The Daily Star
CELEBRATING
32 YEARS OF
JOURNALISM WITHOUT FEAR OR FAVOUR

TOWARDS A SMART BANGLADESH

SEGMENT 1
ANNIVERSARY SUPPLEMENTS 2023
DHAKA SATURDAY FEBRUARY 11, 2023
MAGH 28, 1429 BS
24

How startups can make the best use of data

Khan Muhammad Saqiful Alam *is a data strategist and programme manager working in the Trust and Safety department of TikTok in Singapore.*

KHAN MUHAMMAD SAQIFUL ALAM

We live in the age of data. Today, as I write this article nearing midnight, almost 2.5 quintillion bytes of data have been generated globally. That is 25 followed by seventeen zeros. And we in Bangladesh are not much behind in this stream of data generation. A good back of the envelope calculation will be that since almost two percent of the world's population live in Bangladesh, and assuming that one in every 100 persons in the country has access to devices that generate data, we will be generating 500 terabytes (TB) of data per day. And I am making some very conservative estimations here. That's more than the highest storage space available in personal computers or hard disks (which max up to 20 TB).

As a result of this predominance of data everywhere, many successful business names today have grown by leveraging data. Companies such as bKash have utilised insights from data to make sure that their retailers are working properly, to identify the wallet sizes in different regions, and to predict the right amounts of cashbacks that incentivise customers to use the mobile wallet. Pathao has used massive amounts of data and their unique graph algorithm (a data science tool) to match the rider and the user which has helped them compete against global giant Uber. Even brick and mortar organisations such as Unilever and British American Tobacco are investing heavily on setting up their data teams and making the right use of data to increase revenue.

But for a startup, making the best use of data can be challenging. There are quite a lot of issues to consider – how and where to obtain the data? How to set up a data team? How much to invest? When? How to scale up? Which tools and platforms to use? And these challenges are exacerbated by the fact that startups are short on funds, always under pressure from investors to show positive return on investment (ROI), and be as lean as possible.

Therefore, the first issue really is to determine how and where to obtain the data. But that is honestly the easier part. Most business models today are either online or involving services that are digital or connected to social media. A startup can chart its whole process of doing business, from the very first steps, till the service or the product is delivered to the customer, and identify exactly the points where they can get data. For example, in the case of a company that provides ride services to university students and professionals, the data can be in the form of what routes are being requested in the company's website, its social media channels and its hotlines, what are the existing routes, how many customers are using the existing routes, who are the recurring customers, how many vehicles are operating in each of the routes, what is the spare capacity, etc. And this is where the company needs to make another major investment – building a data culture, where the focus is always on evidence driven decision making. Everyone in the company should at least be aware of how valuable data is for decision making, to support their hunches, experiences, and sparks of brilliance, and also be on the lookout for which data points they can obtain to connect the company's performance. And this culture needs to be driven from the very top – startup founders need to instil the value of data. This has successfully been accomplished by visionary startup founders such as Reyasat Chowdhury of Shuttle, or Oli Ahad of Intelligent Machines Limited, both of which have reaped significant benefits from data utilisation.

PHOTO: **COLLECTED**