

E-commerce buoyant riding on women entrepreneurs

MAHMUDUL HASAN

Women entrepreneurs are playing a vital role in keeping Bangladesh's digital commerce segment buoyant using their skills and resilience, giving a much-needed fillip to a sector reeling under crisis because of plummeting sales, scams and unprecedented inflation.

Overcoming many odds, thousands of women entrepreneurs in Bangladesh who started their businesses with technology platforms have become self-reliant and created jobs for others.

They have also become promoters of local products, helping local handicraft artisans deliver their products to the doorsteps of end-customers and ensure fair payments.

After completing graduation in 2006, Farhana Akter Lucky began working at the quality control department of a top pharmaceutical company for four years.

She quit her job after her marriage to look after her family,

as usually happen to most girls in Bangladesh.

Since she had to give up her promising career, she was very dejected. What was even more painful was that she attained good results throughout her student life and had a head start at the very beginning of her work life. So, it started to seem to her that she had lost her identity.

Lucky appeared to get back her professional identity in January 2020 when she started a Facebook-based business, Farhana's Dream, inspired by the Women and e-Commerce Trust, a Facebook-based community marketplace for women entrepreneurs.

But her journey with Farhana's Dream, which sells nakshi kantha and other products, wasn't easy.

This is because it was initially tough to find products since artisans mainly live in the villages across the country.

"And it was very difficult for me to visit different districts amid the lockdowns owing to the coronavirus pandemic," Lucky said.



At the end of 2021, her sales started to pick up. So far, she has exported nakshi kantha to nine countries.

Women in Bangladesh are skilled at making the finest handicraft products. Although these products have a high demand at home and abroad, artisans don't get fair prices in many cases.

"So, it feels great that I am working with them and I am trying to ensure a fair price for them," said Lucky.

She employs four people directly and 50 artisans, mostly women, supply her products.

In Bangladesh, F-commerce has been thriving for the last few

years thanks to the huge size of the Facebook population, which surged to 44 million, placing the country among the top 10 nations in terms of people using the social networking site.

Most of the platforms have sprouted since the beginning of the coronavirus pandemic as consumers were forced to turn to digital platforms to communicate, work, buy and find entertainment.

Women-owned 70 per cent of F-based businesses opened since the pandemic and there has been an increase of more than 65 per cent in Instagram businesses owned by women, said Meta, the owner of Facebook, in March last year.

During Covid-19, some women even chose to be an entrepreneur, leaving their well-paid jobs.

One of them is Nashid Andalib Nikita, who quit her job at a top company and established the Facebook-based fashion brand Kabbo Konna.

"Initially, I started it as a hobby. But it was difficult for me to maintain a corporate job and sell products online at the same time."

When she decided to pursue her dream of becoming an entrepreneur, her family was against it. Initially, they thought that it was degrading to sell cloth online.

Kabbo Konna now sells about Tk 3 lakh worth of products every month and it goes up to Tk 10 lakh during Eid seasons.

According to entrepreneurs, Facebook-based platforms are now struggling due to a spike in raw material prices and a decline in sales amid the global economic downturn and higher inflation.

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Lack of finances, right skills holding women-run businesses back

Speakers say at AmCham discussion

STAR BUSINESS REPORT

Many women entrepreneurs in Bangladesh need to be trained so that they can use modern technologies at ease with a view to helping their businesses tap their full potential, said speakers at a discussion yesterday.

They suffer a lot of problems even during normal times and these problems include difficulty in accessing finance and proper training, they said.

The National Industrial Policy 2016 states that at least 15 per cent of loans provided to the SME sector should be disbursed among women entrepreneurs. But so far, women entrepreneurs have received less than 5 per cent of the total loans, according to the Bangladesh Bank.

The American Chamber of Commerce in Bangladesh (AmCham) organised the discussion styled "Women in Business: Empowering Bangladesh Forward" at The Westin Dhaka.

"Women comprise half of Bangladesh's population and no one can deny women's economic, political and social contributions to the country," said Speaker Shirin Sharmin Chaudhury.

"Gender equality should be ensured for women at every stage of policy formation and in society."

The government is taking necessary measures for producing "smart women entrepreneurs", including a "HER Power Project" at a cost of Tk 250 crore.

"Smart women entrepreneurs will be a helpful force in building a Smart Bangladesh. Therefore, women should be encouraged and involved in the mainstream of development," the speaker said.

In Bangladesh, the number of women entrepreneurs at both brick-and-mortar and online businesses has increased, said Meherun N Islam, president and group managing director of exhibition and convention organiser CEMS Global.

"However, obstacles are constantly increasing for women engaged in doing business or expanding business. New borrowers face the most difficulties in getting loans."

Apart from this, it becomes difficult for women entrepreneurs to get loans due to requirements such as a certain number of transactions and guarantors and a lack of commercial space, according to Islam.

"Women's participation in business is low globally but this is more acute in Southeast Asia as

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STOCKS	
DSEX ▲	CASPI ▲
0.14%	0.15%
6,277.47	18,430.81

COMMODITIES	
Gold ▼	Oil ▼
\$1,849.3	\$78.40
(per ounce)	(per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲ 0.69%	▲ 1.11%	▲ 0.23%	▼ 0.19%
60,224.46	28,237.78	3,239.31	3,322.03

Rising foreign debt to create trouble Experts warn

STAR BUSINESS REPORT

The increasing foreign debt will create problems for Bangladesh unless structural problems in the country's financial sector are addressed, said economists at an inter-department dialogue at the University of Dhaka yesterday.

"The ongoing IMF credit programme will not become effective if discipline in the financial sector cannot be improved," said Rashed Al Mahmud Titumir, chairperson of the department of development studies at the university.

The dialogue, held at the Muzaffar Ahmed Chowdhury Auditorium, was organised by three departments of the university, namely economics, international relations and development studies.

Citing how the Covid-19 pandemic exposed structural problems in the economy, Titumir said Bangladesh has long been facing different crises such as the lack of corporate governance in banks and money laundering.

"The volume of the country's deficit and debt is not the major problem," he said, adding that the main thing is whether the funds are being invested in productive sectors.

Titumir reckons that things will get critical if the government uses the funds for consumption, such as providing salaries to its staff.

The amount of foreign loans taken by both the public and private sectors has doubled in the last five years.

By the end of December 2022, the country's total private sector foreign debt amounted to \$24.1 billion in contrast to \$12.52 billion in 2018.

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Share of MFS accounts owned by male and female persons

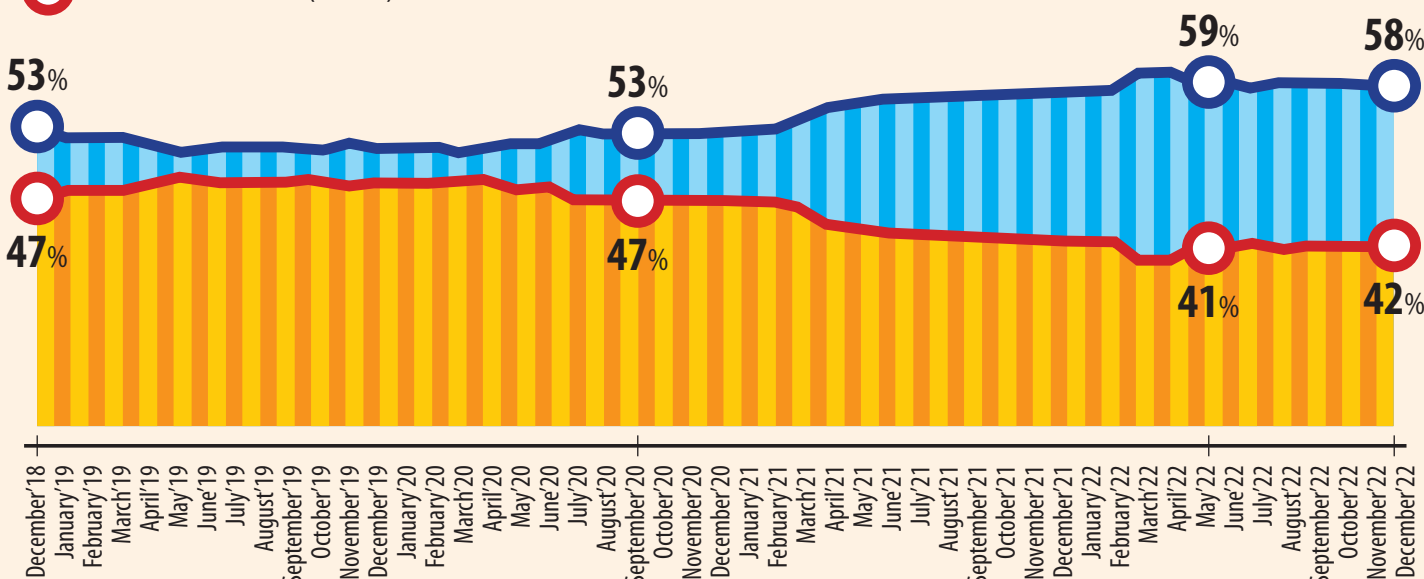
No. of total MFS account: **19.10cr**

Accounts held by men: **11.04cr**

Accounts held by women: **8.01cr**

in %; SOURCE: BANGLADESH BANK

○ Share of accounts (Male)
○ Share of accounts (Female)



MFS ACCOUNTS BY AREA

	Urban	Rural	Urban accounts % of total	Rural accounts % of total
Male	5.0cr	6.04cr	26%	32%
Female	3.47cr	4.53cr	18%	24%

Women-owned MFS accounts falling

SOHEL PARVEZ

Although the number of mobile financial service (MFS) accounts has grown in Bangladesh, the ratio of accounts held by women is falling, which, analysts say, is not desirable as increased participation of female is necessary for digital financial inclusion and gender equality.

Bangladesh Bank data showed that the number of MFS accounts stood at 19.10 crore at the end of December last year with women holding 8.01 crore accounts or 42 per cent of the total.

In contrast, the total number of MFS accounts held by men stood at 11.04 crore.

Four years ago, in December 2018, when the total number of MFS accounts was 6.76 crore, women held 47 per cent of the total.

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