditional telecom company to being a digital service provider.

"We are going through a process of coming up with a digital strategy for the years ahead. There is a lot of discussion within the company how we are going to drive that digital transformation."

fazlur.rahman@thedailystar.net

## Russia issues first national payment card

AFP, Moscow

Russian banks on Tuesday began to issue the first national payment card as an alternative to Visa and Mastercard, an idea championed after Western sanctions left some consumers unable to make card purchases.

The "Mir" card -- a name that could be translated both as "peace" and "world" -- was issued by a string of banks, among them Gazprombank, Rossiya bank and others blacklisted by the West following Moscow's annexation of Crimea from Ukraine last year.

The emission and distribution of the card mark a "most important stage in ensuring the country's financial sovereignty," said a statement by the National System of Payment Cards (NSPK), an entity created by the Russian Central Bank last July in a bid to reduce dependence on the West.

A total of 35 banks are participating in the payment system, and seven have issued the card in the pilot programme, the Russian central bank said, publishing a picture of the blue and green-coloured cards.

Bank Rossiya and its affiliated banks were blacklisted last March after Crimea's annexation. The US Treasury described Rossiya as a "personal bank" for Russian senior officials.

In July, sanctions also hit Gazprombank, one of Russia's largest.

## Female billionaires on the rise thanks to Asian businesswomen

AFP, Zurich

The number of women among the world's billionaires has risen faster over the past two decades than that of men, mostly thanks to Asian female entrepreneurs, a study published Tuesday showed.

There were 145 female billionaires in the world at the end of 2014, compared with 22 in 1995, according to the study, conducted jointly by UBS bank and the PwC auditing firm.

Male billionaires were still much more plentiful at 1,202, but their number was multiplied by just 5.2 over the period, against 6.6 for women.

In Asia, the number of women billionaires rose more than eight-fold, from 3 to 25.

The study said at least half of Asia's richest women are first-generation corporate chiefs, who got their education in Europe or the United States before making their pile back home.

In contrast, most of women billionaires in Europe and the US inherited their fortunes. The study pointed out, however, that they were often more active in developing their businesses than heiresses of previous generations.

## As end of Fed's 'free money' nears, consumers still likely to spend



David Rubenstein, co-founder and co-chief executive officer of Carlyle Group, interviews Janet Yellen, chairman of Federal Reserve, at an event in Washington.

REUTERS, Kokomo, Indiana

**J**UDGED by how long it has been going on, the current US economic expansion should be on its last legs, but the mood in this rebounding heartland auto town would not show it.

Fiat Chrysler Automobiles has doubled its local workforce to 7,000 amid record industry sales, upscale apartments are being built or tucked into vacant factories, and new small businesses are opening along a quaint Main Street.

As the Federal Reserve meets to begin a likely turn towards higher interest rates, the buzz in places such as Kokomo is one reason policymakers think the US recovery has room to run. This city of 57,000 was hit hard by the recession, but the dynamic developing here is one the Fed sees nationally: more jobs gradually translating into higher wages, and wage growth translating into spending.

"Seven years ago this was considered one of the 'dyingest' cities in America," with mainstay auto companies teetering on the brink and people leaving for Indianapolis to the south and Chicago to the north, said Sandra Young, owner of the Main Street Cafe. She opened three years ago, and now sees a booming corporate catering trade as a good omen that companies and individuals are confident.

"Budgets aren't so tight," she said. Compared to other recoveries this one is arguably past middle age, and the Fed has been unusually patient in nurturing it with interest rates held near zero.

Since World War Two the average expansion has lasted just under five years.

This recovery has been going on for six and a half, and throughout that time the economy has struggled to move beyond modest 2 to 2.5 percent annual growth. As a result, the Fed has stayed put for a full seven years, about twice as long as the central bank usually waits to begin tightening.

Motor vehicles, with sales through November up nearly 7 percent from a year earlier, are not the only part of the retail business doing well. Spending at restaurants and bars grew more than 8 percent compared to the year before. Housing-related sectors are also doing fine, with furniture and home furnishing stores' sales up 5.6 percent, and building materials' sales up 3.9 percent, outpacing overall retail growth of 2 percent.

Autos and auto parts, which account for about a fifth of US retail sales, could prove important to the Fed's success in both "normalizing" rates and keeping the recovery on track. Policymakers, analysts and people like Kokomo's United Autoworkers president say conditions may be aligned to keep the expansion underway.

"We've gone from 3,200 members to 7,000 and they are still looking for new stuff to put in the factories," said Carl Greenwood, president of UAW Local 685.

Chrysler makes castings and transmissions, including new models for electric cars, in four plants around Kokomo.

Between low unemployment, a whisper of evidence that wages are rising, and the savings from low gas prices, greater consumer purchasing power is finally becoming visible after a delay that had mystified the Fed.

## Google CEO Pichai touts India as key testing ground for new products

REUTERS, New Delhi

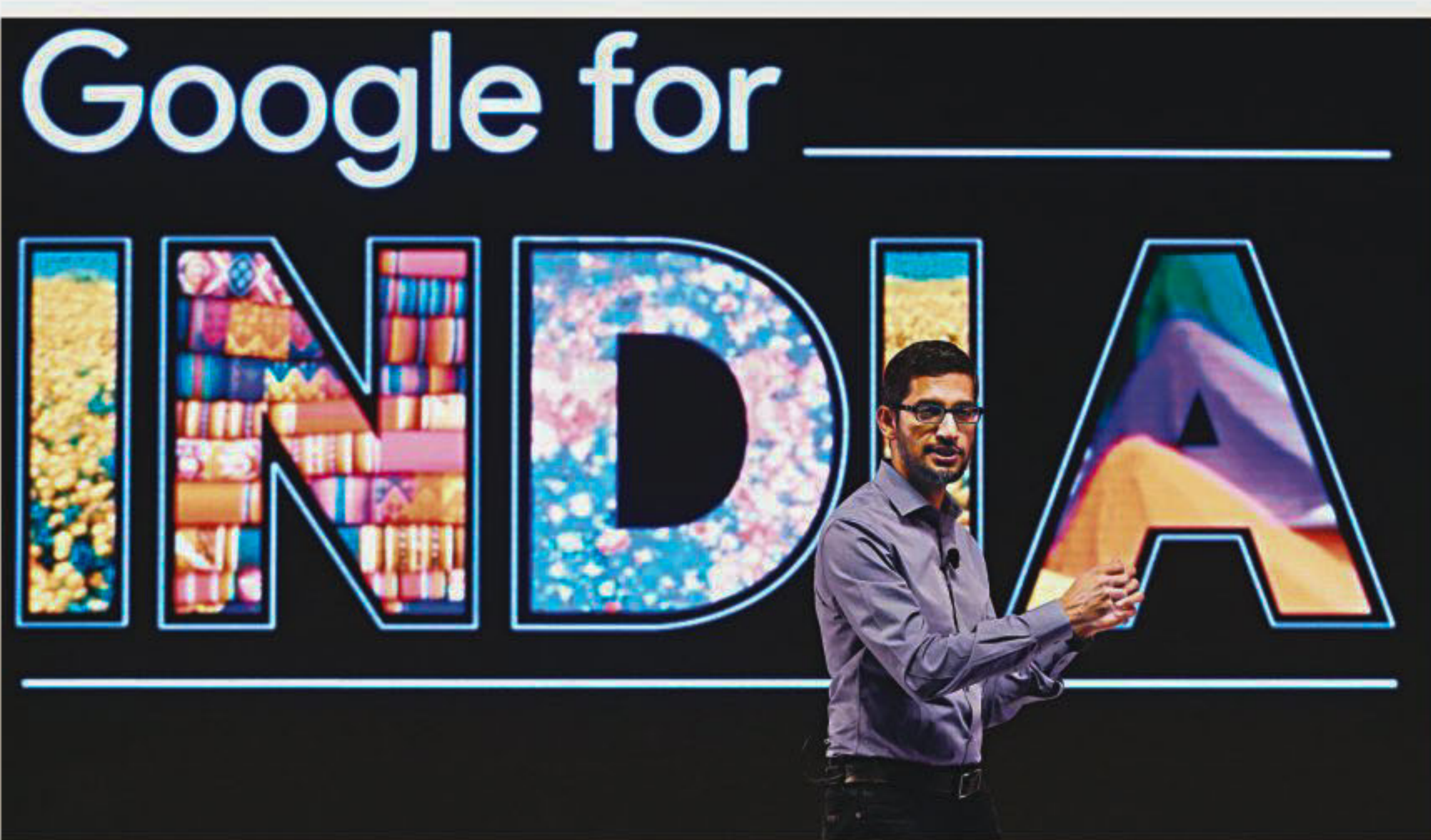
**N**EW Google leader Sundar Pichai pledged on Wednesday to use India as a testing ground for its products as the US tech giant targets hundreds of millions of consumers in the developing world set to move online in the next few years.

"We think that what we build in India will apply to many global places," Indian-born Pichai, appointed chief executive officer in August, told reporters at an event in New Delhi.

With internet penetration already topping more than 90 percent in many developed markets, Google is increasingly betting on large developing countries like India as a future source of growth. The company does not disclose how much it has invested in India.

Google expects more than 500 million Indians to be online by 2018, up from around 300 million today. But Pichai said that with most new users accessing the internet via cheap smartphones instead of desktops, poor mobile connectivity is forcing the company to adapt how it structures and sells its software.

Google's CEO said the company would train two million Indian developers for its Android operating system by 2019, pro-



Google CEO Sundar Pichai gestures as he addresses a news conference in New Delhi, India yesterday.

mote internet use among rural women in thousands of villages, and expand its campus in Hyderabad to get more people online.

"It's about making sure that as the next one billion come online, they have access," he said during a visit to the Indian capital, where he is also scheduled to meet Prime Minister Narendra Modi. There

are likely to be more users of Google's Android software in India than in the United States next year, Google said in a statement.

Pichai cited user-generated maps, as well as a version of YouTube that allows consumers with limited internet access to store videos offline, as two recent examples of products developed

in India that have since been rolled out to other countries.

Google is also working with Indian Railways to bring wireless internet service to 100 train stations, with Mumbai Central the first to go online in January. It's also working on increasing the number of local languages available on its virtual keyboard to target non-English speakers.

## Germany plans to borrow more in 2016 to repay debt, refugee costs

REUTERS, Berlin

Germany plans to borrow more money next year, to repay old debt and handle the cost of taking in a flood of refugees, the country's debt agency said on Wednesday, though the government still plans to keep its budget balanced.

Including inflation-linked debt, the agency plans to issue up to 214.5 billion euros (\$234.43 billion) of debt in 2016 compared with 186.5 billion euros this year.

"The issuance plan is based on a balanced budget," Tammo Diemer, managing director at

the debt agency, said, adding the government would issue more debt because it would have to pay back more old debt than it repaid this year.

Asked whether the European Central Bank's bond-buying programme had had an impact on the issuance plans, Diemer said: "We don't see any significant effects."

Finance Minister Wolfgang Schaeuble intends to keep the federal budget balanced for the third year running in 2016, meaning no net new borrowing will be required.

Berlin still needs to tap capital markets

because it cannot fully pay back old loans out of incoming revenues. In addition, this year's budget surplus, more than six billion euros, will not be used to reduce overall debt of 1.1 trillion euros.

Instead, the government will use the money to pay the near-term costs of coping with refugees next year. "As a result, the gross capital requirement will be higher," Diemer said.

Germany is shouldering much of the burden of Europe's biggest refugee crisis since World War Two. More than one million asylum seekers are expected to arrive this year alone.