

# Calm technology and its competitive advantage



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attention in the coming years for designing and making of new products.

Calm technology is a type of technology that interacts with humans within humans' environment instead of being intrusive or distracting. It is the output of a well-thought-out user experience design.

For example, if a mobile app wants to send a user an alert, it vibrates gently instead of making a loud noise or exhibiting some distracting behaviour.

With the proliferation of computing and communicating devices such as mobile phones and internet of things (IoT), design will play an important role to ensure all these new products and services operate in non-intrusive ways.

The technology companies in Bangladesh are now moving towards creating products and selling those to international customers.

While most of these products are software centric, a good number of companies may emerge in future to create products using both hardware and software.

For them, to become globally competitive, they need to focus on delivering superior user experience. Adoption and application of calm technology will provide them with the much-needed advantage to compete globally.

Businesses in Bangladesh are also adopting new technologies rapidly as they embark on the transformation journey. For them too, adopting calm technology will be beneficial as it will improve workplace safety and worker productivity.

Calm technology has a few distinctive characteristics. First, it needs to be minimum attention seeking. Most of the product designs



STAR/FILE

Companies in Bangladesh are fast automating their factory floors.

don't pay enough attention to this area.

But it is important that the devices operate within the users' domain and hence behave like non-existent entities.

Their style of communication also needs to be non-intrusive and properly aligned. For example, pressing a button on a television remote may activate a wide array of software loaded in the television device. However, users should not feel that way.

The television set may offer an appealing view due to its good aesthetic design, but it should not attract anybody due to the complex software loaded inside it. The

technology should be conscious enough to communicate with minimal distraction.

Visual notification techniques such as flashing lights are good in achieving such objectives. Buzzers are effective for communicating with users when users are not in the line of sight. At the same time, loud, prolonged buzzers create a distraction.

Also, technology should work even when the product fails. For example, an elevator should be able to let all individuals evacuate safely when it malfunctions due to disconnection of power supply or any other fault.

Companies in Bangladesh are fast automating their factory floors. These

new machines should improve the overall safety of the factories, even if they fail.

Additionally, technology should be minimal in its degree of application to achieve the desired outcome. Over application of technology to create a product where the intended outcome doesn't need such advanced application is not desirable.

This will help to make the product relatively simple and user-friendly. This will also address the concern for user privacy.

For example, several Bangladeshi IT companies today are developing apps and deploying those to the users' mobile.

Often, these apps scan a user's phone book, photographs stored in the mobile phone, text messages and other content though that is not necessary. Such practices raise privacy concerns and erodes the trust of users.

Finally, technology should take care of general human behaviours. Complying with behavioural norms helps faster adoption of technology. For example, incorporating a ride sharing app in two-wheelers may initially appear strange.

But in cities such as Dhaka, such an innovative idea has gained popularity very quickly due to traffic congestion problems.

Similarly, there were other instances of failure due to lack of clear understanding of the technology and its use.

There are several ways to verify a calm technology before adoption. In most cases, organisations should focus on a few important factors.

First, the alignment of the new technology with respect to the organisation's strategy is important.

Second, the ability to meet the stated business objectives by deploying minimal technology should be examined. Finally, adherence to the calm technology characteristics should be examined.

Going forward, adoption of calm technology will create a good degree of competitive advantage for businesses.

Companies in Bangladesh should also start focusing on this aspect while developing new technology-based products or while adopting a new technology for their respective organisations.

The writer is a partner at PuC. The views expressed here are personal.

## India defends methodology to measure economic growth



REUTERS/FILE

A worker cuts a metal pipe inside a steel furniture production factory in Ahmedabad.

Reuters, New Delhi

The Indian government on Tuesday defended its methodology of calculating the country's economic growth, countering the argument of a former top economic advisor who said that Asia's

third-largest economy might be overestimating its growth rate.

India objectively measures the contribution of various sectors in the economy and the country's gross domestic product (GDP) estimates are based on accepted procedures and

methodologies, the ministry of statistics said in a statement.

In 2015, New Delhi changed both the way the government calculates GDP and the base year. The country started measuring GDP by market prices instead of factor costs, to take into account gross value addition in goods and services as well as indirect taxes. And the base year was shifted to 2011/12 from 2004/05 earlier.

In a column published in a newspaper on Monday, Arvind Subramanian, former chief economic adviser, said his research indicated that the change in the methodology led to GDP growth being overstated by about 2.5 percentage points per year between 2011/12 and 2016/17.

Official estimates place average annual growth for this period at about 7%. Actual growth may have been about 4.5%, Subramanian said.

"My new research suggests that post-global financial crisis, the heady narrative of a guns-blazing India — that statisticians led us to believe — may have to cede to a more realistic one of an economy growing solidly but not spectacularly," Subramanian said in the column.

There have been questions for many years about whether Indian government statistics were telling the full story but two recent controversies over revisions and delays of crucial numbers have taken those concerns to new heights.

The government itself has admitted there are deficiencies in its data collection.

A study conducted by a division of the statistics ministry in the 12 months ending June 2017 found that as much as 36 percent of the companies in the database used in India's GDP calculations could not be traced or were wrongly classified.

But the government said there was no impact on GDP estimates as due care was taken to adjust corporate filings at the aggregate level.

## Global shares snap seven-day winning streak

REUTERS, London

WORLD share markets snapped a seven-day winning streak on Wednesday as the White House took a tough line on trade talks with China, while an impending reading on US inflation was set to refine the odds of an early cut in interest rates there.

Europe's main markets followed Asia by declining early on. London's FTSE, the DAX in Frankfurt and CAC40 Paris were down 0.2 percent to 0.4 percent as traders trimmed some of June's 4 percent gains.

Benchmark government bond yields fell as caution grew. FX dealers kept the dollar near an 11-week low before the US data, having priced in the first US rate cuts since the financial crisis.

with China and had no interest in moving ahead unless Beijing agrees to four or five "major points", which he did not specify. He said interest rates were "way too high" and the Federal Reserve had "no clue".

Fed policymakers will meet on June 18-19. With trade tensions rising, US growth slowing and hiring in May declining, markets have priced in at least two rate cuts by the end of 2019. Futures imply around an 80 percent chance of an easing as soon as July.

That might change depending on what US consumer price data show later in the session. Headline inflation is expected to slow to 1.9 percent, with the core rate steady at 2.1 percent.

Trump also alarmed currency markets by tweeting that the euro and other currencies



REUTERS

The German share price index DAX graph is pictured at the stock exchange in Frankfurt.

"I think we are in for a very nervous wait until next week's FOMC meeting," Saxo Bank's head of FX strategy, John Hardy, said.

"You have had the markets taking out aggressive positions on where the Fed is going to go and everybody is wondering whether they are ready to deliver as much, in terms of guidance, as has been priced in."

MSCI's broadest index of Asia-Pacific shares outside Japan had slipped 0.6 percent after two days of gains. Wall Street's recent rally ended on Tuesday.

Japan's Nikkei dipped 0.3 percent. Shanghai blue chips fell 0.7 percent following a 3 percent jump the day before.

Hong Kong's Hang Seng lost 1.7 percent as demonstrators stormed roads next to government offices to protest against a bill that would allow people to be sent to China for trial.

"The impact was short-lived in the past," noted Alex Wong, director at Ample Finance Group in Hong Kong. "This time people will look at how the US reacts to this kind of news. The US attitude towards Hong Kong and China are also not the same."

US President Donald Trump said on Tuesday he was holding up a trade deal

were "devalued" against the dollar, putting the United States at a "big disadvantage".

The euro gained to \$1.1336, just short of the recent three-month high of \$1.1347.

The dollar fell against the yen to 108.25 and stalled on a basket of currencies at 96.608.

"The President's tweets on the USD have the potential to have much more lasting impact in the coming election year," said Alan Ruskin, global head of G10 FX strategy at Deutsche Bank. "Global conditions are nicely set for what has colorfully been described as a 'currency war' or a currency race to 'the bottom'."

The Turkish lira weakened before a central bank that's expected to leave Turkey's main interest rate unchanged at 24 percent. In commodity markets, all the chatter of rate cuts kept gold near 14-month highs at \$1,335.51 per ounce.

Oil prices dropped over 2 percent as concern about a global economic slowdown offset expectations that OPEC and its allies will extend their supply curbs.

Hedge fund managers have been liquidating bullish oil positions at the fastest rate since late 2018 amid growing economic fears.

Brent crude futures fell \$1.4 cents to \$60.87, while US crude lost \$1.2 to \$52.10 a barrel.

## G20 won't produce 'definitive' US-China deal: official

AFP, Washington

THE Group of 20 summit later this month could lead to progress towards a trade deal with China but is not the venue for a "definitive agreement," US Commerce Secretary Wilbur Ross said Tuesday.

President Donald Trump said Tuesday that Xi Jinping wants a deal "very badly" and repeated that he expects to meet with the Chinese leader at the summit in Osaka.

"They are getting hurt very badly by the tariffs," Trump told reporters at the White House. "We expect to meet with President Xi very shortly. We think we'll meet with him at the G20."

Talks between Washington and Beijing broke down last month after Trump accused China of reneging on commitments and after the United States took aim against China's tech behemoth Huawei.

"Look, we had a deal with China and then they went back on the deal," Trump said Tuesday. "Unless they go back to that deal I have no interest."

The countries have hit each other with steep tariffs on more than \$360 billion in bilateral trade, rattling financial markets and business

confidence.

The impasse has raised hopes that, on the sidelines of the G20 leaders' summit, Xi and Trump might jumpstart efforts at resolving the impasse. However, Ross tamped down expectations for a final agreement, which he said



US Commerce Secretary Wilbur Ross

"is going to be thousands of pages."

"At the G20, at most, it will be... some sort of agreement on a path forward," Ross told CNBC. "It's certainly not going to be a definitive agreement."

But he said there eventually will be a deal.

"Even shooting wars end in negotiation." Trump last month started the process to impose 25 percent tariffs on another \$300 billion in Chinese goods and on Monday threatened to slap those duties on China immediately if Xi does not show up for the meeting in Osaka.

Ross defended the use of duties saying they are producing good outcomes, and said financial markets overreacted to the various tariff threats, including those against Mexico that had been due to take effect on Monday.

"I think what people have to learn to do, judge this administration by results. Don't judge it by interim sound bites," he said.

In a twitter screed Tuesday, Trump hammered home that point:

"Tariffs are a great negotiating tool, a great revenue producers and, most importantly, a powerful way to get... Companies to come to the USA and to get companies that have left us for other lands to come back home."