Best digital campaigns awarded

STAR BUSINESS REPORT

A total of 124 digital media campaigns were yesterday recognised at the 6th Digital Marketing Award for being the best marketing and brand communication programmes in the past year.

Organised by the Bangladesh Brand Forum (BBF) at the Le Méridien hotel in Dhaka, the event was powered by Meghna Group of Industries and Httpool Bangladesh Ltd, in association with Adjust and The Daily Star.

Just one campaign won the highest award, called "Grand Prix", while 13 won gold, 44 received silver and 66 got bronze.

The Grand Prix for best use of PR in a digital platform was awarded to "Din Bodoler Hawa", which was executed by Mediacom Limited and Facecard Production.

Starting in 2014, the event has been a central platform for marketing enthusiasts, advertising experts and creative professionals to learn and share the best and latest digital marketing practices.

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The same campaign also won the gold award in the best content marketing category.

Other gold winners include Bangla Iskool and Singularity Limited, Jarvis, Grey Advertising Bangladesh Limited, Asiatic Mindshare Limited, Mpower Bangladesh, LIE TO EYE, Asiatic Marketing Communications Limited, Meghna Group, bKash, Mediacom Limited and O&Z Solutions.

"In the era of dual existence of digital and physical dimensions, we need to activate our human emotions more, and to unlock the next era of innovation and possibilities, our digital strategies should be aligned," said Shariful Islam, managing director of BBF.

The aim of the summit was to delve deep into the industry challenges, allowing industry leaders to share their multi-dimensional experiences.

It also enabled a platform to stage exclusive discussions on possible solutions, analyse digital trends, integrate

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BANGLADESH ECONOMY: PROSPECTS

- Bangladesh has the potential to become one of the stars in Asia
- GDP can grow by 7.5% for next five to seven years
- Bangladesh continues to benefit from diversification of global supply chain
- Could become a trillion-dollar economy

RECOMMENDATIONS

- Stabilise macroeconomy
- Improve ease of doing business
- Strengthen economic governance, institutions and rule of law
- Diversify economy, export sources
- Build physical and digital infrastructures
- Strengthen financial system
- Ensure legal predictability and stability

And frankly speaking, I think Bangladesh has the potential, over the medium term, to become one of the stars in Asia.

Standard Chartered Bank Group Chairman
José Viñals

Bright prospects for Bangladesh despite short-term challenges

Standard Chartered Bank Group Chairman José Viñals says in an interview

MD FAZLUR RAHMAN

Bangladesh is going through some short-term challenges like the rest of the world largely for the external factors but the medium-term prospects for the country remain bright, said Standard Chartered Bank Group Chairman José Viñals.

"In order to materialise the prospects, Bangladesh needs to address the short-term challenges," he told The Daily Star in an interview in Dhaka on Thursday.

Last week, he was in the capital on a four-day visit, when he met regulators, senior government officials, economists, and clients, among others.

He praised the country's private sector for its determination to succeed in spite of Covid-19 and recent turbulence.

"It has a lot of vitality and sees the opportunities. And frankly speaking, I think Bangladesh has the potential, over the medium term, to become one of the stars in Asia."

"All in all, I am very positive about the medium-term prospect of Bangladesh," he said, citing the period of five to 10 years.

José was appointed to Standard Chartered PLC in October 2016 and became group chairman in December 2016.

Bangladesh witnessed a slowdown in economic growth, both during the Covid-19 pandemic and this year, due to some difficulties emanating from the Russia-Ukraine war.

But José is bullish.

"I believe the growth rate of Bangladesh can be significantly higher. It can be at least 7 or 7.5 per cent in the next five to seven years," he said.

In order to ensure higher economic growth, he said, there is a need to keep improving the ease of doing business, strengthening economic governance, institutions and rule of law, continuing diversification of the economy and export sources, and building both important physical and digital infrastructures and human capital.

A former financial counsellor and the director of the monetary and capital markets department at the International Monetary Fund (IMF), José said Bangladesh has the goal of graduating to a middle-income country by 2031 and then moving forward to attain the higher-income status.

José Viñals

"If Bangladesh can address the short-term challenges and pursue the growth agenda, it will be able to do very well in the medium term."

"Standard Chartered will be there to support Bangladesh's economic and financial development."

Governance is an issue in many countries.

And José said strengthening institutions and the financial system are also important. Ensuring legal predictability and stability is required to make sure both domestic and foreign investors come in.

Bangladesh is set to lose preferential market access once it becomes a developing nation in 2026 from a least-developed country.

"Once you graduate, you go and play in a higher league. You have to be competitive in order to sustain your permanence in that league and do very well," José said.

Bangladesh is already a factory of the world when it comes to manufacturing readymade garments and is the second largest producer of garments after China.

"If Bangladesh can play its cards wisely, Bangladesh can be a superstar in many other areas. And in overtime, those can take place by diversifying the export base," José said.

A lot of companies are also moving out of northern Asia, particularly China, and relocating to Southeast Asia and South Asia.

"I think Bangladesh has a unique opportunity in terms of having a very good labour force, which is competitive from the cost point of view."

READ MORE ON B2

Germany opens first LNG terminal

AFP, *Germany*

Germany on Saturday inaugurated its first liquefied natural gas (LNG) terminal, built in record time, as the country scrambles to adapt to life without Russian energy.

The rig in the North Sea port of Wilhelmshaven was opened by Chancellor Olaf Scholz at a ceremony on board a specialist vessel known as an FSRU, named the Hoegh Esperanza.

"It's a good day for our country and a sign to the whole world that the German economy will be able to remain strong," Scholz said from the boat.

The Hoegh Esperanza sounded its horn as the chancellor, dressed in a high visibility jacket, approached.

The ship has already been stocked with gas from Nigeria that could supply 50,000 homes for a year, and the terminal is set to begin deliveries on December 22.

Germany plans to open four more government-funded LNG terminals over the next few months as well as a private terminal in the port of Lubmin.

Together, the terminals could deliver 30 billion cubic metres of gas a year from next year, or a third of Germany's total gas needs -- if Berlin can find enough LNG to service them.

LNG terminals allow for the import by sea of natural gas which has been chilled and turned into a liquid to make it easier to transport.

The FRSU stocks the LNG, then turns it back into a ready-to-use gas.

Until now, Germany had no LNG terminals and relied on cheap gas delivered through pipelines from Russia for 55 per cent of its supply.

But since Russia's invasion of Ukraine, gas supplies to Germany have been throttled and Berlin has been forced to rely on LNG processed by Belgian, French and Dutch ports, paying a premium for transport costs.

The government decided to invest in building its own LNG terminals as quickly as possible and has spent billions of euros (dollars) on hiring FSRUs to service them.

However, Germany has not yet signed a single major long-term contract to begin filling the terminals from January.

"The import capacity is there. But what worries me are the deliveries," Johan Lilliestam, a researcher at the University of Potsdam, told AFP.

Promoting startup ecosystem

MAMUN RASHID

The Bangladeshi startup ecosystem has seen remarkable growth in the past few years with approximately 1,200 active startups across sectors, including fintech, logistics, healthcare, tourism, agriculture and education. In fact, startups like ShopUp, bKash, Pathao, Chaldal, Maya, Shajgoj, and iFarmer have innovated new products and processes to transform the market and have attracted millions of dollars in foreign investments for Bangladesh along with creating thousands of new jobs.

Therefore, the growth of the startup ecosystem is imperative to enhance its role in accelerating the socio-economic development of Bangladesh and facilitating the move towards a new era of coalescence of business and technology.

Through policies encouraging investments, as well as Startup Bangladesh Limited, the government has displayed an increasing interest in building a more enabling environment for startups. It appears that the government is genuinely interested in promoting the growth of a start-up culture in the country.

However, there are still quite a few factors that are creating impediments to the growth of the startup ecosystem.

Out of the approximately 200 new startups that are born every year, only a handful remain with 80-90 per cent failing to survive due to a weak capital absorption capacity, lack of product-market fit, inadequacy in team expertise, lack of initial funding, etc.

Even the startups that do survive often struggle to grow further due to the absence of a proper strategy to scale the business and the inadequacy of access to investors which can lead to later rounds of investment.

With the ongoing funding winter due to global turbulences, the investment in Bangladeshi startups has plummeted from $68.3 million in the second quarter of 2022 to $4.99 million in the third quarter, a drop of 92 per cent.

While increasing digitalisation and enhanced public and private initiatives are major enablers for the ecosystem, inconsistencies in policies and regulatory frameworks, finite supply of skilled labour and limited access to financial markets are continuing to pose as obstacles for startups.

It is essential for the government and development partners to ensure the development of resilient startups that can attract investments during funding undercurrents, enable the availability of funding through creating new startup-focused local funds, and increase access to international investors.

The way forward lies in partnering with seasoned advisory organisations that can: (1) expedite collaboration of national and international innovation hubs, accelerators, and incubators to strengthen the startups so that they can formulate and modify strategies to coast through obstacles; (2) establish linkage of startups with global investor networks and venture capital firms; and (3) provide support for the development of local funds to boost the availability of capital for the Bangladeshi startups.

Bangladesh's development partners may also play a prominent role in this regard by guiding, aiding, educating, financing, and promoting Bangladeshi start-ups in the global arena. Furthermore, the startup ecosystem needs to be nurtured through industry-academia collaborations to encourage innovation and talent development at the school and university levels.

Finally, continued support from the authorities, which includes onboarding additional governmental agencies beyond the ICT ministry, and removing existing bureaucratic resistance and obstacles would pave the way for the success of the startup ecosystem. In fact, the lesser the degree of bureaucratic interference the better the chances for more Bangladeshi start-ups to flourish.

The author is an economic analyst

India's textile industry faces tough times as buyers cut spending

REUTERS, *New Delhi*

India's $200 billion textile and apparel industry is facing a crisis as consumers in the United States, Europe and other big markets have cut spending on clothing following a surge in inflation after the war in Ukraine, industry officials said.

While the overall economy is relatively strong and is outperforming major economies, the textile sector is a notable exception and orders suggest the downturn will continue well into 2023, raising the risk of layoffs in an industry that employs more than 45 million people.

Exports, which constitute about 22 per cent of the industry, have fallen for five months in a row - declining over 15 per cent year-on-year in November to $3.1 billion. Domestic sales are sluggish despite strong growth in the overall economy because of high costs and cheap imported garments, manufacturers say.

After bumper sales earlier this year, local textile factories are now cutting production - contributing to a 4.3 per cent contraction in manufacturing output in July-September quarter that has raised concerns among policymakers.

The shock comes as Prime Minister Narendra Modi's government struggles to create employment for millions of youngsters entering the job market each year.

After 18 months of robust growth through mid-2022, global retail sales of clothing have been dragged down by high inflation and depressed consumer sentiment, and prospects for 2023 look gloomy, a McKinsey report said last month.

In India, the manufacturing sector, contributing 16 per cent of GDP, has been hit by rising raw material costs and weak demand, despite bright growth elsewhere. Manufacturing showed no signs of growth in the first half of the current April-March fiscal year while the overall economy, helped by agriculture and services, expanded 6.3 per cent.

Textile manufacturers, along with makers of footwear, furniture, electronic and electricals, have been hit as companies battle to pass on rising input costs, while consumers have cut expenditure on these products as they spend more on food and fuel.

In the textile industry, manufacturers

READ MORE ON B2

Garment workers cut fabric to make shirts at a textile factory of Texport Industries in Hindupur town in the southern state of Andhra Pradesh. In the Indian textile industry, manufacturers say higher domestic cotton prices and other costs have hit their profit margins, while overseas orders for next summer are down by about one-third.

PHOTO: REUTERS/FILE