PROJECT REPORT ON THE CURRENT SITUATION OF IT ENTREPRENEURS IN BANGLADESH

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Submitted to

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Letter of Transmittal

12th December, 2018

To,

Mohammad Shibli Shahriar

Lecturer

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Subject: Submission of the project report on 'The Current Situation of IT Entrepreneurs in Bangladesh'.

Dear sir,

On the behalf of Batch 12, I would like to inform you that we've completed our project report on 'The Current Situation of IT Entrepreneurs in Bangladesh'.

Writing this report have enabled us to look at the broad spectrum of entrepreneurial ecosystem where our IT Entrepreneurs work. Throughout this report, we have acknowledged some of the key facts, figures, opportunities and problems in the IT Industry in Bangladesh.

In these regards, we have tried our level best to complete the report with utmost quality, meeting with your expectations. It would be of great pleasure if your find this report useful and informative, and we hope it surely does!

Sincerely Yours,

Shakhawat Ullah Badhon,

On the Behalf of Batch 12

Department of Innovation and Entrepreneurship

Daffodil International University

Certificate of Approval

This is to certify that the project report entitled **"Current Situation of IT Entrepreneurs in Bangladesh"** has been prepared by Shakhawat Ullah Badhon, Md. Mustak Ahmed, Jannatul Nayeem, Ashikur Rahman Ashik as a partial fulfillment of the requirement of Bachelor of Entrepreneurship, from the Daffodil International University under my guidance and supervision.

I wish them every success in life.

Mohammad Shibli Shahriar

Associate Professor & Head

Dept. of Innovation & Entrepreneurship

Faculty of Business & Entrepreneurship

Daffodil International University

Acknowledgement

First and foremost, I wish to express my gratitude to the Almighty Allah for giving me the essential strength and mentality to perform all my responsibilities in this project report with utmost effort and dedication. Secondly, I would like to offer my special thanks to my teammates in this project report without whom all of this would've been never possible.

I would like to convey my utmost gratitude to Mohammad Shibli Shahriar sir for giving us such an opportunity. He has always helped us to pursue practical knowledge instead of the mainstream education, and this has helped us greatly. Writing this project report have enabled us to look into the broad spectrum of problems and opportunities in which the IT Entrepreneurs function in Bangladesh.

Executive Summary

As the IT industry progresses, there are a lot of advancements being made in the technology. This opens the door for entrepreneurs to leverage the power of IT to power their unique business ideas. The sheer power of IT has also enabled businesses to become more efficient, cutting down the operational costs.

Bangladesh's government have been focusing on leveraging the power of IT to create an impact within the country. It aims to create a full digital Bangladesh under its 'Vision 2021' and 'Digital Bangladesh' projects.

The advancements in IT industry ensured that newer opportunities open for entrepreneurs, and this has led to a wide array of different tech startups to emerge out of the blue. Out of all of them, Pathao and LightCastle Partners are the most successful each in their respective fields of operation.

Along with highly successful startups, there have been some startups that failed. The failure was accounted due to a number of reasons, including inefficiency of operation, failure to meet market demand and high charges.

Nevertheless, the IT industry within Bangladesh and in the global market seems very promising for IT entrepreneurs all over the country. The entrepreneurial ecosystem have become friendlier for the startups as a whole, with more accelerator programs, venture capital firms, angel investing firms and a lot more is being created.

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1.0: Introduction

1.1: IT Industry in Bangladesh

The IT Industry in Bangladesh is one of the most prospective sectors contributing hugely to the economy of Bangladesh. It has been emphasized highly upon by the government, and has been heavily subsidized under the 'Digital Bangladesh' and 'Vision 2021' campaign. The total IT industry is estimated to be around Tk. 1800 crore (US$ 250 million) as of 2016. The total industry employs approximately 30 thousand professionals, and more people working informally majority of whom are IT graduates. The average income for IT graduates working in the sector is 15,000 taka per month, making the sector a truly prospective industry for IT professionals and businesspersons.

1.2: Objectives of the Report

The main objective of this report was to give a clear overview of the current situation of the IT industry in Bangladesh and the present situation of IT entrepreneurs working in Bangladesh. In this report, we will talk about some of the successful startups, some of which have failed and try to access the problems existing in the current IT entrepreneurial ecosystem and how to diminish these problems.

1.3: Background of the report

In the background of this report, we have analyzed a number of different IT related startups, a number of which have become onto becoming large companies and/or IT conglomerates. We, too, have analyzed some the startups that have failed and why they've faced such a consequence.

We have also given some statistics that persist in the current IT industry in Bangladesh.

1.4: Methodology

In order to prepare this report, we have collected data and information from various sources from all over the internet. Our primary sources of information were from resource blogs such as Future startup and tech-based blogs.

Secondary data were collected from a number of websites, annual reports, prospectus/brochures, market analysis, statistics provided by government and other private and/or non-profit organizations.

1.5: Limitations for the report

When writing the report, we have come across a number of problems. These problems can be considered as a limitation of our report.

Lack of information: Although the data regarding to the IT industry was clear and accurate, there are very few information as to why startups have failed. The startup ecosystem in Bangladesh, as a whole, have been a prospective area and has been growing, which is why we have very little information about the startups.

Lack of time: It's a matter of sorry that we have been under huge workload working for the HULT Prize competition, which is why started the project report really late. This is why we had to hurry to create this report, and it's truly a matter of regret.

2.0: IT Industry of Bangladesh

2.1: Overview of the IT Industry

Bangladesh's IT industry is seen to be one of the prospective areas in the country's economy. It's projected that Bangladesh's IT/ITES (IT-enabled services) industry would generate about US$ 4.6-4.8 billion revenue by the end of 2025.

Considerable achievements in the IT sector have already been made over several years towards building a 'Digital Bangladesh' and more initiatives are coming. However, to fully capitalize on the opportunities offered by the worldwide IT expansion, Bangladesh is focusing heavily towards further developing the IT sector to draw the attention of foreign investors competing with other technologically advanced/well-invested Asian countries. At the same time, the government is encouraging our entrepreneurs to launch IT companies here. Both these efforts create hundreds of thousands of IT jobs and, consequently, has helped Bangladesh become a middle-income country.

According to BASIS survey, there are over 800 registered software and ITES (IT Enabled Service) companies in Bangladesh. There are another few thousand of unregistered small and home-based software and IT ventures doing business for both local and international markets. The combined industry brings about US$ 1.2 billion per year, contributing heavily to the GDP.

## 2.2: Analysis of the IT Industry

The ICT industry in Bangladesh can be divided into two broad categories; IT and ITES. IT services can be broken down into Application Services (that include systems integration, IT infrastructure and consulting) and Engineering Services (including hardware and software development and testing). The ITES category on the other hand can be categorized into Horizontal Process Outsourcing (including call centers and business process management such as HR and Supply Chain functions), Vertical Process Outsourcing (including banking, manufacturing, telecom, pharmaceutical), Knowledge Process Outsourcing (including business research, animation, data analytics, other specialized processes) and lastly, the latest entry into the segment, Automation Services (including task automation and Business Process as a Service; BPaaS).

According to statistics in 2016 by Lightcastle Partners, it was said that the ICT Industry in Bangladesh employs over 250,000 people with over 1500+ companies working together to create the huge IT chain all over Bangladesh. Currently, the number is estimated to rise exponentially with more students graduating under Computer Science background.

The availability of high talented IT individuals at lower costs have encouraged more entrepreneurs to leverage the talent and high opportunity in Bangladesh to create startups that have made an impact in the economy. It has also encouraged more tech giants to notice the change in Bangladesh, while the smartphone manufacturer Samsung has already set up it's R&D center in Dhaka, 5th of

its kind in the whole of Asia. Other than that, it plans to open a smartphone manufacturing plant in Narshingdi.

2.3: Future Prospects

ICT Exports: Past Present & Future (USD Millions)
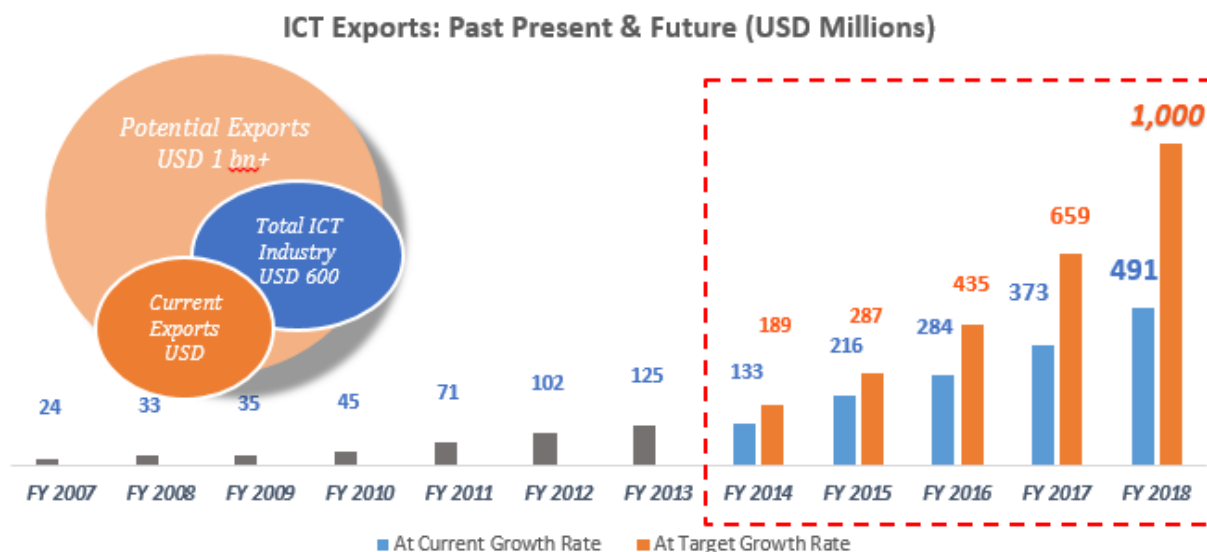
In a report by Lightcastle Partners in 2016, it was projected that Bangladesh would earn a yearly revenue of over US$ 1 billion by the end of 2018. Bangladesh has achieved the feat even before the start of 2018, and has reached a yearly revenue of US$ 1.2 billion as of December, 2018.

From the second citation, the government of Bangladesh projects the revenue to grow five folds over the next five years. It's projected that Bangladesh will reach a yearly revenue of US$ 4.6-4.8 billion, which is quite significant and will contribute hugely to the GDP.

The government has now put emphasis on Big Data Analysis, Internet of Things (IoT) and Artificial Intelligence to adapt with the emergence of disruptive technology. Research is also being conducted on hardware manufacturing and on Research and Development (R&D).

The government is also investing in erecting Hi-Tech parks for the ICT ministry and it is predicted that almost 33 ICT parks will be constructed all over the country.

2.4: Challenges in the industry

As the world progresses to advanced technologies, the IT Industry becomes highly competitive and increasingly tough for tech enthusiasts and professionals to stay updated with the technologies. Due to the fourth industrial revolution, the nature of the outsourcing industry has

been changing gradually to focus more on Artificial Intelligence (AI), Internet of Things (IoT), and blockchain based initiatives. Very few of the Bangladeshi companies are currently prepared to take full advantage of the changing landscapes as the industry crosses its nascent stage and heads into a higher potential stage.

It adds to the fact that there is inadequacy of highly skilled personnel in the industry, with more people having basic or entry-level skillset with very little or none academic resource output.

Another huge challenge is for the e-commerce industry and e-commerce entrepreneurs because the last mile logistics support across the country is still a long way to go, and it has led to delayed deliveries and high-cost shipping.

The high rise of tech entrepreneurs had led to an increased competition in the industry, and the competition will rise higher as time progresses. This, however, is a challenge because the existing tech firms will have to always be on their toes for delivering high-end software solutions and IT-enabled services.

2.5: Opportunities in the industry

Along with the persisting problems, there are a few opportunities for the IT industry and its entrepreneurs leading to a prospective growth. Under the National ICT Policy-2009, the 'Digital Bangladesh' campaign was heavily focused upon. Currently, the government enlists the IT industry as one of the high potential industries, and have heavily subsidized the industry.

As for future development of the industry, the ICT Ministry of Bangladesh has invested on 33 Hi-Tech ICT parks which are being constructed all over the country.

The government has also decided to give tax-breaks to the entrepreneurs working in this industry up until 2024.

The tech entrepreneurs are heavily supported by the Asian Development Bank (ADB) and the World Bank (WB) projects.

The availability of high talent and cheap labor pools have enabled the outgrowth of a number of IT-based startups, many of which have established themselves as successful companies. The startups leverage the power of the increasing IT professionals to create excellent IT-based solutions.

3.0 Successful IT startups

3.1.0: Pathao

3.1.1: A success story

Since its inception in 2016, Pathao has always been a top-class ride hailing platform, attracting attention nationally and internationally. It has been able to compete with international ride-hailing giants such as Uber to stay at the top in the industry locally.

In a total span of two years, Pathao has grown to become a top brand. It has recently reached a valuation of over US$100 million, which is phenomenal for a Bangladeshi company. The company has been representing Bangladesh in the international arena, and has attracted investment from top investors.

By October 2017, Pathao launched Pathao Cars and Pathao logistics. In January of 2018, the company launched Pathao Food, which in just three months has become the largest food delivery service all over Bangladesh. It has since enlisted over 3600 restaurants all over Bangladesh, the likes of which has not been done by any competitor.

3.1.2: The people behind the company

Pathao was founded by three people - Hussain M. Elius, Shifat Adnan and Fahim Saleh. Since the start, the founders used to stay in front of Universities in Banani area asking people to take a ride for about a 100 taka per ride. This was how the initial traction was achieved by the co-founders. Since then, the company has moved a long way.

Now, there are 20 people who are in the management team. All of them report to the core teams of CTO, COO, CFO and CEO. Some of the top managers have more than 10 different departments who report to them. Some departments are vertically self-sufficient, while some are not. Pathao Rides, for example, is more mature vertical and pretty stable. Pathao Foods, on the other hand, is still new and growing exponentially.

3.1.3: Innovation that drives the company

Even before the Pathao app was launched, the founders focused primarily on the motto 'done is better than perfect'. This was a time when they were just getting traction, and they had to set up an office in Chairman Bari, where they had to work without electricity supply for upto 3 days straight.

Since then, the motto has changed to fit the best needs of the customers and the riders. Now, the organisation follows 'bias to action'. This means that they don't just stay busy making plans, but they execute them even if they are not perfect. By this way, they are able to get market feedback

faster and with higher efficiency. This is how they can build products or operations around how things actually work and take the path-of-least-resistance forward.

3.1.4: Market Segmentation and Analysis

Currently, urban transportation spending is at its peak. Over 7 billion dollars is being spent every year in Bangladesh. In Dhaka, more than 4.1 billion dollars is being spent annually. The number of total journeys is 19.9 million in total, with rickshaws taking more than 15 million itself. The number of middle class existing in Bangladesh was about 12 million in 2015, and with the tremendous growth of the country's economy, the middle class will grow to a staggering 34 million by 2025.

What the statistics discussed in the previous paragraph suggests is that the rise of middle class will trigger a need for faster and safer transportation alternative in Bangladesh. An excerpt by Pathao co-founder and CEO Hussain M. Elius said, 'The main problem in Bangladesh isn't the huge number of vehicles. On the contrary, Bangladesh has the lowest per capita vehicle than any country in the region. The real problem is that there are very few roads in the city; it's an infrastructural Problem, and you can't solve it alone.'

Although the infrastructural problem is too farfetched to be solved by an individual or an organisation alone, it can pave the way into development as the country progresses in its economy.

The slow but steady rise of the middleclass economy portrays a huge potential for the ride-hailing market in Bangladesh, and with the traffic issue slowly increasing with time, people have started preferring ride-sharing more than ever. Considering the average speed of cars in Dhaka being 7 kmph, the average speed of Pathao rides is at 26 kmph which shows us why it has been accepted nationwide.

While getting the traction was hard, Pathao has done everything that was needed to get itself going. Nowadays, you can find one or two women using Pathao for their fast and cheap alternative to travel. The numbers are expected to rise in the next few years.

3.1.5: Future Prospects

While Bangladesh's economy progresses at a slow but steady rate, the future seems very brights for Pathao. However, the potential of ride sharing has attracted some of the top competitors coming into this field, while some of the international ride hailing services have targeted Bangladesh for their growth into Asia. Now, Shohoz.com and many others have already entered into the Bangladeshi ride hailing ecosystem, competing tightly with the existing services.

What's more troubling is that the discounted rates and discount coupons have always been the go-to strategy for the services looking to expand into the Bangladeshi market. It is suggested that once the discounted coupons are removed, the internal demand for such service may drop to a screeching halt. There are very few people who would then demand for the ride hailing service except for

special occasions. This will be inevitable unless the companies find out a better strategy to enhance the internal demand.

However, the rise of upper middle class and the elite classes have meant that the demand will always stay the same. What's more promising is the fact that the upper middle class and elite classes have very little interest in purchasing personal cars mainly due to the high maintenance costs and problems relating to owning a car.

All in all, there are problems to Pathao's growth internally in Bangladesh, but as they expand and go internationally and adapt to newer business tactics, the future seems promising for Pathao and its daughter companies.

4.1.0: LightCastle Partners

4.1.1: How a small data firm established itself in the market

When LightCastle Partners was first established in January of 2013, it quickly became one of the top-notch big data firm in all of Bangladesh. LightCastle Partner's journey from a tiny one-room office to a team of more than 30 people, their journey in Bangladesh's service market has been phenomenal.

LightCastle Partners have been able to tackle the product-market demand in its very early days and was able to adapt to the needs of its customers, apply excellent business models and used high flexibility in their business model to survive and grow their initial stages of business. To start off, LightCastle Partners was able to use an excellent combination of personal network, content marketing and highly efficient execution to grow its business. Through such efficient executions, LightCastle Partners was able to expand into multiple verticals, which include impact investment funds and accelerator programs.

Initially, the company was set up in a small room in Elephant road. It was the start of 2013, and the markets were just getting ready to tackle the huge data-driven approach for consumer studies and market research analysis. As the business grew and their clients increased, the company was in need of funding. They raised their first and till now the only round of investment in the sixth month of establishing the company.

Since then, the company has established itself and has expanded to newer heights, many of which have helped LightCastle Partners to become the biggest data firm in all of Bangladesh.

4.1.2: The people behind the company

The initial idea of LightCastle Partners emerged when the Co-founder and Managing Director Ivdad Ahmed Khan Mojlish and some of his friends were completing their bachelor's degree. During a course taught by Mr. Syed Ferhat Anwar, senior professor in IBA, there was a mini-competition held within the class. The main theme of the competition was to brainstorm an idea to brand Bangladesh as a country in the international arena. While some groups emphasized on Bangladesh's rich heritage, some focus on tourism. The group of Ivdad Ahmed was focused on a bold vision - promoting Bangladesh as the next investment frontier. This concept was an instant hit, and the group topped the charts with the concept.

The initial success only paved the way into what was the part of a larger initiative. However, the process was further delayed as everyone headed into different directions after graduation, but this always remained the key area of interest. They worked for different organisations for three to four years, when Ivdad Ahmed took a break from work to apply for MBA in abroad. This is how the friends got a chance to get together once again. After lengthy discussions, they all agreed to pursue the career of entrepreneurship, and this was how LightCastle Partners was first established.

Currently, the company has expanded to house 30 employees working under the co-founders. The leading roles in the organisation include - Bijon Islam, Chief Executive Officer; Ivdad Ahmed Khan Mojlish, Managing Director; Zahedul Amin, Director, Finance, Strategy and Consulting Services; M. Saifur Rahman,Director, Business Development.

There are 10 people working as Business Consultants under the initial four co-founders. The company also has 6 Technology consultants, 3 people working in the Finance and Administration sector and 4 people working as Junior Associate. This is the whole company in a glimpse.

4.1.3: Innovation that drives the company

In the earlier days, LightCastle started with the vision to education entrepreneurs in the local market about the significance of data in day-to-day business decisions. During the time, they realized that the idea was too far-fetched and the market wasn't ready for such a solution. This is when they've pivoted to a wider range of services to better match the market demand.

Keeping its customers at its core, the company approached to a variety of verticals, which included conducting market research, surveys, and big data analysis. They have, since then, decided to cater to the existing market need and keep their vision in the background for the time being in order to establish footing in the market and to create credibility among its customers.

LightCastle Partners then went to develop their proprietary research tool, named LightCastle Data. This was then recognized by both Facebook and Microsoft as one of the top innovations in Bangladesh at that time. With that program, the company then worked with a set of services that included data collection, analysis and presentation.

Along with the LightCastle Data, the company worked with accelerator programs to form LightCastle Center for Advanced Learning and Impact Investment for SMEs.

4.1.4: Market Segmentation and Analysis

The demand for data-driven analysis in the Bangladeshi market is far too small, but the market is slowly but steadily growing. Nowadays, the success of any startup is highly based on data-driven analysis, mainly because the startups need to know exactly what the customers require from the firms.

Acquiring data from the customers have been more important than ever, enabling the startups to track every single decision that the customers make and using the dataset to ensure higher sells and higher revenue for the startups. The world has changed into what is now called the 'data wave'. Data is also called 'the new oil' of the digital economy. The big data market size was capped at 35 billion US dollars and it was forecasted to rise to a staggering 103 billion US dollars by 2027. A report by 451 research predicted that the global Data Market will reach 138.5 billion US dollars by 2021. This is only an indication of the huge potential of the data market, in which LightCastle Partners operate.

Bangladesh is slowly but surely moving to such a stage. Keeping Digital Bangladesh in mind, there is a huge boost in the country's IT related services. And with the rise of every entrepreneur, the need for efficient market research and market analysis have become more important than ever.

4.1.5: Future Prospects

As mentioned previously, LightCastle Partners function in a very prospective area of market where there are huge potentials. While the technology for extracting data enhances, the main challenge of LightCastle Partners will be to adapt to the fast changes in technology and provide highly efficient market analysis.

The huge potential in this market means that the company will have to scale once the demand for data-driven service reaches a top position. With the highly skillful co-founders and the excellent team, there are high possibilities that LightCastle Partners will be able to retain the top position in data-driven services across Bangladesh, and then in the world.

All in all, LightCastle Partnerswill face quite a bit of problems when they'll expand within Bangladesh, and after than internationally. They'll have to adapt to newer business tactics, ensure all of its business operations are completed with higher efficiency and accuracy. The data that the company extracts should also be far-fetched from a wide range of consumers, and only then the company will thrive. The future truly seems promising for LightCastle Partners and its daughter companies!

5.0: Startups that Failed

5.1.0: Joldi

5.1.1: A Failure Story

Joldi was a startup providing excellent logistics support within Dhaka. Established even before Pathao in the early 2015, it was the pioneers in the logistics providing industry that used bicycles for delivery. The company, founded by highly experienced Fahad Ibna Wahab, had the best resources and the best talent pool working for them. It's founder Mr. Fahad had also founded RapidMail in 2013, which was then rebranded as SmileX. RapidMail was, too, a company that provided logistics support to other companies.

Having huge potential and wide experience, it's supposed that the pioneers in the market should be the most successful. This was, however, not the case for Joldi. Joldi failed to get the traction, and slowly but surely it failed.

5.1.2: A Deeper Insight: Why It Failed?

While it was the pioneer in a market that has huge demand for such service, boasting a very experienced founder and a proficient team, the main problem that led to their failure was adapting to the market needs. There are a few key aspects that led to their failure, which included:

- High costs
- Slow service
- Inefficient service
- Inefficient management team

While the startup delivered a service that was highly needed by the booming e-commerce industry in Bangladesh, Joldichai.com hired bicycles to meet with their demand. As for the cyclists, Joldi incorporated a policy in which the cyclists could've picked up multiple products and could deliver products at an area. Although this policy undercut the initial cost by more than half, the cost for each delivery was still too much for an average person to afford.

To give a clearer view, Joldi charged around 80 taka for a small delivery within Dhaka, whilst other competitors such as Pathao (which had just started) charged only 40 taka. This was a huge difference, and this caused the e-commerce entrepreneurs to switch to cheaper alternatives.

When Joldi entered the market, they claimed to deliver the products within hours. This was, however, changed to a single day afterwards. Still, the problem with bicycles is that these are quite slow when compared to motorcycles or covered vans. The cyclists often wasted time in between deliveries, which caused the service to become very slow and inefficient. The management within

the organisation was, too, inefficient. This led to further delays in their service, leading to the inevitable collapse.

5.1.3: What other startups (like Pathao) did right

Although Joldi was established before competitors like Pathao, it didn't last very long. On the other hand, the likes of Pathao have been very successful and have even reached a valuation of over 100 million US dollars in just three years of operation, which portrays the huge potential of the market in which Joldi was operating.

Top competitors like Pathao were able to adapt to changes in market demand and could analyze the market very well, which were the prime reason of their uprise. The business strategy used by Pathao was too refined to be surpassed, which have ensured a high competition since Pathao entered into the scene.

One of the reasons why Pathao succeeded was solely because it kept its price low. They did by operating at a loss for 2 years straight, giving regular promotional codes and charging very little. By this way, they were able to make the Bangladeshi market ready for the service, and they were able to penetrate deeper into the market.

5.1.4: What could've been done?

As pioneers in the industry, Joldi had many reasons why they could've succeeded. To succeed in the ever increasing market, they could've reformed their internal organization. Other than that, they should've focused on retaining the market with excellent business strategy. The prime focus should've been diverted from profits to gaining user base, from whom they could've done business later as their business expanded. As with express logistics, they could've added motorcycles to their platform for faster and efficient deliveries.

When pointing out mistakes, there are hundreds of them that you can point out. All of these, however, are hypothetical and are based on the likes of the competitors. Things could've been different at that time depending on the situation.

6.0: Research Findings

6.1.0: What we've actually learnt

All throughout the project, we have discussed the present situation of IT industry of Bangladesh and the current situation of IT entrepreneurs functioning in the Bangladeshi economy. We have learnt a lot from the project report, some of which we're pointing out in this section.

6.1.1: The IT Industry is booming

Under the 'Vision 2021' and 'Digital Bangladesh' project, the Bangladeshi government is focusing on the high potential IT sector. The ICT Division has been working on 33 ICT Parks all around the city, which will be functioning the top class IT-related firms. As the world moves to the Digital era, the constant evolving technology has left many IT professionals stranded.

This means that the IT professionals have to always be updated with the latest technology in order to remain in the market. The huge potential of such an industry and Bangladesh specializing in such a tertiary service means that the growth potential of Bangladesh will grow continuously over the decade or so.

6.1.2: Huge opportunities lie for entrepreneurs

As the technology evolves, it makes microwork very efficient. For businesses, it means that the operating cost decreases as the technology gets better. It adds to the fact that there are still many areas undiscovered, indicating huge opportunities for entrepreneurs to latch upon.

Bangladesh have been the founding ground of tech startups like Pathao and Bkash, indicating that it has high potential in becoming a close-to Silicon Valley for entrepreneurs.

6.1.3: Tech startups have not always succeeded

While only 10% of the startups fail, 90% of them fail. This is highly indicative of the failing rate, meaning that all of the startups will not succeed. Apparently, this has been true for many startups, including the likes of Joldi logistics. Even after being pioneers in the industry, they failed to make an impact, and was wrapped up as a failure story.

6.1.4: Data-driven firms are on the rise, as with the demand for data

Data is said to be 'the oil of the digital economy'. Using data, firms can track every single consumer behaviour, analysing all of the data to better fit their business strategies. This has led to an increased demand for big data and market analysis, which has caused an upward shift in the demand for such firms.

6.1.5: The startup ecosystem has become friendlier for entrepreneurs

As the startup ecosystem enhances within Bangladesh, it gets friendlier for entrepreneurs. As for IT entrepreneurs, they get constant support from the government and are highly subsidized. It adds to the fact that many organisations have acknowledged the true potential of the entrepreneurial ecosystem in Bangladesh and are now working on creating a better environment for such entrepreneurs.

7.0: Conclusion

The IT industry is booming in Bangladesh, so is its entrepreneurial ecosystem. Matching with the advancement of technology, many highly innovative tech startups have emerged all over Bangladesh and all of them focus on very unique concepts, many of which was never thought was possible in Bangladesh just a few years ago.

The entrepreneurial revolution is backed by the Government of Bangladesh, primarily focusing on 'Vision 2021' and 'Digital Bangladesh' projects, under which Bangladesh aims to create an impact globally by harnessing the power of ICT.

By encouraging tech startups with subsidies and training, Bangladesh has been able to achieve a wide array of different tech startups which have contributed heavily to the country's economy. The likes of Pathao and LightCastle Partners have been very successful in their respective fields, with Pathao getting a valuation of over 100 million US dollars. That's something to be proud of.

While there are a handful of very successful tech startups, we often fail to recognize the sheer number of others who have failed. Some tech startups fail because of inefficiency in administration and service, while some fail because of discrepancy in their products. Some even fail to compete with the other firms in the market, stumbling upon and then collapsing afterwards.

In conclusion, the IT industry is still developing and has huge potential for further development. As the IT progresses, harnessing the power of the technology and being updated with every change seems tough. The Bangladeshi government have focused on just that, encouraging more entrepreneurs to turn to tertiary service related businesses. This is why the current situation for IT entrepreneurs seems very promising, to say the very least.

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