

Report on
A Comparative Study between Premier Bank's pmoney and the
Leading Mobile Financial Service Provider bKash

By

MD. TASNIM JAHAN
15104124

An internship report submitted to the Brac Business School in partial fulfillment of the
requirements for the degree of
Bachelor of Business Administration

Brac Business School
Brac University
August 2019

© 2019. Brac University
All rights reserved.

Declaration

It is hereby declared that

1. The internship report submitted is my own original work while completing degree at Brac University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I have acknowledged all main sources of help.

Student's Full Name & Signature:

MD TASNIM JAHAN

ID 15104124

Supervisor's Full Name & Signature:

MD SHEZANUR RAHMAN

Lecturer, BRAC Business School

Brac University

Letter of Transmittal

Md. Shezanur Rahman

Lecturer,

BRAC Business School

BRAC University

66 Mohakhali, Dhaka-1212

Subject: Submission of internship report on “A Comparative Study between Premier Bank’s pmoney and the Leading Mobile Financial Service Provider bKash”.

Dear Sir,

It is an absolute joy to handover the internship report on “A Comparative Study between Premier Bank’s pmoney and the Leading Mobile Financial Service Provider bKash”, which is an integral part of the degree completion process. I would like to recall with gratitude the immense support and vital guidelines I received from you while preparing this report, without which the report would have been rendered ineffective.

Working with The Premier Bank has helped me a lot in forming a connection between theoretical and practical knowledge. I have tried to deliver my utmost sincere hardwork in making the report as holistic and comprehensive as possible within a very short span of time. Therefore I pray for your kind consideration for any shortcomings or discrepancies this piece of work might have.

Nevertheless, I am highly confident and optimistic that this report would meet the desired expectations.

Sincerely yours,

MD. TASNIM JAHAN

ID: 15104124

Brac Business School

Brac University

Date: August 25, 2019

Non-Disclosure Agreement

This agreement is made and entered into by and between The Premier Bank Limited and the undersigned student at BRAC University

Acknowledgement

First of all, utmost gratefulness and indebtedness to Almighty Allah for his constant grace and mercy towards me. I would like to thank my parents for their never-ending patience and provisions of all my necessities.

A special place of graciousness will always be there for my advisor Mr. Md. Shezanur Rahman, who have toiled as much as I have, in giving this report a fine touch by his sheer brilliance and in-depth supervision.

A big heartfelt admiration goes to Mr. Syed Talha Rafique, my on-site supervisor, for being a resourceful mentor during this whole tenure. The same regard is reserved for Ms. Nurun Nahar Tonni and Ms. Noushin Islam for their constant support. I would also deliver my thankfulness towards Mr. Tanveer Ahmed, Mrs. Dilruba Tarique, Mr. Shahadat Hossain, Mr. Tarikul and the whole team of General Banking department and as well as the Foreign Exchange, whose names I could not mention, for their display of patience and care.

Mr. Shahed Sekandar, the celebrated manager of the branch, gets massive thanks and high regard for his talk of wisdom at times.

Executive Summary

Mobile Financial Service is, undoubtedly, a key player in the financial inclusion of the society at large. This research paper has compared pmoney and bKash in light of various issues. Comparative analysis in terms of features has led to find the gaps pmoney is facing such as: Merchant Payment, Beneficiary Management, Cash-in and Cash-out, et cetera among others. The customer perception survey conducted among users of both the apps revealed similar picture; payment method, cash-in cash-out, send money option etc. were highly sought after. In addition, pmoney needs improvement in UI/UX design of its app besides fixing the bug problem many users faced. While performing Porter's Five Forces Model analysis, it has been understood that the MFS industry has an overall profitable prospects, so pmoney would naturally reap the benefit. PESTEL analysis revealed a better picture in terms of the external influencing factors that would provide pmoney sustainability and desirability. Moreover the MFS industry is also passing through its growth stage, thereby all industry players would find value without hurting each other. However, for the time being, pmoney needs to look after some concerns that might hinder its potentiality. A quick action from management for implementing the necessary steps for pmoney is vital, besides social media PR and TVCs also being essential. In addition it could form partnership with a third-party MFS provider for mutual gains, like bKash-Alipay collaboration.

Table of Contents

Declaration	ii
Letter of Transmittal	iii
Non-Disclosure Agreement	v
Acknowledgement	vi
Executive Summary	vii
Table of Contents	viii
List of Tables	x
List of Figures.....	xi
List of Acronyms	xii
Chapter 1 Introduction to the Report	1
1.1 Origin of the Report.....	1
1.2 Scope of the Report.....	1
1.3 Objectives.....	2
1.4 Methodologies	2
1.5 Limitations of the Report	3
Chapter 2 Company Overview and Job Description	4
2.1 Overview of The Premier Bank Limited.....	4
2.1.1 Introduction	4
2.1.2 Historical Backdrop	5
2.1.3 Vision, Mission and Values.....	6

2.2 Job Description	7
Chapter 3 Literature review	9
Chapter 4 Analysis	14
4.1 Mobile Financial Service Industry Analysis	14
4.1.1 Mobile Financial Service	14
4.1.2 Industry Life Cycle.....	14
4.1.3 Porter’s Five Forces Model.....	15
4.1.4 PESTEL Analysis.....	20
4.2 pmoney App of The Premier Bank Limited	23
4.3 bKash, the Leading MFS Provider	26
4.4 Comparison Between bKash and pmoney in Terms of Features/ Services	27
4.5 Comparison Between bKash and pMoney Using Customer Perception Survey.....	30
Chapter 5 Findings and Recommendations	37
5.1 Findings.....	37
5.2 Recommendations.....	41
Chapter 6 Conclusion.....	42
References.....	43
Appendix	47
Customer Perception Survey Questionnaire	47

List of Tables

Table 1 Some Important Milestones of PBL	6
Table 2 mBanking Growth during Initial Years.	10
Table 3 Scenario of agents and clients in leading MFS providers (data from 2017).....	10
Table 4 MFS growth in the recent past years.	11
Table 5 Successful Transaction by pmoney as of Aug 01 2019.....	25
Table 6 Age Group of participants.....	30
Table 7 Income Level of participants.....	31
Table 8 Profession of participants.....	31

List of Figures

Figure 1 The Premier Bank logo.....	4
Figure 2 MFS industry life cycle.	15
Figure 3 Porter's Five Forces Framework	16
Figure 4 pmoney logo	23
Figure 5 Home page & Login of pmoney	24
Figure 6 pmoney successful transaction.....	25
Figure 7 bKash logo	26
Figure 8 Home page of bKash in Bengali	27

List of Acronyms

MFS	Mobile Financial Service
PBL	Premier Bank Limited
BB	Bangladesh Bank
RTGS	Real Time Gross Settlement
BEFTN	Bangladesh Electronic Fund Transfer Network
CSE	Chittagong Stock Exchange
DSE	Dhaka Stock Exchange
DBBL	Dutch Bangla Bank Limited
MNO	Mobile Network Operator
KYC	Know Your Customer
EMI	Equal Monthly Installment
DPDC	Dhaka Power Distribution Company
DESCO	Dhaka Electric Supply Company
UI	User Interface
UX	User Experience
BDT	Bangladesh Taka
LLC	Limited Liability Company
QR	Quick Response

Chapter 1 Introduction to the Report

1.1 Origin of the Report

Brac Business School internship program of 12 weeks is a partial requirement for all students to complete their undergraduate studies. The prime objective of this internship is to make sure that students get the exposure of the business world or any field of work they opt for. In addition, the basis for this study also includes an application of classroom knowledge and recognizing job responsibilities. This topic, in particular, originates due to the immense potentialities of MFS industry; one such according to Bangladesh Bank website, is, in May 2019 alone, total transactions amounted to more than 42000 crores BDT, with average daily transaction amount being close to 1400 crores BDT. This, along with the said factors, has attracted my attention towards this topic being the chosen one.

1.2 Scope of the Report

This internship program has allowed me to blend with the organization to a great extent. I have been a part of this esteemed bank for a period of 3 months in Gulshan- 1 branch. The report discusses *“A Comparative Study of Premier Bank’s pmoney and the Leading Mobile Financial Service Provider bKash”*. I firmly believe this report would be a coveted one as it compares pmoney and bKash qualitatively and also analyses what pmoney needs to be doing in order to reach a reputed position like the bank itself. The report, however, makes comparison with bKash only, spanning a time-frame of few years as the MFS industry in the country is less than a decade old. Moreover, the inception of pmoney until very recently, makes it complex enough for the report to cover a wider time frame.

1.3 Objectives

Objective is classified into two categories:

General - This portion relates to the fulfillment of BBA program requirement of BRAC Business School.

Specific – Considering the importance of mobile financial services, this study aims to provide quite a few objectives as follows:

- To understand the present industry structure of mobile financial services using Industry Life Cycle, Porter’s Five Force Model and PESTEL analysis.
- To know about the features and services of pmoney and bKash through first-hand use and secondary data.
- To spot the areas of improvement for pmoney by performing comparative analyses.
- To identify the courses of actions pmoney needs in order to achieve top position by establishing comparative analysis with bKash using survey and comparing in terms of features and /or services.

1.4 Methodologies

The research approach in this study make use of qualitative methods. For an in-depth understanding of the comparison between pmoney and bKash, the methods include- first hand use of both the apps, talking to users of pmoney, discussion with the developers of pmoney, use of published journals and articles, Premier Bank’s website. In addition, guidance and feedback from supervisors and faculty, forming appropriate questionnaires, surveying users, et cetera also were essential in completion of this report.

1.5 Limitations of the Report

This report faced several hurdles such as inadequate time, which impeded a better analysis of the study. A lot of information were not disclosed due to the nature of confidentiality of the data. Furthermore, this report does not generalize the whole of Premier Bank. In addition, the scope of the report is limited to bKash as being the only MFS competitor for comparison. Another setback accounts due to the fact that pmoney is a mere 3-month-old app, which made it difficult to perform a full-fledged fair comparison with bKash in terms of scope and capacity.

Chapter 2 Company Overview and Job Description

2.1 Overview of The Premier Bank Limited

2.1.1 Introduction

The Premier Bank Limited is a private commercial bank headquartered in Banani, Dhaka. It became a part of the banking industry on June 10, 1999. After about a week, Central Bank of Bangladesh- Bangladesh Bank- issued the much coveted banking license under Banking Companies Act 1991. To much delight of The Premier Bank, they commenced their operations on October 26, 1999.



Figure 1 The Premier Bank logo

Source: ATMs.WEM.COM.BD

As of today, PBL runs over a 100 branches (111 to be precise) smoothly all across the geographic boundary of the country. This esteemed organization specializes in Corporate Banking, Retail Banking, SME Banking, Cards, Premier Securities and the much discussed Islamic Banking.

With about 1700 employees, as of 2018, Premier Bank Limited is certainly one of the fastest growing entities of the country as evidently they registered an increase in profit after tax of 137 crores from 2014 to 2018, which roughly equals a mammoth 60% rise over 4 years.

2.1.2 Historical Backdrop

Dr. H.B.M. Iqbal, one of country's leading industrialist and entrepreneur, along with 13 other renowned and respected personalities, laid the founding stones of the bank. With a motto of "Service First", PBL has passed 19 long years of corporate excellence and has flown smooth and high.

The Premier Bank Limited has had many successes and reached many milestones, which added glory to the name and presented the bank as a trusted and well-regarded organization in the industry.

Some History and Milestones are given below:

10 June 1999	Incorporation as banking company
17 June 1999	Received banking license from Bangladesh Bank
26 Oct 1999	Official commencement of its business operations
21 Jun 2003	Built its own training institute
03 Aug 2003	Introduction of real time online banking
16 Oct 2003	Commencement of Islamic banking activities from IBB
22 Jan 2004	First to establish VISA Credit card among local banks
30 Jan 2006	Launching of SMS banking service
16 May 2007	Got listed in CSE
23 May 2007	Got listed in DSE
28 Oct 2008	Launched ATM services
12 Apr 2008	Introduction of Bank's Own Remittance Software
23 Jun 2010	Incorporation of Premier Securities
18 Sep 2010	Integrated to centralized core banking software

19 Nov 2015	Launched premier direct (i-banking, SMS banking ,e-statement service)
-------------	--

Table 1 Some Important Milestones of PBL

Source: PBL website

2.1.3 Vision, Mission and Values

VISION: *To be the best amongst the top financial institutions.*

MISSION:

- To be the utmost concerned and customer friendly benefactor of financial services, opening doors to attract more people and reach wider areas.
- To guarantee steadiness and smooth journey while also fortifying the value of shareholders investments.
- To make the implementation of technology a part and parcel of daily business operations in order to improve efficiency and lower cost per transactions.
- To vouch for top level transparency and ethical values in all business operations conducted by the Bank.
- To provide pleasant atmosphere which will draw proficient employees who will feel honored and enthusiastic to work for the Bank
- To be socially dedicated and make every effort to enrich the quality of life by providing effective support to national progress.

VALUES:

Service First- a firm believer in quick and quality service holds the primary attention in their business operations.

Easier Banking- Through state of the art facilities banking is made easier and through providing a pleasant banking ambience for customers to feel at ease, PBL has indeed lived up to the expectation.

Better Relationship- Building a sustainable bondage with the customers is such vital as it allows the bank to better understand their clients and thus their desires, so that the business operations can be catered to meet the customers' ideals.

Assured Confidentiality-Carrying out business operations in a professional and discreet manner remains a matter of utmost respect and thus PBL is steadfast in maintaining the promise made to their customers.

Good Corporate Governance-The board of the bank strives to guarantee top level ethical practices and time to time goes through the bank's compliance with the central bank.

Corporate Citizenship- PBL is going green in these times of dire need for a better environment. The bank is also keen on using eco-friendly products and endeavors. Moreover PBL always meets due tax payments and is compliant with all other rules and regulation of the land.

2.2 Job Description

My internship program has allowed me to grasp the various aspects of banking with respect to Bangladesh. During my tenure of 3 months, I have been assigned to perform in General Banking department, with specific focus on accounts department- opening and closing of accounts; which are of various types, cheque book issuances, debit and credit card issuances, maintenance of various register books, helping both walk-in customers with queries and

providing information over phone calls as well. Besides, I have maintained the inward dispatch register, performed RTGS and BEFTN- which are the popular methods of fund transfer, and also done pay-order transactions. Furthermore, my job responsibilities let me built customer relationship; getting to know important clients and performing tactfully in order to successfully continue the friendly touch was particularly vital.

Chapter 3 Literature review

Mobile Financial Service industry was launched in Bangladesh in 2011, with the advent of better IT infrastructure and wider network coverage (Bangladesh Bank). According to BB website, this Mobile Financial Service industry of Bangladesh has become one of world's biggest markets. Bangladesh Bank allows several methods of financial facilities, namely: Cash in, cash out, Person to person, person to business, business to person, person to government and government to person- all within the geographic boundary of the country. However inward remittance coming through banking mediums are also permitted. This industry has seen a tremendous growth in developing countries around the world (Paelo, A. 2017). According to Paelo (2017), in Uganda, from 2011 to 2016, this industry saw a stunning 610 % growth. MFS industry are also deemed as being the prime drivers of financial beneficiaries in many developing countries (Mazer and Rowan, 2016). More from Mazer and Rowan states that, this industry, opens a channel for low-income groups to be a part of the ecosystem; they get access to money transfers, payments, credit, insurance, and savings. Users could get access to purchasing airtimes, paying bills, utilities, and other services- all being secure, convenient and cheaper than conventional methods (Paelo, 2017). Though not in our country, Kenya and Tanzania have integrated the service of providing credit, insurance and savings in their country. Ours, even though is a low-middle income country, has outdone its competitors when it comes to network coverage, with as much as 50% of population having mobile phone access. Mobile phone is indeed a blessing that technology has been presented before us (Khan, Akhter, & Akhter, 2017).

According to the journal in IJFBR published in 2017 by Khan et al., the table given below shows the mammoth growth of this industry during their initial years.

	MFS accounts(mil)	Growth	Transactions (mil)	Growth	Agent numbers	Growth
2011	0.44		26.67		9093	
2012	2	355 %	256.7	863 %	59559	555 %
2013	13	550 %	847.2	230 %	82000	38 %
2014	25.25	94 %	1345.6	59 %	540948	560%

Table 2 mBanking Growth during Initial Years.

Source: IJFBR

The stunning rise in growth was proof enough about the bright future of the industry. With an average growth rate of 267 % in mobile financial service accounts and 227 % in transactions and agent numbers both, this was indeed a testimony that the MFS industry had a big future.

Staying true to the prospects shown during the initial stages, the scenario of the number of agents and clients of some of the leading mobile financial service providers which was published in IJFBR by Khan et al. in 2017, only bears more testament to the exponential growth of MFS industry. bKash leads the industry with as many as 80.1 million clients followed by the second highest service provider DBBL with 2.01 million clients- a meagre number in comparison to bKash.

Name of MFS	Number of Agents	Number of Customers
bkash	80000	80.1 million
DBBL	62572	2010283
mCash	61000	150000
TBMM	20000	100000
uCash	10000	90000

Table 3 Scenario of agents and clients in leading MFS providers (data from 2017)

Source: IJFBR

According to latest data provided in Bangladesh Bank website, we have now already reached a staggering 704.56 lacs registered accounts as of 2019, which is an increase of 432 lacs registered accounts from 2015. During the same time-frame, there have been an increase of more than 4 lac agents and in the month of May 2019 alone, average daily transactions amounted to almost 1400 crores producing a 16.9 % rise than the previous month of April; almost 1200 crores. Very naturally, we are expected to witness a much bigger number of mobile subscribers, number of agents, transaction amounts, et cetera in the upcoming years. The table below shows the latest data regarding these phenomenal uprise in the MFS industry:

	MFS accounts(lac)	Growth	Transactions (mil)	Growth	Agent numbers	Growth
2016	362.04	-	2346900	-	604418	
2017	537.03	48.33%	3146610	34.08%	758570	25.50%
2018	618.63	15.19%	3788850	20.41%	829783	9.39%
2019	720.54	16.47%	NA	NA	934195	12.58%

Table 4 MFS growth in the recent past years.

Source: Bangladesh Bank and Daily Star

Daily Sun published that Bangladesh has got more good days to come in mobile financial service industry. The leading service provider in this regard, bKash, has taken a step further into the future by collaborating with Alipay- a China based app and world's leading third party payment system. The report from the same also states that bKash is trying to reach more and more people and get them accustomed with the financial services it is providing. Parvin (no date), wrote in Journal of Internet Banking and Commerce, that nearly all the banks are trying to clasp and integrate mobile banking to reach wider customer groups and advance in areas such as accounts opening, account balance inquiry, fund transfer, PIN services, etc. All these

bears confirmation to the fact that MFS industry of the country is rising ever since its inception in 2011 and the upcoming times are indeed upbeat and smooth.

Bangladesh could look into some of the practices being conducted in others countries particularly in East Africa, for a better understanding of its own market ecosystem and also taking the MFS industry at a much higher level. Mazer and Rowan in their joint collaboration in CGAP, published in 2016, spoke about five key issues that they came across while looking for lessons about Competition in MFS industry in Kenya and Tanzania. The issues focused on:

(a) Access to the channels for delivering MFS- In the realm of MFS, it is vital that partnerships between Mobile Network Operators and financial institutions are regulated for a fair and healthy competition in the ecosystem. It so happens this said partnership allows a distinct competitive advantage for some financial institutions over others accessing the same MNO. While encouraging for the consumers of that particular financial institution, the new entrants face higher costs and therefore greater competition. (b) Transparency in MFS products- lack of pricing openness can thwart the effective competition in the industry. This does so by, for instance, in case of C2B, poor transparency of the cost of doing such transactions by the third-party aggregators and financial service providers about the use of MNOs infrastructure and the cost they eventually pass on to users for these C2B payments are not appropriately discussed with the MNOs. (c) Interoperability- this is the interconnection of mobile service between either providers or external parties. This leads to a rise in convenience, cost effectiveness, more options for switching, decrease in agent exclusivity, passage for third parties to use MFS platforms, etc. (d) Data Sharing in MFS- It is imperative that data sharing about customers are carried out swiftly keeping certain issues in mind for an effective competition, such as: information asymmetries- more credit information allows lenders to sort out borrowers with different level of riskiness, credit data needs to be shared so that new entrants have a fair access to information as the old players in the industry already have about customers' portfolio,

innovation- greater availability of credit information would give more chances of innovation about the MFS markets. (e) MFS regulatory authorities and competition- Like the case of all entities, it is also vital that MFS industry be regulated on the basis of competition, financial and telecommunication sides, so as to ensure a smooth , fair and effective market condition for industry players to thrive and compete.

Published in The 3rd Annual Competition and Economic Regulation Conference in 2017 by Paelo, about Comparison of MFS Sector in Kenya, Tanzania and Uganda, it is been noted that factors such as interoperability, slow deployment of regulations, and lack of competition laws are creating obstacles in the growth of MFS industry, as competitive dynamics and regulatory laws are vital for wider financial inclusion in those countries.

Chapter 4 Analysis

4.1 Mobile Financial Service Industry Analysis

4.1.1 Mobile Financial Service

Paelo (2017) makes some distinctive note of the different terms frequently used interchangeably in MFS industry. He goes on to provide insights about what Mobile Financial Service is through careful clarity. Paelo writes that mobile money transfer is the simple act of transferring money between mobile subscribers. That mobile payment is the system of paying for goods and services through mobile phones and mobile banking is the process of accessing banking services such as deposits, loans, savings, account transfers, etc.

This lucidity on his part about the terms often used gives us a better understanding of what Mobile Financial Service is. It is a system whereby subscribers uses mobile phones to connect with other users in order to ease various dealings, avail different services, amenities, et cetera for an efficient, cheap and reliable way to conduct businesses.

4.1.2 Industry Life Cycle

Islam (2019) from The Daily Star, citing BB, presented the growth of MFS industry in terms of volume of transactions in BDT over the span of five years. This industry has been growing aggressively with the growth rate looking incredible: 53 %, 48.7%, 34.1%, and 20.4% respectively from 2014 to 2018. The picture it gives is clear; MFS industry is in its growth stage. Another assurance of this growth stage is the report from The Independent by Azad (2019), stating that the US based Global Market Insights, said our MFS industry is expected to rise from USD 100b to USD 250b by the year 2024. Given below is the graphical presentation of the MFS industry's life cycle from these information.

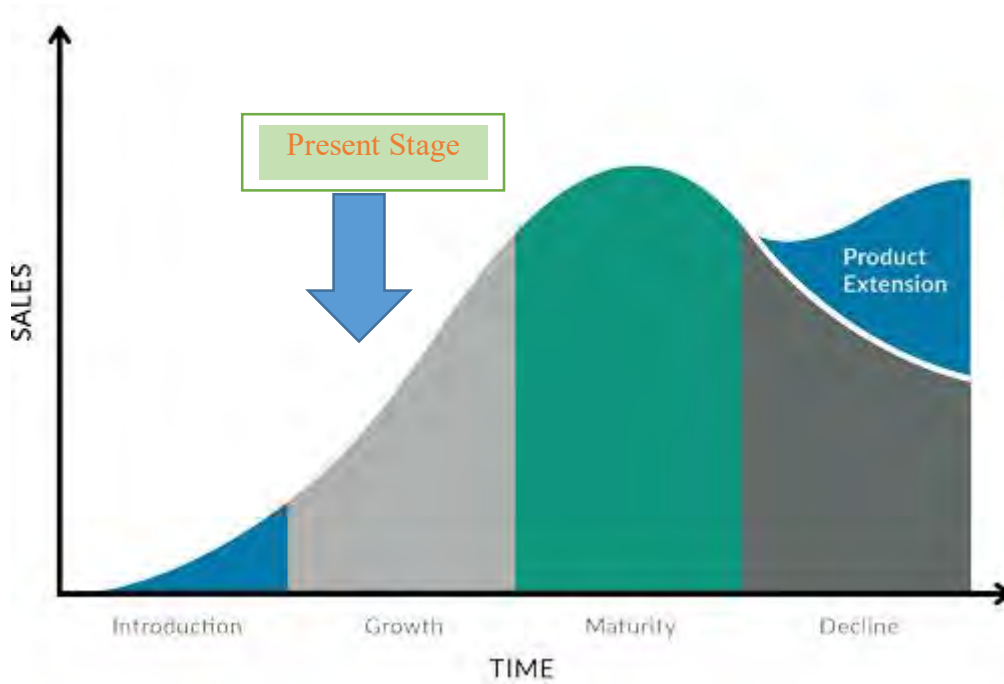


Figure 2 MFS industry life cycle.

Source: Daily Star and Global Market Insights

4.1.3 Porter's Five Forces Model

Porter's Five Forces Model shows the competitiveness of the industry in question and analyzes the desirability in terms of its profitability. Shown next page is the Porter's Five Forces Framework:



Figure 3 Porter's Five Forces Framework

1. Threat of New Entrants- The threat of new entrants is low when the barriers of entry are high. Ideally few factors are taken into account while assessing the mentioned framework:

- **Economies of Scale** – bKash and rocket controls as much as 99% of the market share. Clearly they have achieved economies of scale, thereby making it difficult for new players to enter the industry and reach the limelight within a short period.
- **Access to Supply and Distribution Channels-** MFS industry requires a strong distribution channel which is gradually built over a longer period. This requires time and effort on part of the organization to capture and reach a significant population. bKash has more than 80 000 agents and according to bKash website nearly 50000 merchant payments' outlets, which is, by far, more than any other providers. This gives bKash a stronghold over any other industry players.
- **Expected Retaliation from Incumbent-** Existing industry players enjoy the advantage of experienced management, better technological infrastructure, more

distribution channels, wider network, KYC profiles, et cetera. It is, therefore, expected of them to hit hard at the new entrants. Apparently, when Nagad initiated the single transaction limit at BDT 50000 in a day, bKash responded by doubling up their cash – in from BDT 15000 to 30000 and increased cash-out to 25000 BDT from the previous amount of 10000 (Daily Star, 2019). Besides, the new players also find themselves at disadvantageous position as they need to break a deal with MNOs, IT firms, create large agent pools, etc. - all of which takes a long time.

- **Legislative and Government Restrictions-** All MFS providers must act in compliance to the regulatory bodies and acts setup by the Bangladesh Bank. Failure to act according to the guidelines that have been laid would most certainly result in cancellation of license of the respective MFS provider; such was the case with EXIM and IFIC Bank, both of whom have had their licenses revoked due to poor customer services (Dhaka Tribune, 2019). The “Bangladesh Mobile Financial Service Regulations 2018” requires all MFS providers to follow, unanimously, the regulatory reforms that have been enacted since.

2. Threat of Substitute – Substitute products are those that offer similar services but are different in nature, i.e. they are from outside the industry.

- **Threat of Conventional Banking-** Many people still prefer conventional banking to MFS providers due to banks’ utmost guarantee of being a safe and secure medium of transactions. Chequebook requisition, pay order draft, remittance services, debit and credit card services, et cetera are also MFSs’ competitors.
- **Cross-border Remittance Service-** Western Money Union is very adept at providing remittance service, thereby creating a potential threat to the MFS providers practicing remittance services.

- **Credit and Debit Cards-** Daily Star (2018) published a report where it has been noted that about 12 million people use debit cards, with as much as 1 million credit card users in Bangladesh. These ATM card-users find it both fanciful and convenient to continue using cards, as one might not avail MFS agent late at night but could access ATM service. Therefore this is indeed a tough hurdle MFS faces.

3. Bargaining Power of Buyers

- **Bargaining power of general public-** MFS providers have reached all across the country. Their coverage has surpassed every other competitors- banks or financial institutions, therefore, bargaining power of general public is subordinated to MFS industry. The mobile financial service providers have reached remote places, given the ease of their establishment, whereas it is extremely difficult for banks or other financial institutions to penetrate. Therefore MFS industry enjoys the upper hand, as number of people availing MFS in the country is indeed very high.
- **Buyers have low switching cost-** The switching cost is similar for the major two MFS providers; bKash and rocket- 1.8%. Therefore buyers have significant flexibility when it comes to switching between options. In this regard, buyers are in the driver's wheel.

4. Bargaining Power of Suppliers

- **Bargaining power of MNOs-** Mobile Network Operators hold immense control over the MFS suppliers, as this is the only system available for the app-based financial service providers to commence the smooth flow of their business. On the other hand, MNOs have many other options besides. The five major MNOs therefore enjoy a tight grip over the MFS providers.

- **Suppliers provide specialist input-** The five Mobile Network Operators are, at the moment, the sole supplier and distributor of the required network that allows the MFS to thrive. The MNOs deliver the necessary network settings and frequencies so that the MFS providers could run their operations smoothly. Apparently MNOs have the power over MFS industry. Furthermore, BTRC under its Systems and Services division, gave the green signal for its value added services such as USSD, API, IVR, etc. Now these services are implemented in various dimensions, one among them being MFS providers, for improved quality and standards. Given BTRC holds the sole authority of providing aforementioned services, it is evident that MFS providers are very much dependent on them, thereby, being subordinated to them.

5. Rivalry between Existing Competitors

- **Industry Life Cycle-** The MFS industry is passing through the growth stage. It can, therefore, be judged that all MFS providers can thrive without hurting one another.
- **Number of Competitors** – Bangladesh Bank has given license to 16 banks to commence mobile financial service. This creates a fair ground for healthy competition for all the organizations.
- **Competitors are Not of Equal Size** - It must be noted that bKash is the largest industry performer, with rocket coming second; together the duo controls 99% market share. However, other competitors are way behind in the market, both in terms of scope and capacity. So these competitors have a tough match in this regard. Therefore MFS industry is not an equally competitive one.
- **High Fixed Costs-** Any organization opting to provide MFS needs a huge capital to launch the service. The annual report of bKash showed that they had a fixed asset of over 1.3 billion BDT. In addition, MFS providers would need to maintain at least 1

billion BDT in paid up equity capital, according to BB regulations, for protecting their capital reserves. This is evident enough that the initial capital requirement is sky-high.

4.1.4 PESTEL Analysis

PESTEL analysis is a method to analyze the external environmental factors of a business entity in the respective industry. This analysis is important as it realizes the sustainability and profitability the particular business might have. PESTEL is an amalgam of the different initials of the external factors, namely: POLITICAL, ECONOMIC, SOCIAL, TECHNOLOGICAL, ENVIRONMENTAL and LEGAL. Understanding the said factors would allow an organization to assess the drawbacks it might face and capture any opportunities the industry presents.

POLITICAL

Bangladesh has had an on-and-off political stability since its inception. Though the recent years have proved to be stable in terms of political factors, there were, however, issues that caused major debate and criticism of the government. Internal disputes and inter-party agitations sometimes spark much political tension. However due to the stance taken by the present government, which has been incumbent for the third time in a row, of a “Digital Bangladesh” by 2020, the MFS industry has made its way past all hurdles and seen unprecedented growth. This proactive approach has encouraged industry players to invest and as a result MFS industry is one of the most promising sector of the country.

ECONOMIC

The GDP growth rate, in 2017-18 fiscal year, was 7.9% (Trading Economics). According to a report by Dhaka Tribune (Aug, 2019), GDP growth rate is expected to hit 8.13% in 2018-19 fiscal year. The lending interest rate ranges from 9% to 16% in private commercial banks

(Bangladesh Bank), meaning banks are facing liquidity crisis, thereby discouraging loans to business entities. Inflation rate moved up from 5.35 % in December 2019 to 5.52 % as of June 2019 according to Trading Economics.

In addition, while assessing the economic factors, it was noted that bKash and rocket holds 99% market share (Alo, 2018) which makes the MFS industry an oligopolistic one. Dhaka Tribune in March 2018, published about the uprise in dollar price and shortages in dollar supply, which makes it difficult for banks as the value of import letters of credit exceeds the availability of dollar in the market, therefore hindering its business expansion.

SOCIAL

More than 70% of Bangladesh's population lives in rural areas where getting financial services is a challenge (bKash). According to bKash, more than 68% of Bangladeshis are subscribed to mobile phones, which is a huge opportunity for the MFS industry players to excel at. The growth of Bangladesh to a lower-middle-income country, with the prospects to reach a middle-income country by 2030, gives the MFS industry the potential to capture the growing opportunities that lies ahead. Also the safe, secured, convenient and reliable services so far by the MFS app providers, barring a few incidents, has encouraged more and more people to regard this industry highly.

TECHNOLOGICAL

Recently the introduction of e-KYC feature by bKash has furthered its scope as being the industry leader. Very naturally other MFS providers would follow suit and try to implement the latest technological reforms. bKash has also partnered with Alipay- a China based company, in its quest for bringing the latest innovative ideals and practices to the industry. Most of the MFS provider apps are trying to equip themselves with the latest innovative and top-notch technologies to gain competitive edge over others.

According to a report from The Daily Star in August 2018, only about 12 million and 1 million people in the country uses debit and credit cards respectively. The e-commerce industry has a value of 400 crores BDT every year and nearly 90% of e-commerce transactions are cash-based, meaning there is a mammoth necessity and opportunity for the digital payment system, thereby the MFS industry as a whole has a positive prospects in this regard.

ENVIRONMENTAL

Banking sector plays a vital role in being the intermediary for economic progression and environmental safeguard. Banks finance various projects ranging from small-scale business to large factories, and it is imperative that they ensure their involvement follows the environmental conformity and rules and regulations. Since these banks are also involved with the MFS industry, it must be ensured that they promote environmental issues and block the malpractice against environmental degradation.

LEGAL

Bangladesh Bank has setup legal regulatory guidelines for all MFS industry players with a target to ensure an orderly and competitive environment for all entities to grow in a fair and smooth manner. This legal basis on part of Bangladesh Bank to propel a safe and secure payment arrangement is integrated in its 1972 Bangladesh Bank Order. The Central bank has also enacted another regulatory guideline known as “Regulations on Electronic Fund Transfer-2014” (Bangladesh Bank), which requires all MFS providers to obey this act if they want to flourish in the market. More recently the “Bangladesh Mobile Financial Services Regulations 2018” has been passed by the BB to enable a competitive environment, spread the practice of mobile banking to the large unbanked population of the country and to ensure compliance with various standards setup by the regulatory bodies, such as AML, CFT, et cetera (Bangladesh Bank).

4.2 pmoney App of The Premier Bank Limited



Figure 4 pmoney logo

Source: Google Play

Premier Bank launched its mobile banking app pmoney in May 2019, with a vision to fast-track banking services and to capture the growing needs and opportunities the MFS industry offers. Customers can avail basic online banking services such as balance sheet checkout, find account details and transaction history, get statement of accounts, etc. Fund transfer, particularly BEFTN, which usually takes one working day, can now be done without having to visit the bank. Users can also find details of the various products the bank offers with the swipe of a finger. This app also comes with Bills pay facilities for various entities and EMI opportunities integrated with a lot of top brands, hotels, restaurants, et cetera. Furthermore, customers can gain discount by using pmoney on famous brands, restaurants, airfare tickets, hotels and much more. In addition, pmoney has the option for mobile credit recharge and can help clients locate the branches they opt to go to.

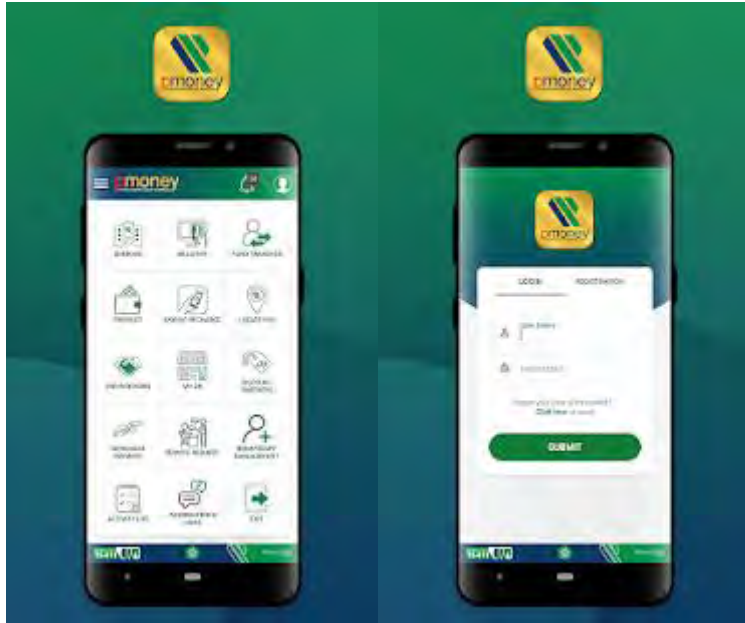


Figure 5 Home page & Login of pmoney

Source: Google Play

PBL is working relentlessly to commence other conveniences such as QR scan, Merchant Payment, Beneficiary Management, et cetera for being a robust and top-notch MFS provider app in the market. Shown in the table below, we have important data regarding pmoney:

Particular	No. of Transactions	Amount	Per Day Average
Account to Credit Card Transfer	143	2449584.48	4.7666667
Fund Transfer to Other Banks	621	8429393.15	20.7
Own Account Fund Transfer	325	6299006.01	10.833333
TOPUP	3273	286774.00	109.1
Fund Transfer within PBL	577	8848083.72	19.233333

DPDC	0	0	0
DESCO	0	0	0

Table 5 Successful Transaction by pmoney as of Aug 01 2019

Source: PBL's internal resource.

These numbers tells us that, indeed, pmoney has a positive future and if nurtured appropriately, Premier Bank could have an app that would be at the top of the list in providing mobile banking services in the market. We also gather significant knowledge, as the figure below directs the areas of improvement and concern for pmoney, so as further and fulfill their vision of being a revered MFS app in the market.

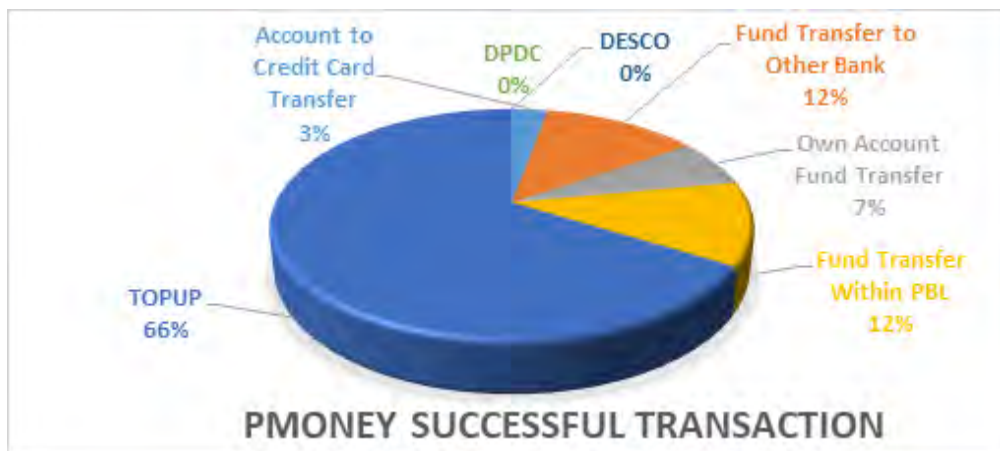


Figure 6 pmoney successful transaction.

Source: PBL's internal resource

4.3 bKash, the Leading MFS Provider



Figure 7 bKash logo

Source: Google Play

The BRAC Bank Limited and Money in Motion LLC, USA collaboration gave birth to the concept of mobile banking in Bangladesh- bKash in 2011. Although DBBL is lauded for being the first to launch MFS app in the country, bKash has now essentially become the industry leader with 4.5 million transactions taking place every day (Dhaka Tribune, 2017) and the total registered customers exceeding 24 million (The Asia Global Payment Summit). The monthly volume of transactions is more than 7.5 million in USD and over 47000 outlets in the country accepts bKash payment system (bKash). Clearly bKash has indeed hoisted itself to a position of high regard and admiration. In a report by Dhaka Tribune (2017), Fortune Magazine listed bKash among the top 50 companies in the world whose initiatives have had brought changes to peoples' lives.

While the success story of bKash cannot be confined within a page, its services and features are yet more difficult to be kept contained in limited space. From cash in, cash out, mobile recharge and send money option to paying bills for various entities, making merchant payments (QR scan or conventional method), adding money from MasterCard and selected banks, buying movie tickets, receiving remittance, gaining interest on savings and giving donations, bKash has continuously grown and outgrown itself , thereby reaching the very pinnacle of success.

Users can also enjoy the latest e-KYC app- which instantly allows customers to open an account without the hassle of going through lengthy paperwork (Dhaka Tribune, 2019). The bKash success story continues strongly and going by the ambitions they have, the only factor that they need surpassing is time, before becoming a well-known brand worldwide.

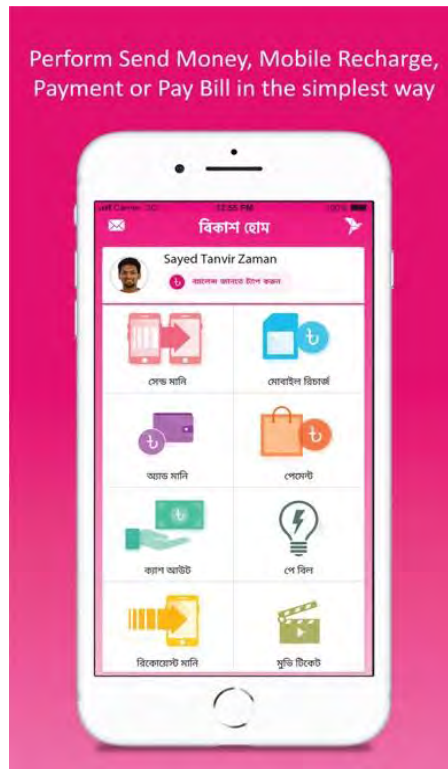


Figure 8 Home page of bKash in Bengali

Source: Google Play

4.4 Comparison Between bKash and pmoney in Terms of Features/ Services

pmoney aims to be a one-stop solution of banking services for its customers all across the country while bKash is more aimed at being a provider of mobile-based financial service to the unbanked population of Bangladesh. Fundamentally, this segregates pmoney and bKash, however, there are various other sectors to draw comparison between the two, as given below:

Payment Method

pmoney is yet to commence merchant payments, either through QR scan or conventional method, which bKash has already excelled at; having more than 47000 outlets, bKash's merchant payment has gone off to a higher position.

Beneficiary Management

Beneficiary management is a vital tool for shuffling money from either cards or bank accounts to the app, at which bKash, yet again, has outdone pmoney in terms of scope and capacity. bKash has collaboration with leading banks such as: SCB, City Bank, Dhaka Bank, SBAC Bank, MTB, BRAC Bank, Midland Bank and Bank Asia, besides also partnering with MasterCard. This particular scope is yet to be unfolded by pmoney, though they are a few-month-old-app in the market.

Remittance Services

Taking themselves much further, bKash offers remittance service from all across the globe. This has not only set them apart from other industry players but also has given them a significant power to reach the highest place in the market, besides contributing in Bangladesh's foreign remittance. pmoney lags in this regard, though it requires noting the scope of pmoney in the market.

Savings & Donation

Furthermore, customers can get interest from savings in their bKash accounts, which pmoney does not follow suit. bKash users can also give donations to various entities working for the betterment of humanity, which pmoney can add in their list to increase its scope and capability.

Introduction of e-KYC

The very recent feature that distinguishes bKash from pmoney is the addition of e-KYC, that lets interested personnel to open bKash accounts- all by themselves without having to go through the hurdles of documents and paperwork.

Fund Transfer and Cash-out

pmoney users can transfer money through BEFTN to other banks. In this regard, bKash makes use of send money option to let other bKash users receive the money. BEFTN fund transfers have an edge over bKash in that any mistake made during the process can be reversed and the money claimed back, which is not the case with bKash. However, bKash account-holders can “cash-out” from ATMs and also from any bKash agent; pmoney is yet to explore this horizon.

EMI Service

Although being in the market for a mere three month or so, pmoney has done excellent when considered the space it has had in comparison with bKash. pmoney facilitates EMI service with various top brands and famous names all across the country. bKash, on the other hand, has no option in the app where there is EMI service specifically incorporated.

Discounts

Users also gets discount from hotels, restaurants, air ticket purchase, et cetera from pmoney app. Now, though bKash users also get discount while paying through app, they do not have a dedicated feature for this in the system.

Bills Pay

It is also possible to pay bills of some entities such as DESCO, DPDC, etc. through pmoney. bKash has also included this service into their system, where it is possible to pay bills of DESCO, Palli Bidyut, University admission fees, et cetera.

Miscellaneous

Customers can avail mobile recharge, request for statement of accounts, transaction history, account details and balance sheet- services that pmoney supports.

4.5 Comparison Between bKash and pMoney Using Customer

Perception Survey

To under how the users feel, in light of scope, capacity, flexibility etc., while experiencing the apps, a customer perception survey was conducted. The survey uses a sample of 10 people- all of whom are active account holders of both pmoney and bKash. Furthermore, the variable included 7 service-holders, 2 businessman and 1 student. The properties of the sample is shown below:

Demographic Profile

Age Group

Age Limit	Frequency	Percentage (%)	Valid Percent (%)	Cumulative Percentage (%)
Under 18	0	0	0	0
18-25	1	10	10	10
25-35	3	30	30	40
35-45	3	30	30	70
45 and above	3	30	30	100

Table 6 Age Group of participants

Income Level

Income Limit	Frequency	Percentage (%)	Valid Percent (%)	Cumulative Percentage (%)
Below 10000	1	10	10	10
10000-20000	0	0	0	10
20000-30000	1	10	10	20
30000-40000	4	40	40	60
40000 and above	4	40	40	100

Table 7 Income Level of participants

Profession

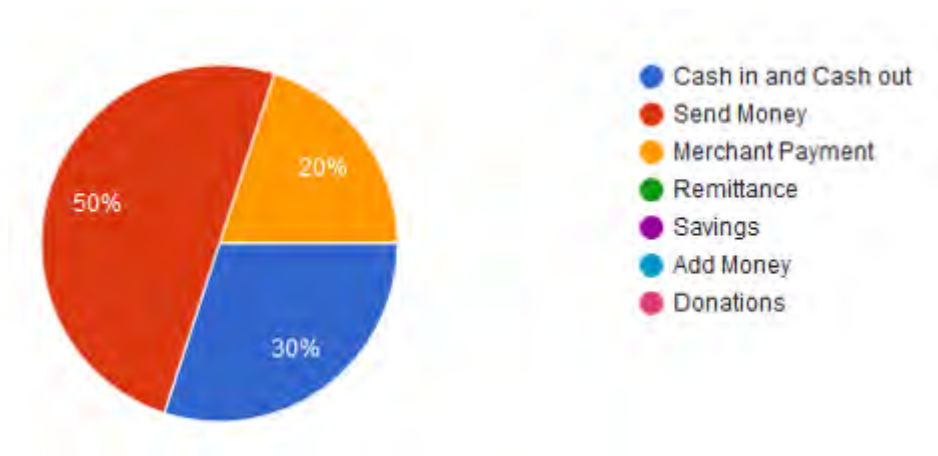
	Frequency	Percentage (%)	Valid Percent (%)	Cumulative Percentage (%)
Student	1	10	10	10
Business	2	20	20	30
Academia	0	0	0	30
Service holder	7	70	70	100
Homemaker	0	0	0	100

Table 8 Profession of participants

Survey Analysis

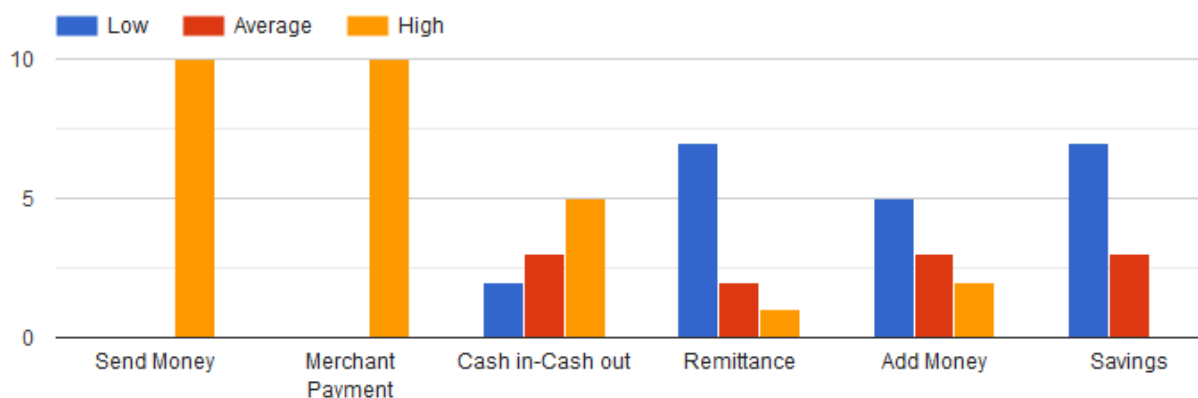
The analysis of the survey results are presented below. The first 5 questions asked were close-ended, with another 3 being open-ended.

1. Which service of bKash app do you avail the most that is not facilitated by pmoney?



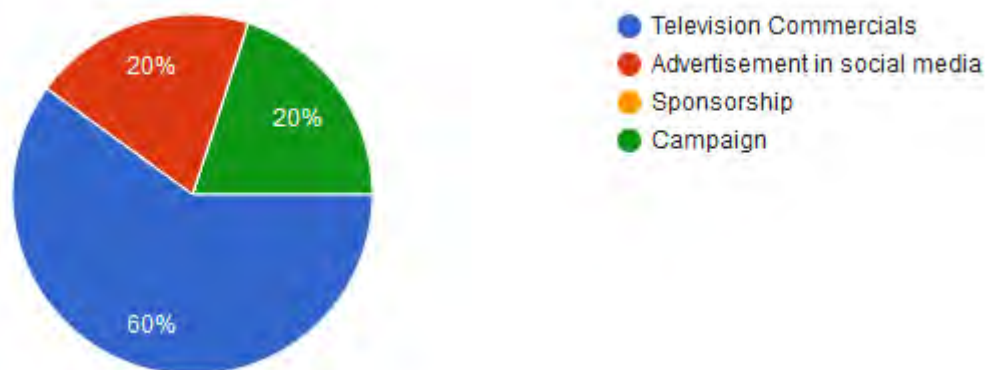
The survey result demonstrates that 50% of the users benefit from the Send Money service that bKash offers, with 30% enjoying the Cash in and Cash out option. The rest 20% said they use the Merchant Payment feature for making payments.

2. Please select the following services, on a priority basis, for their potential effectiveness that would help pmoney to increase its market share.(Note that all the services are offered by bKash)



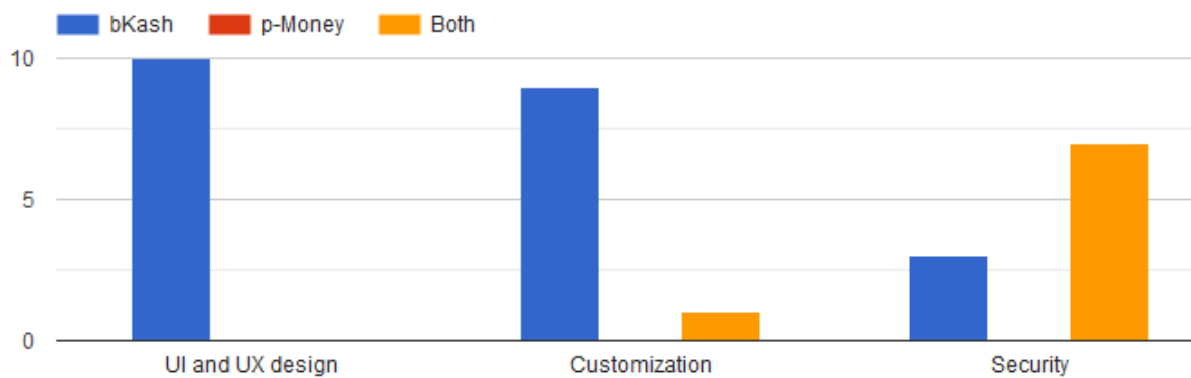
Send Money option is the most sought after feature that customers would like to see implemented in pmoney, apparently all of them saying it to be a highly effective one. Another essential service they wanted was the Merchant Payment, where also everyone responded in same regard as that of the send money option. For Cash in and Cash out feature, 5 respondents thought it to be highly effective, 3 thought the effect would be average and 2 of them felt this feature would be of low effectiveness. When it comes to Remittance, as many as 7 partakers said it would have a low effect, though two of them thought its effect would be of medium-scale and 1 person feeling this service would be of high effectiveness. As for Add Money decision, only 2 participants felt its high efficacy, 3 said its usefulness would be average and 5 thought it would be of low success. Savings was particularly seen as having a low effect by 7 people with the rest 3 feeling its effect was mediocre.

3. Which of the following marketing strategies, according to you, was more effective in helping bKash reach top position in the market that pmoney could implement?



Television Commercials was chosen by 60% responders who sensed that it helped bKash reach its current position. Advertisement through social media and Campaign got 20 % vote each.

4. Please choose which of the following attributes, in terms of user-friendliness, you found more satisfying between the two apps.(Select both if applicable)



For the UI and UX design, all 10 participants said bKash enjoys the upperhand. When it comes to customization, 9 felt bKash is doing a better job with only 1 person voting for both. When security is the focus, 3 people picked bKash’s security over pmoney, while 7 found both apps’ security to be satisfying.

5. What method did you opt for getting the pmoney and bKash app?



While looking for a way to get the apps, it has been noted that 4 participants downloaded bKash from Google Play, 5 got it from App Store, and 1 received it from others. For pmoney, 5 responders got the app from Google Play and the rest 5 received it from others, and since there is no option of downloading pmoney from App Store, as it is an android-based-app only, so there were no one in the App Store category for pmoney.

6. What would you say, in brief, if you are asked to compare pmoney with bKash?

When faced with this question, responses hovered around the same answer. It is observed that many people spoke of the scope pmoney has had- it's a newly launched app in the market, therefore comparison at this stage with bKash would not be very fruitful. However, some said pmoney has done excellent considering the time span it has had, especially with the introduction of BEFTN. Nevertheless, more people spoke of the many services that bKash offers which they could not benefit from pmoney.

7. What are the present scope of improvements for pmoney among the services it's providing?

Users talked about fixing bug problem they faced while using the app. Some suggested to provide documents in downloadable format, while others specifically mentioned the improvement needed in UI and UX design. pmoney could also provide more information about the terms and conditions of EMI partners. Chequebook requisition option was also a demand among others.

8. How would you respond, on a priority basis, if you were assigned the task of taking pmoney to the top?

TVC was the most chosen strategy. Sponsorship and endorsing celebrities were equally important. People talked about incorporating send money, merchant payment services on a

priority basis. Campaigning, as well as, making pmoney available in App Store was also deemed vital by some users.

Chapter 5 Findings and Recommendations

5.1 Findings

While establishing the comparative analysis between pmoney and bKash, several gaps were realized. The findings are discussed below:

1) Findings from feature/ services comparison

pmoney lacks several features that it should implement on a priority basis. Send Money, Merchant Payment, Cash in and Cash out would be at the top of list. Beneficiary Management is another dimension pmoney needs attention. Introduction of e-KYC service would prove vital as everything nowadays is increasingly becoming paperless. Inward remittance and Savings are features pmoney could be a bit less concerned about for the time being.

It is observed that pmoney has already initiated BEFTN fund transfer method, with as many as 577 intra-bank transactions as of 1st August which is valued at an excess of 88 lacs BDT and 631 inter-bank transactions valued at approximately 90 lacs since. Apparently customers are putting trust into the pmoney system. Additionally, Mobile recharge, EMI facilities, Discount features and Bills pay integrated with the app has curved its path more towards completeness and comprehensiveness.

2) Findings from Customer Perception Survey

pmoney needs more marketing which could be through TVC, celebrity endorsements, advertisement in social medias, campaigning, et cetera. They also need to look after the UI and UX Design of the app and fix the bug problem, which many participants have expressed disappointment about. It has been noted that send money, merchant payment, cash in and cash out option – are all imperative that pmoney implement quickly. Users also felt the absence of pmoney from App Store. The security of their app is an adding

concern, although mobile recharge facility has been lauded by many, along with the implementation of BEFTN fund transfer method within a short time period. Likewise in feature/ service comparison part, EMI, Discounts, Bills pay etc. were all praised by the respondents.

3) Findings from PESTEL

For a better presentation of the viability of the MFS industry, given below is the table representing the areas of PESTEL that would bring in sustainability for the mobile financial service industry:

FACTOR	STATUS	RATIONALE
POLITICAL	FAVOURABLE	<ul style="list-style-type: none"> Political Stability in the recent years. Vision of Digital Bangladesh
ECONOMIC	MODERATE	<ul style="list-style-type: none"> GDP would rise with other economic indicators falling slightly Oligopolistic Market
SOCIAL	FAVOURABLE	<ul style="list-style-type: none"> High percentage of mobile users Bangladesh to reach middle-income-economy by 2030
TECHNOLOGICAL	FAVOURABLE	<ul style="list-style-type: none"> bKash leading the industry

		<ul style="list-style-type: none"> E-Commerce industry is huge (400 crore per year)
LEGAL	FAVOURABLE	<ul style="list-style-type: none"> BB passed regulations for a fair industry competition.

Observation shows that it is highly likely that MFS would thrive, given the conditions it is currently enjoying, and hence concurrent, as well as, prospective providers would get an absolute smooth condition for doing business, thereby being a profitable entity for all.

pmoney would naturally have an immense opportunity to utilize this friendly external business conditions and make full use of the underlying factors it requires for growth and prosperity.

4) Findings from Porter’s Five Forces Model

Porter’s Five Forces Model gives us the information needed to assess the competitiveness of the industry. In this regard, findings are given in the table underneath:

FACTOR	DEGREE OF THREATS	RATIONALE
THREAT OF NEW ENTRANTS	LOW (UNFAVOURABLE)	<ul style="list-style-type: none"> Economies of scale is high Strict Regulatory Bodies
THREAT OF SUBSTITUTION	MODERATE (FAVOURABLE)	<ul style="list-style-type: none"> Credit/Debit Cards Cross-Border Remittance

BARGAINING POWER OF BUYERS	MODERATE (FAVOURABLE)	<ul style="list-style-type: none"> • General Public is subordinated • Low switching cost
BARGAINING POWER OF SUPPLIERS	HIGH (UNFAVOURABLE)	<ul style="list-style-type: none"> • MNOs have the upperhand • The same for BTRC
RIVALRY BETWEEN EXISTING COMPETITORS	MODERATE (FAVOURABLE)	<ul style="list-style-type: none"> • Only two companies have 99% share • High fixed cost • Number of competitors and Industry life cycle is favorable

Looking at the overall picture, MFS industry has more of a favorable circumstance. It can, thus, be said that MFS industry players would find it fairly inspiring to take up more initiatives and more companies would join them for the promises this industry holds.

As for pmoney, they have already successfully penetrated the market, which removes a big hurdle. For all the other issues, pmoney can remain pleased as the conditions are supporting their vision of expansion and being a facilitator of banking service provider.

5) Findings from Industry Life Cycle

Industry life cycle reveals that all MFS players could expand without having to fight with each other, making it highly attractive for businesses to opt after this industry. So pmoney would also rise to the occasion and bring in more profit for the business.

5.2 Recommendations

- **Quick Integration and Implementation**

A quick integration and implementation of the features pmoney lags in comparison to bKash is highly recommended, so as to be a medium for more transactions and business operations.

- **Initiate TVCs and Social PR Manager**

pmoney could initiate TVCs and social media PR so as to reach wider people in letting their brand name spread. They could also endorse famous celebrities for marketing purposes, conduct wide-spread campaigning, CSR activities for this one.

- **Consider the Feedback from Users**

Focus should also be made on issues relating to the lacking faced by current users, such as chequebook requisition, content in downloadable format, fixing bugs, better UI and UX design, et cetera for retaining the present customers.

- **Third-party Partnership**

Besides, they could also form partnership with another leading third party MFS provider, as is the case with bKash-Alipay, to bring in wider pool of resources and more expert technicians and management advice for their app.

Chapter 6 Conclusion

Mobile Financial Service is the future that incorporates financial services to the mass population. In this regard, Premier Bank's vision to cater to the needs of its customers and provide a one-stop mobile financial service to all, through the introduction of pmoney, has been a big step. The industry topper, in the case being bKash, is the yardstick that pmoney is being compared to, both in terms of features and customer perception survey, to provide a picture of the steps it needs in order to reach its target. In addition, PESTEL analysis, which overlooks the external business environment essential for a thriving business, has borne positive results for the MFS industry. Besides Porter's Five Forces Model Analysis has also displayed inspiring outcomes with regard to MFS industry's profitability and sustainability. Nevertheless, pmoney needs to act quickly and integrate the much sought-after features and the strategies bKash has followed, in which it lags behind. Moreover, to reach its target in becoming a top-notch app in the market, pmoney has to implement those desirable hallmarks as well as follow the ideal practices at par with bKash.

References

- Bangladesh Telecommunication Regulatory Commissions. (2018). Retrieved from: <http://www.btrc.gov.bd/systems-and-services>
- EXIM IFIC Bank stop mobile banking (2019, March 7), *Dhaka Tribune*. Retrieved from: <https://www.dhakatribune.com/business/2019/03/07/exim-ific-bank-stop-mobile-banking>
- MFS limits jacked up (2019, May 20), *The Daily Star*. Retrieved from: <https://www.thedailystar.net/business/news/mfs-limits-jacked-1746178>
- Bangladesh Bank. (2018, July 30). Bangladesh Mobile Financial Services (MFS) Regulations, 2018. Retrieved from: <https://www.bb.org.bd/mediaroom/circulars/psd/jul302018psdl04e.pdf>
- Building Payment Ecosystem for Digital Bangladesh (2018, Aug 19), *The Daily Star*. Retrieved from: <https://www.thedailystar.net/news/round-tables/building-payment-ecosystem-digital-bangladesh-1622734>
- Rashid, M. (2018, March 19). The dollar crisis in Bangladesh. *Dhaka Tribune*. Retrieved from: <https://www.dhakatribune.com/business/2018/03/19/dollar-crisis-bangladesh>
- Alo, J.N. (2018, March 6). Crackdown on illegal accounts: Mobile banking users fell by 1cr in six months. *The Daily Star*. Retrieved from: <https://www.thedailystar.net/business/mobile-banking-users-fell-1cr-six-months-1544149>
- Trading Economics. Bangladesh Inflation Rate. (n.d.). Retrieved from: <https://tradingeconomics.com/bangladesh/inflation-cpi>

- Bangladesh Bank. (2019). Announced interest rate of the scheduled banks. Retrieved from: <https://www.bb.org.bd/fnansys/interestlending.php>
- Ovi, I.H. (2019, March 19). GDP growth to hit record 8.13 %in 2018-19 fiscal year. *Dhaka Tribune*. Retrieved from: <https://www.dhakatribune.com/business/economy/2019/03/19/gdp-growth-8-13-in-2018-19-fiscal-year>
- Trading Economics. Bangladesh GDP. (n.d.) Retrieved from: <https://tradingeconomics.com/bangladesh/gdp>
- Fortune lists bKash among 50 companies that are changing the world (2017, September 11), *Dhaka Tribune*. Retrieved from: <http://www.dhakatribune.com/what-the-world-says/2017/09/11/fortune-bkash-changing-world/>
- bKash launches e-KYC app for AC opening (2019, August 9), *Dhaka Tribune*. Retrieved from: <https://www.dhakatribune.com/business/2019/08/09/bkash-launches-ekyc-app-for-ac-opening>
- BKASH IN BANGLADESH: 24 MILLION CUSTOMERS USING MOBILE MONEY. (n.d.). *The Asia Global Payment Summit*. Retrieved from: <https://globalpaymentsummit.com/bkash-bangladesh-24-million-customers-using-mobile-money/>
- Islam, M.Z. (2019, January 27). MFS reach widens. Transaction through mobile grow 20.41 pc. *The Daily Star*. Retrieved from: <https://www.thedailystar.net/business/news/mfs-reach-widens-1693450>
- Azad, R.I. (2019, January 31). Bangladesh MFS market to gain momentum in 2019, expert say. *The Independent*. Retrieved from: <http://www.theindependentbd.com/post/185535>

- Bangladesh Bank. (2019). Mobile Financial Services (MFS) comparative summary statement of May, 2019 and June, 2019. Retrieved from:
<https://www.bb.org.bd/fnansys/paymentsys/mfsdata.php>
- Mazer, R., Rowan, P. (2016). Competition in Mobile Financial Services: Lessons from Kenya and Tanzania. *CGAP*. Retrieved from:
<https://www.cgap.org/sites/default/files/Working-Paper-Competition-in-MFS-Kenya-Tanzania-Jan-2016.pdf>
- bKash. (2019). Company Profile. Retrieved from:
<https://www.bkash.com/about/company-profile>
- bKash limited. (2018) Financial Statements as at and for the period ended 30 June 2018. Retrieved from:
<https://www.bracbank.com/old/financialstatement/bKash%20Limited%20-%20for%20the%20period%20ended%20on%20June%2030,%202018.pdf>
- Bangladesh Bank. (2019). Regulations on electronic fund transfer 2014. Retrieved from: <https://www.bb.org.bd/aboutus/regulationguideline/eft.pdf>
- Bangladesh Bank. (2019). Payment and Settlement Systems. Retrieved from:
<https://www.bb.org.bd/fnansys/paymentsys/paysystems.php>
- bKash. (2019). Payment. Retrieved from: <https://www.bkash.com/products-services/payment>
- Paelo, A. (2017). A Comparison of the Mobile Financial Services Sector in Kenya, Tanzania and Uganda: The 3rd Annual Competition and Economic Regulation (ACER) Conference. *Centre for Competition, Regulation and Economic Development (CCRED)*. Retrieved from:

https://static1.squarespace.com/static/52246331e4b0a46e5f1b8ce5/t/5982eff3b8a79b0ae04c6f2f/1501753334451/Parallel+1B_Anthea+Paelo_CCRED.pdf

- Fortune lists bKash among 50 companies that are changing the world (2017, September 11), *Dhaka Tribune*. Retrieved from :
<http://www.dhakatribune.com/what-the-world-says/2017/09/11/fortune-bkash-changing-world/>
- Bangladesh Bank (2015). Regulatory Guidelines for Mobile Financial Services. Retrieved from:
https://www.bb.org.bd/aboutus/draftguinotification/guideline/mfs_final_v9.pdf
- Khan, S.N., Akter, M., Akter, R. (2017, March 17). Factors Influencing Adoption and Usage of Mobile Banking: Bangladesh Experience. *International Journal of Finance and Banking Research*. Retrieved from:
<https://pdfs.semanticscholar.org/504f/80fa37b2e5b5d293458847cc6714282b0da7.pdf>
- Parvin, A. (n.d.) Mobile Banking Operation in Bangladesh: Prediction of Future. *JOURNAL OF INTERNET BANKING AND COMMERCE*. Retrieved from :
<http://www.icommercecentral.com/open-access/mobile-banking-operation-in-bangladesh-prediction-of-future-1-15.php?aid=37948>
- The Premier Bank limited (2019). Corporate Profile. Retrieved from:
<http://premierbankltd.com/pbl/category/about-us/corporate-profile/>

Appendix

Customer Perception Survey Questionnaire

Demographic Profile Questions

Age

- 1) Below 18
- 2) 18-25
- 3) 25-35
- 4) 35-45
- 5) 45 and above

Income Level

- 1) Below 10000
- 2) 10000-20000
- 3) 20000-30000
- 4) 30000-40000
- 5) 40000 and above

Profession

- 1) Student
- 2) Service holder
- 3) Academia
- 4) Business
- 5) Homemaker

Survey Questionnaires

1. Which service of bKash app do you avail the most that is not facilitated by pmoney?
 - a) Cash in and Cash out
 - b) Send Money
 - c) Merchant payment
 - d) Remittance
 - e) Savings
 - f) Add money
 - g) Donations

2. Please select the following services, on a priority basis, for their potential effectiveness that would help pmoney to increase its market share.(Note that all the services are offered by bKash)
 - a) Send Money
 - b) Merchant Payment
 - c) Cash in Cash out
 - d) Remittance
 - e) Add Money
 - f) Savings
 - g) Movie Ticket
 - h) Bills Pay
 - i) Mobile Recharge

3. Which of the following marketing strategies, according to you, was more effective in helping bKash reach top position in the market that pmoney could implement?
 - a) Television Commercial
 - b) Advertisement in social media
 - c) Sponsorship
 - d) Campaign

4. Please choose which of the following attributes, in terms of user-friendliness, you found more satisfying between the two apps.(Select both if applicable)
 - a) UI and UX Design
 - b) Customization
 - c) Security

5. What method did you opt for getting the pmoney and bKash app?
 - a) Google Play
 - b) App Store
 - c) Received from others

The results of the open-ended questions are provided below:

6. What would you say, in brief, if you are asked to compare pmoney with bKash?
7. What are the present scope of improvements for pmoney among the services it's
8. How would you respond, on a priority basis, if you were assigned the task of taking pmoney to the top?