

# Think about customers' needs to succeed in the long run

Nagad's Managing Director Tanvir A Mishuk says at The Daily Star's The Chief Executive Show powered by Marico

DWOHA CHOWDHURY

Those who are doing business without thinking about customers' needs may become successful for a short period but never in the long run, said Tanvir A Mishuk, managing director of Nagad, a digital financial service (DFS) provider operating under Bangladesh Post Office.

"We are seeing success because we were customer-centric from the beginning," he added.

Opening a bank account requires the applicant to fill in multiple forms and provide numerous information, making it a cumbersome process that is hardly worth the hassle for many.

This resulted in around 70 per cent of the country's population being left outside the formal financial sector for decades.

But the scenario began to change after Nagad rolled out its Digital KYC (know-your-customer) registration process for mobile banking, Mishuk said.

Nagad launched the Digital KYC, a first of its kind for the country, on March 26, 2019, with an aim to ensure hassle-free registration for its mobile application.

"The biggest challenge at first was bringing more customers on board," he said.

"With Nagad, it's as easy as clicking three photos -- both sides of an NID

and a selfie," he added.

The fast-growing DFS provider recently crossed a major milestone when its daily transactions swept past the Tk 200 crore mark.

Nagad also introduced SMTAP (send money to any phone) feature in October 2019 and then made it even easier to open an account in February 2020. Now, all an applicant needs to do is dial \*167# and follow the instructions.

Mobile financial services (MFS) were first introduced in Bangladesh when Dutch-Bangla Bank launched an application in March 2011 which was later rebranded as Rocket.

Market leader bKash, a subsidiary of Brac Bank, launched later the same year.

Till date, at least 30 financial institutions have initiated MFS platforms. However, just 15 of them have survived so far and cater to 9.64 crore registered customers as of October 2020, according to Bangladesh Bank data.

Mishuk, who has been Nagad's managing director since December 2017, years before it entered the MFS industry, went on to say that understanding a product's lifecycle is very important.

One must understand his customer base since products fail if they are not designed according to the needs of a particular segment.



Tanvir A Mishuk

The growing popularity of mobile financial service is also forcing service providers to regularly bring in innovations while those who copied others did not survive.

During the first months of the ongoing coronavirus pandemic, Nagad came to the aid of paddy farmers by transporting their harvest with post office vehicles.

"And while getting listed for a Covid-19 test was in a mess, we introduced a new solution to pay the test fee via Nagad as was needed at the time," Mishuk said.

According to the managing director, mass communication is still a major challenge even in the era of technology.

While television viewership has



gone below 18 per cent and it's hard to reach 6-7 crore users on Facebook and other social media platforms, Nagad is focusing on BTL (below the line) communication.

"It's important for a top leader to choose the right medium to reach the right person. To reach mass people, we must communicate using mass language," Mishuk said.

Unlike other business leaders, Mishuk has always been into business. For example, he used to sell Azad Product's view cards when he was in class three.

"Not because of financial need, but I enjoy selling and that's how my career began," said Mishuk, who registered his first company for event management and advertising while completing a Bachelor of Business Administration at North South University between 2002 and 2005.

During his university days, he founded T-Asia Group in 2006, which was involved in diverse commercial fields of technology, tourism, and telecom.

For years, he was involved in the telecom industry and remained the founding managing director of Telekom Asia Pte from 2012 to 2019. Meanwhile, he was also the director and CEO of Sigma Telecom from 2013 to 2017.

2017 brought Mishuk's biggest career breakthrough when he ventured into Bangladesh Post Office's monetary service with a promising DFS -- Nagad.

Last year, he also founded a FinTech company called Finclusion Ventures Pte.

"I believe that the future is FinTech," he said, adding that he will be working in the sector for the next five years.

To Mishuk, the leader of the country's fast progressing FinTech company, calculated risk is a must.

"I do not agree with the 'no risk, no gain' policy. One must take risks, but that must be calculated with several backup plans that includes solutions to the problems," he said.

To do so, Nagad has a war room beside Mishuk's office, where the top and field executives debate while formulating strategies.

"If you order from the top, sometimes that might be successful, but it fails most of the time. It will be successful if everyone gives their proper input to the decision," he said.

READ MORE ON B3

## Ibn Sina to enter natural medicine business

STAR BUSINESS REPORT

Stocks of the Ibn Sina Pharmaceutical Industry rose 6.60 per cent to Tk 260 yesterday after news broke that it would form a new subsidiary to produce natural medicine products.

The listed drug maker plans to launch the subsidiary in the name of "Ibn Sina Natural Medicine" in order to take advantage of the sector's potential.

The company shared the information in a disclosure published on the Dhaka Stock Exchange website yesterday.

"Our plan is to produce Unani, herbal, Ayurvedic, food supplements and medicated consumer products," said Md Shahid Farooqui, company secretary of the Ibn Sina Pharmaceutical Industry.

The new company will be launched as the products have huge demand in the local market, he added.

The company's authorised and paid-up capital are Tk 40 crore and Tk 12 crore respectively.

The general acceptability and consumption of natural medicine has increased remarkably in comparison with allopathic medicine, the company said in its annual report for 2019-20.

Many local drug makers are setting up separate units for herbal medicine due to its huge potential. Herbal medicine was recognised as the fifth medicinal system in 2005 after allopathic, homeopathic, ayurvedic and Unani healing systems.



Over 400 industries manufacture herbal products in the country, where annual consumption stands at about roughly 20,000 tonnes of medicinal plants, according to industry insiders.

Ibn Sina Pharmaceutical sold items worth Tk 619 crore and made a profit of Tk 39 crore in 2019-20.

The drug maker launched 11 new products of seven generics in 2019-20.

## IPO subscription of Lovello ice-cream begins

STAR BUSINESS REPORT

Subscription of the initial public offering (IPO) of Taufika Foods and Agro Industries that markets Lovello branded ice-cream started yesterday.

Investors are allowed to subscribe to the company's shares within January 7.

Bangladesh Securities and Exchange Commission (BSEC) in a meeting on October 14 last year approved the IPO to raise a fund of Tk 30 crore.

Under the fixed price method, Lovello ice cream will offload three crore ordinary shares at Tk 10 each.

The company's net asset value (NAV) per share was Tk 12.17, while earnings per share (EPS) was Tk1.20, according to the financial statement ending on September 30, 2019.

Although the size of ice-cream market is nearly \$60 billion in the world now, it is worth Tk 2,000 crore in Bangladesh, the company said in a press release.

But, the demand is increasing by 20 per cent every year, it added.

So, the company will offload shares in order to expand its production.

## Ifad Autos' cabin manufacturing unit begins production

STAR BUSINESS REPORT

Ifad Autos has started manufacturing cabins for trucks at its industrial park in Dhamrai in Dhaka, the company said in a disclosure yesterday.

The cabin manufacturing unit was set up at an investment of Tk 19.2 crore, a senior official of the company told The Daily Star, adding that the unit was first of its kind in Bangladesh.

"The localisation of cabin manufacturing will create opportunities to develop local vendors, which will in turn generate many jobs," the official said.

According to a filing with the Dhaka Stock Exchange, production began on December 31 and it was financed using the proceeds from rights share issuance.

The cabin or cab of a truck or pickup truck is the inside space in a vehicle where the driver is seated.

The plant can produce 3,600 cabins in a single shift and it will go up to 10,000 units



per annum when it runs at full-swing. Ifad Autos is one of the major players in the automobile industry in Bangladesh and is engaged in importing, marketing, assembling and body-building of various models of Ashok Leyland's vehicles.

It has around 35.2 per cent share in the truck segment, 29.7 per cent share in the bus segment, 6.2 per cent in the mid-sized carrier segment and 8.5 per cent in the tractor segment. Shares of Ifad Autos closed 7.63 per cent higher at Tk 50.80 on the Dhaka Stock Exchange yesterday.

## GLOBAL BUSINESS

# Where are we in Covid-19 vaccine race? Tesla 2020 deliveries beat estimates

REUTERS

India on Friday became the fourth country to approve a coronavirus vaccine developed by Oxford University and AstraZeneca, authorising the vaccine's rollout in coming weeks in the country with the second highest number of infections.

The following is what we know about the race to deliver vaccines to help end the coronavirus pandemic, which has killed more than 1.8 million people worldwide:

US drugmaker Pfizer and German partner BioNTech have been the COVID-19 vaccine trailblazers.

On Nov. 18, they became the first in the world to release full late-stage trial data. Britain was the first to approve the shot for emergency use on Dec. 3, followed by Canada on Dec. 9 and the US Food and Drug Administration (FDA) on Dec. 11. Several other countries, including Saudi Arabia and Mexico, have also approved it.

The European Medicines Agency (EMA) approved the shot on Dec. 21 and India is accelerating its review.

The World Health Organization on Thursday listed the vaccine for emergency use, in a move seeking to speed access to it in the developing world.

Moderna Inc was a close second to Pfizer in many countries after it released a full data analysis for a late-stage trial on Nov. 30 showing a 94.1 per cent efficacy rate for its vaccine. The United States authorised Moderna's vaccine on Dec. 19, while Canada approved the shot on Dec. 23 and the European Medicines Agency (EMA) will do so on Jan. 6.

India approval of a two-dose version of AstraZeneca's vaccine, COVISHIELD,

which has also been given the green light by Britain, Argentina and El Salvador, is a major win for a shot seen as crucial for mass immunisations. Questions about the robustness of its trial data have complicated the approval process.

The British company announced interim late-stage trial data in November showing two full doses were 62 per cent effective while a half-dose followed by a full dose had a 90 per cent success rate - but UK regulators the more successful outcome

had not stood up to analysis.

AstraZeneca is also in discussions with the European Union's European Medicines Agency, which is conducting a rolling review of the vaccine.

US drugmaker Johnson & Johnson plans to deliver trial data in January, teeing it up for US authorisation in February if its shot is effective. It reduced the enrolment target for its clinical trial to 40,000 volunteers from 60,000 on Dec. 9, potentially speeding results that are tied to how quickly

participants become infected.

US firm Novavax is running a late-stage trial in Britain with data due in the first quarter of 2021. It expects to start a large-scale trial in the United States this month.

France's Sanofi and Britain's GlaxoSmithKline, however, announced a setback on Dec. 11 in their attempts to develop a vaccine.

The drugmakers said that it showed an insufficient immune response in older people in mid-stage trials and that they would start a new study in February.

The companies usually test their vaccines against a placebo - typically saline solution - in healthy volunteers to see whether the rate of COVID-19 infection among those who got the vaccine is significantly lower than in those who received the dummy shot.

The trials rely on subjects becoming naturally infected with COVID-19, so how long it takes to generate results largely depends on how pervasive the virus is where trials are being conducted. Each drugmaker has targeted a specific number of infections to trigger a first analysis of their data.

The World Health Organization ideally wants to see at least 70 per cent efficacy. The FDA wants at least 50 per cent - which means there must be at least twice as many infections among volunteers who received a placebo as among those in the vaccine group. The EMA has said it may accept a lower efficacy level.

Although Pfizer's shot was the first to be rolled out following the publication of full Phase III trial data, Russia and China have been inoculating their citizens for months with several different vaccines still undergoing late-stage trials.

REUTERS

Tesla Inc on Saturday reported better-than-expected 2020 vehicle deliveries, driven by a steady rise in electric vehicle adoption, but narrowly missed its ambitious full-year goal during a punishing year for the global auto industry.

The company delivered 499,550 vehicles during 2020, above Wall Street estimates of 481,261 vehicles, according to Refinitiv data - but 450 units shy of CEO Elon Musk's target. Musk tweeted here he was "proud of the Tesla team for achieving this major milestone."

"At the start of Tesla, I thought we had (optimistically) a 10 per cent chance of surviving at all," he said.

On Twitter, congratulations from supporters and bullish investors poured in, lauding the electric vehicle maker for its stellar year, which has defied wider auto industry trends of slumping sales, quarterly losses and global supply chain disruptions. Tesla's share price has risen more than 700 per cent over the last year, the company has reported five consecutive quarterly profits and in December it was included in the S&P 500 index.

But some online investor accounts criticized Tesla for saying it had achieved its guidance.

Tesla at the start of 2020 said it would "comfortably exceed 500,000 units" for the year, a target it has left unchanged despite the pandemic.

Chief Financial Officer Zachary Kirkhorn in October said Tesla was "aiming to achieve (its) original 2020 guidance."

Tesla has pinned hopes on new markets such as Europe and Asia, with competition intensifying in its home turf as legacy automakers double down on their investments in the booming EV space.

Tesla's delivery push has been supported by its new Shanghai factory, the only plant currently producing vehicles outside California. The carmaker said here Model Y production in Shanghai has begun, with deliveries expected shortly.



Small bottles labeled with a "Vaccine Covid-19" sticker and a medical syringe are seen in this illustration.

REUTERS/FILE