

**Internship report**

**On**

**“Merchant Management strategies to drive the acceptance of bKash payment in the emerging market”**

**By**

Nahida Sultana

19304121

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

BRAC Business School

BRAC University

May. 2022

© 2021. BRAC University

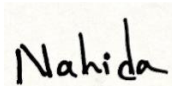
All rights reserved

## Declaration

It is hereby declared that

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

### Student's Full Name & Signature:

 11/10/2022

---

Nahida Sultana

19304121

### Supervisor's Full Name & Signature:

---

Ekramul Islam, PhD

Assistant Professor

BRAC Business School

## Letter of Transmittal

To

Mr. Ekramul Islam

Assistant Professor

BRAC Business School

BRAC University

66 Mohakhali, Dhaka-1212

**Subject: Submission of internship report**

Dear Sir,

This is Nahida Sultana (19304121). As per the requirements and guidelines, I have completed and now submitting my internship report which is based on my four months internship experiences at bKash Ltd. I have tried to find how the drivers that push the merchants to take bKash payment from the bKash customers.

Through the whole report, I tried to maintain all the instructions and guidelines given by BRAC University. This report is written with all the essential data and facts that were possible to find within the given sources.

Sincerely yours,

Nahida Sultana

19304121

BRAC Business School

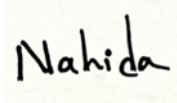
BRAC University

Date: 10/11/2022

## Confidentiality Agreement:

1. The internship report, whether in draft or final form, is not secret and may be shared by students, employers, and teachers. The faculty supervisor may destroy the internship report after one year (during a grade review).
2. All materials provided by the employer to the student during the internship remain the employer's property, unless requested by the employer. Professor, supervisor, and student will not keep this knowledge hidden.
3. Information gained during the internship cannot be kept secret by any of the persons involved.

And the undersigned student at BRAC University.



11/10/2022

---

Nahida Sultana  
Student  
BRAC University

---

Ekramul Islam, PhD  
Assistant Professor  
BRAC Business School  
BRAC University

## Acknowledgement:

I would like to express my gratitude to my internship supervisor, Dr. Ekramul Islam and co supervisor, Dr. Syed Mahbubur Rahman for their immense support and guidelines. With my supervisor and co supervisor this internship report would not have been possible with such manner. I would also like to thank my line managers and supportive intern colleagues for all the insights and supports. I would also like to show my gratitude to all the participants in different interviews and discussions for adding their valuable insights and all the thoughts they have regarding the issue. This internship report would not have been possible without their unwavering support.

## Executive Summary

The BBA program's internship program is a crucial component and a turning point in my professional life. Business students cannot become expert at addressing real-life circumstances through theoretical sessions alone.

The goal of this research is find out the level of acceptancy of bKash payment among the customers and the merchants and the effectiveness of the merchant management team as they are working at the front line to make sure the payment services run smoothly.

The student and the onsite bKash supervisor who assisted in finishing the paper throughout the internship time are introduced in Chapter 1. The advantages of the internship to the intern are also discussed in chapter one, along with the difficulties the intern encountered while on the internship. Recommendations for the organization's future interns have been given in the final section of this chapter.

The subject of Chapter 2 is the organization. You can find information on the company's products, corporate strategies, marketing tactics, financial results, market trends, and competitive analysis in this subchapter. In addition, information is explained, including SWOT analysis. A general recommendation regarding the business and its culture is offered at the end of this chapter.

Chapter three is about department and assigned work.

The main body of the study is chapter four. The project topic, research purpose, and importance are all stated in Chapter 3. The research technique, framework, findings, and analysis are all presented in this chapter as well. The chapter ends with a summary of its general recommendations for the research topic.

## Table of Contents

Letter of Transmittal.....	3
Confidentiality Agreement: .....	5
Acknowledgement:.....	6
Executive Summary .....	7
Chapter 01.....	10
Student’s Information .....	11
Internship Information .....	11
Internship Role .....	11
Job Description/ Key Activities.....	11
Internship Outcomes:.....	12
Contribution to the Company .....	12
Benefits to the Students .....	12
Challenges .....	13
Recommendation .....	13
Chapter 02:.....	14
Introduction.....	15
Company Overview .....	15
Mission and Vision.....	16
Ownership and Organizational Structure of bKash .....	16
Services/ Products .....	17
Top Management.....	18
Unique ideas implemented.....	18
Target Customer .....	19
Industry and Competitive Analysis .....	19
Financial Performance .....	21
Summary and conclusion.....	22
Recommendation.....	23
Chapter 03.....	24
Department Assigned.....	25
Department’s Goal.....	25
Department’s Activities .....	25
Department’s Organogram.....	26
Department’s Achievements .....	26
Task and Duties .....	26



Opportunities and Limitations.....	27
Work Environment .....	27
Outcome, Findings, Learnings .....	28
Chapter 04.....	29
Introduction.....	30
Background .....	30
Research Goal.....	32
Significance of the study.....	33
Methodologies.....	34
Finding and Analysis .....	35
Data Analysis Procedure.....	35
Research Framework .....	36
Ethical standard .....	36
Data Analysis Method.....	37
Data Analysis .....	37
Categories.....	39
Connections.....	39
Analysis.....	40
Breakdown Analysis .....	40
Discussion.....	41
Research Contribution .....	42
Conclusion .....	42
References:.....	43
Survey Questions for the customers: .....	44
Answers of the questions: .....	44
Interviews for the Merchants .....	45

Chapter 01  
Introduction Part

### Student's Information

I, Nahida Sultana, a student of BRAC Business School of BRAC university got admitted recently completed all my courses majoring in marketing and human resource management. Currently, I am doing my internship in one of the mobile financial services of Bangladesh, bKash Ltd. I was assigned in one of the pillars of the commercial division which is merchant business.

### Internship Information

Company: bKash Ltd

Program: Bnext, flagship internship program

Period: Four months, 14<sup>th</sup> June, 2022 to 13<sup>th</sup> October, 2022

Department: Commercial

Office Address: Shadhinata Tower, House No. 6, 4th Floor, Block- SW, Bir ShresthaShaheed Jahangir Gate, Dhaka 1206

### Internship Role

The role of an intern came with some responsibilities and KPIs which focused on learnings from different wings and on rotation basis. Each wing was open for at least three weeks having various scopes of learning.

### Job Description/ Key Activities

- To know about corporate cultures, behaviors and implement those.
- To observe and learn how real life business works.
- To know about the challenges and obstacles that are faced while solving occurred problems.
- To know about the company products, services and ins and outs.
- To know about the core functions about the bKash's merchant business.

- To share the observations, opinions and add values to the business.

### Internship Outcomes:

#### Contribution to the Company

In these four months, I was assigned in three departments that falls under merchant business, one of the wings of the commercial division.

- Key accounts
- Merchant acquisition
- Merchant management

As an intern, I went to the premium merchants and talked to them about their problems and the areas where they want improvements and later shared with my line manager. It helped the team to further communicate with them and provide them better services.

In merchant acquisition and merchant management, my core responsibility was to know the market and about the small to medium merchants. I was able to successfully pitch to some of the merchants and onboard them. Besides, there were some backend works the team needed some help with, such as data collection and sorting, communicating with the merchants those have problems and so on.

Later on, an opportunity was given where all interns shared their learning, feedbacks, problems and some ideas which I believe were beneficial to the company.

#### Benefits to the Students

As an intern the scope of learning was huge as I was assigned in different works. Starting from the corporate culture and maintaining correct work ethics were something I got to learn as a fresher and now I am ready to implement those in my future work. While working in the key accounts team, I had the learning of managing premium clients in a professional way. Another learning that has a huge impact on me was people management. I had the scope of observing closely that how a team which works as a field force has been managed by the managers. It was heavily impactful and beneficial as I have always wanted a career in sales and that adds great value to it.

These four months internship came with a lot of challenges and obstacles those were professionally mitigated with the help of my line managers and those were very useful to observe as a fresher like me.

### Challenges

At the very beginning it was a bit challenging for me to adjust with the corporate culture for example, meeting deadlines, maintaining early morning office, behaving professionally with all the colleagues and so on. But as time passed by, these were adopted nicely with the help of my line managers. Another challenge was to visit market on a regular basis with the field force as it was on different locations and to different merchants, but this challenge came with a lot of learning as well which helped me to know more about core sales which has always been my area of interest.

### Recommendation

During my period, I have seen some of the core activities were done manually. For example, there is a “know your customer” form for the merchants when they want to open a new account which is written manually which sometimes takes time than usual. Also, if there is any mistake in the form it takes another shot to carry on the process which sometimes caused inefficiencies but the dedicated team has been working to bring automation in the process and make it more efficient. Also, sometimes, the executives who are directly working with the merchants get loaded with work which can be easier with the help of some tools like an application that might create a digital bridge between the organization and the merchants.

## Chapter 02

### Organizational Part

## Introduction

bKash LTD is one of the biggest bank-led mobile financial service provider of the country which has been operating for 11 years. bKash provides safe and easy way of transferring money and making payment through the mobile phone which is also convenient. Also, it's open for both the banking and non-banking people.

## Company Overview

Even though right now bkash is operating as one of the leading financial service providers in the country under the license and approval of Bangladesh bank which is the central bank, it started its journey as joint venture between BRAC Bank Limited, Bangladesh and Money in Motion LLC, USA in 2010. A member of the World Bank Group, International Finance Corporation (IFC), joined as an equity partner in April 2013, and the Bill & Melinda Gates Foundation invested in the business in March 2014. Ant Financial (Ali Pay), a subsidiary of the well-known Alibaba Group, invested in bKash in June 2018. Softbank Vision Fund II made an equity investment in bKash in December 2021, giving Bangladesh's rapidly growing mobile financial services sector another boost.

More than 70% of the population of Bangladesh lives in rural area where formal banking or financial services are not easy to get. But over 68% of the population have the access of mobile phones or devices which was used by bKash to transfer mobile from one mobile to another mobile. All of Bangladesh's mobile networks provide access to bKash. With more than 50 million verified accounts, bKash currently manages a network of over 200,000 agents in both urban and rural parts of Bangladesh.

For the third year in a row (2019, 2020, and 2021), bKash has been named the best brand in Bangladesh by consumers, according to a Bangladesh Brand Forum study.

Additionally, bKash has been chosen as the top mobile financial services brand in the MFS category for the fourth consecutive year.

## Mission and Vision

### **Mission of bKash:**

By providing financial services that are convenient, affordable and reliable, bKash aims to widen the net of financial inclusion. bKash wants to provide a solution for Mobile Financial Services, built on a highly scalable Mobile Money platform, allowing the people of Bangladesh to safely send and receive money via mobile devices (bKash, 2022).

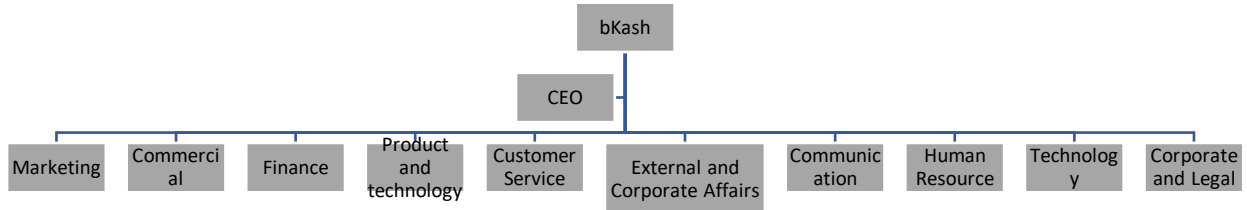
As an organization bKash is a very dynamic and evolving organization. It has changed its vision or the purpose of serving people with time based on the need of the people. The taglines that was being represented by bKash used to be “Proyojone pashe bKash”, “Ekdom Simple”, “Shobshomoy Shob Proyojone” which reflects how dynamic this organization happens to be.

### **Ownership and Organizational Structure of bKash**

BRAC Bank holds a 51 percent share of bKash and by time a lot of foreign investors invested in this organization, such as: Money in Motion LLC, Soft bank, IFC, Ant Financial, Bill & Melinda Gates Foundation.

The founder and brains behind the creation of bKash is Mr. Kamal Quadir. He founded the business and serves as its CEO. There are ten divisions in this organization and each division has different departments with different HOD that report to the CEO.





**Figure: Organogram of different divisions of bKash**

### Services/ Products

Before adding payment and cell recharge as part of its core services, bKash primarily prioritized send money and cash out as its key services. The service options eventually expanded. In recent years, facilities including utility bill payment, money addition, loans, savings, etc. have been added. Customers can use the bKash mobile application to access discounts and cashback deals at various restaurants and retailers in addition to mobile financial services.

The following is a list of the various services that bKash provides.

- Cash in/ Cash out
- Payment
- Utility bill
- Insurance
- Loan
- Savings
- Buy air/bus tickets
- Inward remittance transfer to Bangladesh
- Recharge

- Send money
- Transfer money from bank account to bKash

### Top Management

CEO (Chief Executive Officer)	Mr. Kamal Quadir
CMO (Chief Marketing Officer)	Mir Nawbut Ali
CFO (Chief Financial Officer)	Moinuddin Rahgir
Head of Sales	Irfanul Huq
CCO (Chief Commercial Officer)	Ali Ahamed

**Table: Top Management**

(Source: bKash, 2022)

### Unique ideas implemented

As an innovative organization bKash has always tried to come up with innovative ideas and solutions. bKash App was one of them. Through bkash app transections have become easier and cheaper that it can be done within just a few clicks. Also, the company did not have to share 7 percent of its revenue after coming up with this app to the mobile operator companies (The Daily Star, 2018).

Previously, seeing a bKash agent and bringing the required papers made opening a bKash account a bother. On July 10, 2019, bKash introduced the e-KYC (Electronic Know Your Customer) process to streamline this procedure and enable consumers to open bKash accounts from the comfort of their homes. Using only the NID and the app to take the user's photo, the process is completed without the usage of paper.

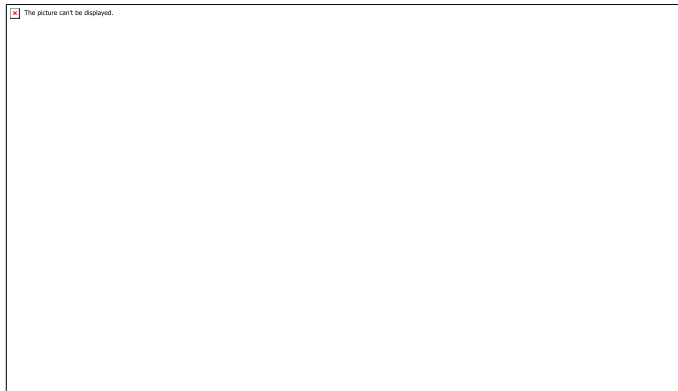
There are other innovations as well such as bringing recharge option in the app, saving option by linking with the bank account and block chain based remittance services and so on.

## Target Customer

Even though initially bKash started its journey with the specific customer group only who had the knowledge of mobile banking but later on it has targeted a huge chunk of population who have the access of mobile phone and a little knowledge of mobile banking. According to Fortune, bKash is used by 22% of Bangladeshi adults, with 4.5 million transactions occurring every day.

## Industry and Competitive Analysis

In Bangladesh, this mobile financial service is comparatively new and it is in a growing stage. For that reason, not a lot of competitors are being seen. There are other competitors like Nagad, Surecash, Upay, Rocket and so on having market share of 60% in total (Hasan, 2022).



**Source: The Business Post**

bKash is leading the market with the highest market share and highest customer account.

SWOT analysis is being shown below of bKash LTD.

### **Strength:**

- First mobile financial service provider in the country under the big wing of BRAC Bank
- Banked up with the best technological support that allows them to serve the customer in a better way
- Have support of mobile operator companies and other third parties
- Market leader having the highest market share

**Weakness:**

- Lack of technological advancement among the customers
- Lack of knowledge regarding the services among the customers
- Different fraud cases that might lead to ruin the brand image

**Opportunity:**

- A huge number of potential customer that is yet untapped
- Future technological advancement that might open new doors
- Collaborations with other mobile financial services and other related business

**Threat:**

- New competitor having better services with lower charge
- Other banks having their own mobile financial services

## Financial Performance


### bKash Limited Statement of financial position

<i>In Taka</i>	30 September 2022	31 December 2021
<b>Assets</b>		
Property, plant and equipment	2,802,623,786	2,578,896,713
Intangible assets	2,406,974,615	2,560,631,513
Deferred tax assets	850,571,050	677,822,622
Investment in Government securities	3,671,054,523	-
<b>Non-current assets</b>	<b>9,739,223,974</b>	<b>6,017,350,848</b>
Operational and other receivables	3,392,038,542	2,101,987,475
Advances, deposits and prepayments	840,145,279	728,365,983
Contract assets	1,124,123,012	1,130,981,177
Current tax assets	935,485,863	651,478,571
Airtime in circulation	3,218,151,543	862,765,288
Trust cum settlement account and investments	66,635,843,801	58,633,542,114
Investment in fixed deposits	16,094,575,827	18,213,467,327
Cash and cash equivalents	764,010,885	6,176,657,884
<b>Current assets</b>	<b>93,004,374,752</b>	<b>88,499,445,819</b>
<b>Total assets</b>	<b>102,743,598,726</b>	<b>94,516,796,667</b>
<b>Equity</b>		
Ordinary shares	38,194,900	38,194,900
Share premium - ordinary shares	1,286,205,568	1,286,205,568
<b>Ordinary share capital and premium</b>	<b>1,324,400,468</b>	<b>1,324,400,468</b>
Preference shares	16,310,400	16,310,400
Share premium - preference shares	30,610,126,295	30,610,126,295
<b>Preference share capital and premium</b>	<b>30,626,436,695</b>	<b>30,626,436,695</b>
Capital Reserve	18,479,529	18,479,529
Retained earnings	(1,501,505,426)	(1,542,286,625)
<b>Total equity</b>	<b>30,467,811,266</b>	<b>30,427,030,067</b>
<b>Liabilities</b>		
Operational and other payables	800,281,582	808,967,534
Lease liabilities	436,957,289	352,785,706
<b>Non-current liabilities</b>	<b>1,237,238,871</b>	<b>1,161,743,240</b>
Defined benefit plan - gratuity	154,460,569	72,241,033
Customer and other deposits	66,429,989,882	58,533,439,086
Operational and other payables	1,523,716,234	1,389,842,139
Lease liabilities	193,310,928	125,257,891
Accrued expenses	2,737,070,976	2,807,243,211
<b>Current liabilities</b>	<b>71,038,548,589</b>	<b>62,928,023,360</b>
<b>Total liabilities</b>	<b>72,275,787,460</b>	<b>64,089,766,600</b>
<b>Total equity and liabilities</b>	<b>102,743,598,726</b>	<b>94,516,796,667</b>

The annexed notes 1 to 4 form an integral part of these financial statements.

  
Chief Executive Officer

**Kamal S. Quadri**  
Chief Executive Officer  
bKash Ltd.

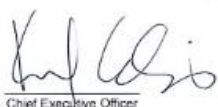
  
Chief Financial Officer

**Moinuddin Mohammed Raht**  
Chief Financial Officer  
bKash Limited

**bKash Limited**  
**Statement of profit or loss and other comprehensive income**

<i>In Taka</i>	For the period ended		For the period ended	
	30 September 2022	30 September 2021	July to Sep 2022	July to Sep 2021
Gross revenue	28,545,708,941	23,284,752,508	9,754,508,854	7,678,556,134
VAT	(3,521,433,564)	(2,937,654,301)	(1,176,060,351)	(959,199,230)
<b>Revenue</b>	<b>25,024,275,377</b>	<b>20,347,098,207</b>	<b>8,578,448,503</b>	<b>6,717,356,904</b>
Cost of services	(18,327,355,290)	(15,574,190,461)	(6,020,097,788)	(5,074,553,449)
<b>Gross profit</b>	<b>6,696,920,087</b>	<b>4,772,907,746</b>	<b>2,558,350,715</b>	<b>1,642,803,455</b>
Operating and administrative expenses	(5,358,137,190)	(4,283,703,500)	(1,726,186,031)	(1,435,618,260)
Commercial expenses	(1,947,834,851)	(1,593,224,454)	(556,237,936)	(509,636,144)
<b>Operating profit</b>	<b>(609,051,954)</b>	<b>(1,104,020,208)</b>	<b>275,926,748</b>	<b>(302,450,949)</b>
Net finance income	879,989,810	55,941,979	285,003,061	(2,843,410)
<b>Profit before contribution to WPPF</b>	<b>270,937,856</b>	<b>(1,048,078,229)</b>	<b>560,929,809</b>	<b>(305,294,359)</b>
Contribution to WPPF	(13,546,893)	-	(13,546,893)	-
<b>Profit before tax</b>	<b>257,390,963</b>	<b>(1,048,078,229)</b>	<b>547,382,916</b>	<b>(305,294,359)</b>
Income tax (expense)/income	(216,609,764)	33,492,848	(81,973,412)	10,675,521
<b>Total comprehensive income</b>	<b>40,781,199</b>	<b>(1,014,585,381)</b>	<b>465,409,504</b>	<b>(294,618,838)</b>

The annexed notes 1 to 4 form an integral part of these financial statements.



Chief Executive Officer

**Kamal S. Quadir**  
**Chief Executive Officer**  
**bKash Ltd.**



Chief Financial Officer

**Moinuddin Mohammed Rahgr**  
**Chief Financial Officer**  
**bKash Limited**

**Source: BRAC Bank**

### Summary and conclusion

bKash as one of the largest mobile financial service provider has been doing well in the competitive market for the past few years and continuously working to aware their customer about their product and services so that this industry can grow further. If their financial performance is being considered then it mainly focuses on investing rather than having profit which is another good sign for this company in this growing market as they could expand more and reach to every corner of the country.

## Recommendation

Even though this organization has done tremendously good in last 11 years but there is some areas to improve such as educating their customer properly and strengthen the security so that fraud cases cannot be seen frequently. As this organization deals with money directly so this is very important for the customer to feel safe. In terms of operations, there is still a big portion to work on such as bringing automation and technological advancement so that the process get more efficient. At the same time, expanding can happen to acquire more customer by increasing the visibility and better services for the customer.

## Chapter 03

### Department and Assigned Work



## Department Assigned

I was assigned to the merchant business department which is one of the departments of the commercial division of bKash LTD. In the merchant business team there is one dedicated team which is merchant management which ensures proper services for the merchant base.

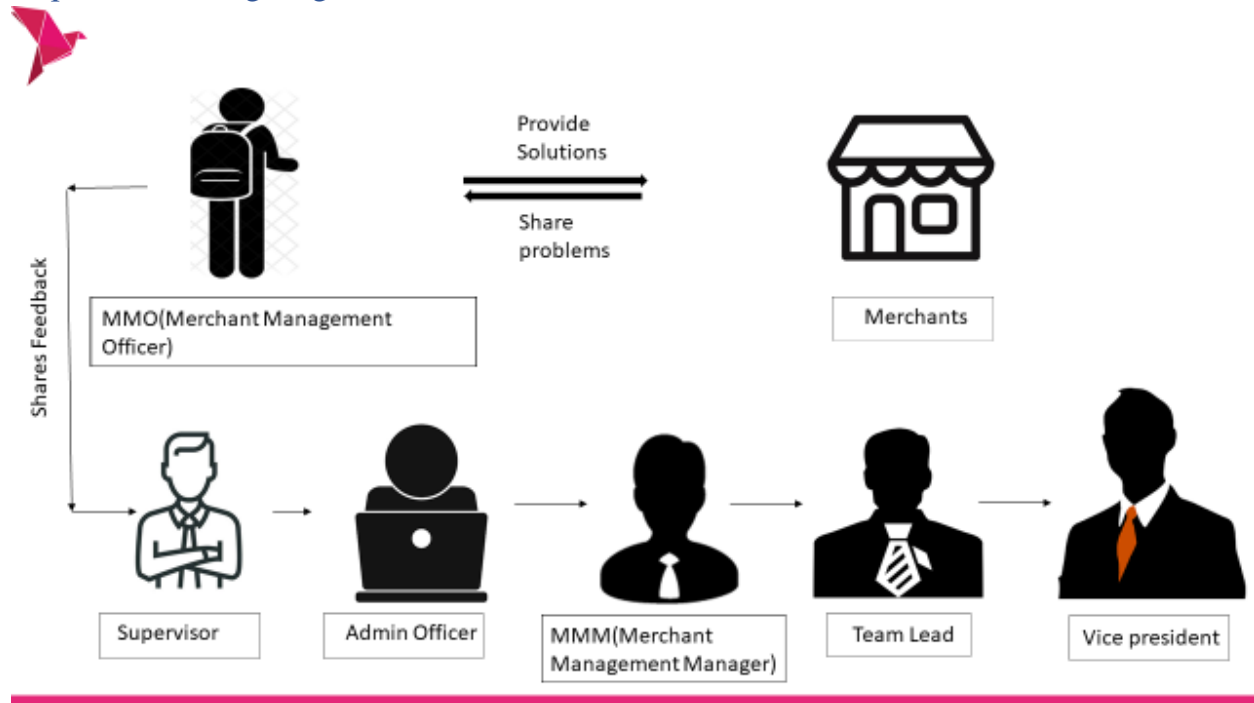
## Department's Goal

Merchant management is dedicated to ensure focused services to the entire merchant base of bkash which requires solving any problem that merchants might face, motivate the merchant to take bKash payment, ensure smooth communication between the merchant base and the customer. The goal is to increase bKash payment by count and volume through ensuring proper services.

## Department's Activities

- Make strategies to provide services to the huge merchant base
- Reporting
- Spot planning and route tagging
- Data entry in excel
- Make campaign
- Drive sales through the field force
- Dexter operations
- Solve problems faced by the merchants

## Department's Organogram



**Figure: organogram in bKash Merchant Management Team**

**Source: bKash LTD**

## Department's Achievements

bKash Ltd has continuously developed new services. I observed the goals, the marketing plans, and the various techniques when I was an intern. Market mapping has been a flexible process for me as I have followed the suggestions to make it successful.

- Successful market scanning
- Providing services to the merchants and keeping them transacting
- Knowing what consumers want and implementing ideas based on that
- Driving the sales of bKash

## Task and Duties

As an intern I was assigned in many works that can benefit me with different insights and also can add values to the business.

- Market Visit regularly

- Finding problems in market and from merchant's end
- Sharing my feedback on those problems can be fixed
- Data soring and sharing
- Backend reporting related work
- Sales call

### Opportunities and Limitations

There was a lot of opportunities to work and to learn as the full ownership was given to the interns to explore and to see how the market operates standing at the very front line.

Opportunities:

- Supportive work culture
- Friendly work environment
- Positive mindset
- Car and other facilities
- Supportive professionals
- Flexibility

Limitations:

- Limitation in sharing data
- Confidential financial information

### Work Environment

The work environment in bKash is so positive that all the interns were given full ownership to explore, work and learn. There was not restriction in knowing about the business and sharing my own ideas and strategies. All the professionals were too friendly that the workplace is always full of joy and happiness. There is a very healthy competition which motivates the employees to go that extra mile while hoping best for others as well. My line manager was so empathetic and well professional that there was always clear direction of what to do and how to do that. This work environment is not only needed for a better work life also for a better outcome.

## Outcome, Findings, Learnings

- Time management
- Professional behavior
- Team work and working with patience
- While having full ownership, I was able to onboard some of the merchants by pitching to them
- Getting to learn about the insights from the market
- Seeing how actual business runs
- How campaigns are planned and implemented
- How field forces are being managed
- Leadership and people management

Chapter 04  
Research Part

## Research Topic:

**“Merchant Management strategies to drive the acceptance of bKash payment in the emerging market”**

### Introduction

Merchant management is one of the pillars of merchant business in bKash that ensures focused services for the bKash merchant base. Time to time they have scanned the market, found the problems from both the consumer’s end and merchant’s end, implemented new strategies with the purpose of increase the acceptance of bkash payment which means make it habituated among the merchants to take bKash payment from the customer.

Even though some of the premium merchants are well educated to take digital payment as there are other services as well such as payment through debit or credit card and they are already aware of that but small to medium merchants are not that well educated about digital payment which make them reluctant about taking digital payment even though the customer have the access to bKash account.

On the other hand, customer need to have clear communication with the merchant while paying digitally. Making payment and sending money are different things, while participating in different campaigns conditions might vary for the customers. These things also are being taken into consideration while serving the merchants as this is also important to make sure that there is a clear communication going on between the merchants and the customers.

### Background

This internship report having the purpose of finding the effectiveness of bKash merchant management team ensuring bKash payment by the customer to the merchants is a requirement of BBA program.

bKash being a dynamic organization always try to come up with strategies that both benefit the customer and the company. Acceptance of digital payment was being driven by the merchant

management team by implementing strategies that ensures merchants have enough benefit to take the bKash payment and it makes their work easy.

I was assigned in that team as an intern and the primary job was to visit the market with the help of the field force who work standing at the front line and find out the problems. Later, I was inspired to deliver my work with proper feedback and my own ideas. As a sales enthusiast and a marketing major it was my privilege to work on such an interesting area which gave me a clear view about the business and how it runs. More specifically, to find out how much effective the strategies were to drive the sales by increasing the digital payment acceptances among the merchants and the customers.

### **Problem Statement:**

COVID 19 pandemic was a game changer for the digital payment industry in Bangladesh as there was a need for contactless payments everywhere (LightCastle Analytics Wing, 2020). bKash as a leading mobile financial service has been working heavily to make the stakeholders habituated with this new system. But there is still a large portion of customer who are not familiar with the digital payment system even though they are acknowledged about the mobile financial services. The development of the digital platform economy may be threatened without appropriate steps to assure effective platform functioning, making it impossible to favorably impact the overall (World Economic Forum, 2020). For not being digitally that advanced, it has been very difficult for the organization to make people understand the benefit of bKash payment. A huge number of people fall under the same roof who might be a potential bKash customer willing to make bKash payment wherever it is possible. On the other hand, not all merchants are well aware of digital payment and willing to take bKash payment while giving charge to bKash

### **Literature review:**

Even though digital payment is not something that everyone has become habituated with but Bangladesh has made immense progress in digital payment over the last decades. Mobile wallets are used for payments by 7.7% of the population (Islam, 2020). He also added that the trust

element, retail and business acceptance methods, and payment methods from the end user's perspective must all function together cohesively.

According to the CEO, Kamal Quadir, we have to be careful about two things, customers' funds must first be protected, and then the financial regulator must have complete access to the fund flow in order to adequately monitor issues like national inflation, our constant attention to compliance has had a big impact on how bKash runs as a regulated service, We have been able to significantly enhance our regulation over time (The Daily Star, 2020).

There are more than 1 lac bkash merchants and more than 6 crore bKash customer inside the country who are making bKash payment on a regular basis (bKash, 2022).

According to a research, 65% of consumers are inclined to adopt newer digital payment methods, showing that Bangladeshi consumers are becoming more familiar with, accepting of, and adoptive of these methods of payment (VISA, 2017).

The use of digital payments has been made possible by digital infrastructure, and the epidemic has further accelerated growth, particularly in the priority areas. In Bangladesh, one out of every five financial transactions is now digital, and 79 percent of the population is involved in the financial system and the importance of women is starting to rise, but more needs to be done, women now own 21.5 percent more mobile financial services (MFS) accounts than males do, and between March 2020 and May 2021, they climbed by 11 percent (Better than Cash Alliance, 2022).

## Research Goal

The goal of this research is to find out the acceptance of digital payment among the customer and the bkash merchant. Merchant management team, one of the dynamic teams of bKash has been working standing at the frontline to make sure that the bKash merchants are getting served properly as they are the one to push customer to make a digital payment through bKash. This is also the goal to find out how much these strategies of merchant management team are effective and working properly to drive the sales of bKash.



## Objective

### Broad Objective:

The broad objective of this research is to assess the effectiveness of the strategies of the merchant management to drive the acceptances of bKash payment and to assess the level of acceptancy of bKash payment to the merchants and to the customers.

### Specific Objective:

- To identify the strategies of bKash merchant management.
- To identify how much these strategies effect on the bKash merchants.
- To identify the customer attitude toward bKash payment.

### Significance of the study

#### Theoretical benefits

By reading this paper relevant managers and people from sales department can have an idea about the customer's attitude towards bKash payment and how much they are willing to make a digital payment, later they can open new dimension while applying this knowledge. On the other hand, anyone outsider can have a very good idea about the strategies that bKash merchant management team has been applying to run the business smoothly while ensuring proper services for the merchants. Moreover, how much merchants are open to take bkash payment from the customer can be another area to explore by analyzing this paper.

## Practical benefits

Managers and relevant parties of bKash can have practical insights by going through the paper and see where the problem is. For example, what is the problem from customer's end that is stopping them to make bKash payment? Also, how much these strategies are working and how much effective are those to be implemented. Moreover, insights from merchant's end can also add great value to the stakeholders. Later on these can be reviewed and modified if needed. Also, while making new strategies or in terms of changing any established strategies the problems or loop holes can be considered by the manages inside the company. For an outsider, these insights can be helpful while taking any initiative for the relevant field or making any other research. This is how in practical terms, this research paper can be helpful as well.

## Methodologies

### Secondary researches

- Review articles
- Journals
- Organizational reports and websites

For secondary research or the literature review part, different articles, journals and organizational reports were being reviewed where insights regarding the customers point of view, merchants willingness to take payment, how much people are inclined to make digital payment were found. Also, different data and number were also taken to support the argument from those materials.

### Primary researches

- Interviewing the merchants
- Online survey (bKash Customer)

To complete the study, I followed the interview system for the merchants and online survey system for the customers where they were asked different questions were asked in different situation to know their point of view about bKash payment.

The purpose was to find out what these stakeholders actually feel about the raised issue and how they think this can be solved. These questionnaires were set avoiding any biases and with the help of my line managers along with the senior professionals so that the scenario that is given in the questions get practical and helpful to make the research insightful.

## Finding and Analysis

### Data Analysis Procedure

Analyzing the data will be done while continuing the measurements.

These are the instructions provided:

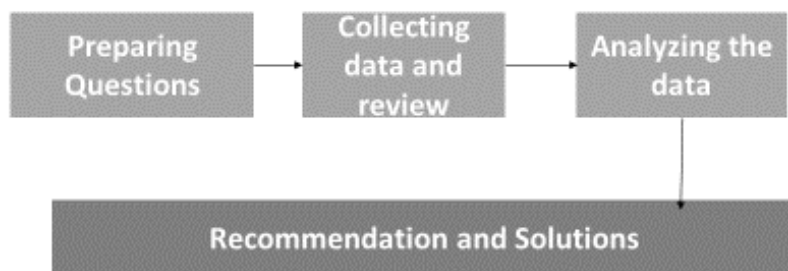
- Asking the correct question of the right consumer/ merchants
- Gathering the data,
- Cleaning and deleting extraneous information
- Analyzing the data and making a decision are all steps in the process.

### Justification

This is how the data analysis process should be as anyone trying to crack the paper will be getting the exact direction while finding out the exact information that is not containing anything unnecessary. Data will be focused on customers and merchant's opinion and behavior as they are the main factors here and also by having their insight it will be correct to analyze the information further.

## Research Framework

The first step in this research was to analyze the strategies of merchant management team and then collecting data from the merchants and the customers. Later on these data were being analyzed based on the factors and considering the trends a decision was being made.



**Figure: Research Framework**

## Justification

I'll start by collecting information from the population and sample that make up my study topic. In addition, I will conduct surveys, analyze the data, and make conclusions in order to thoroughly comprehend and interpret the consumer's viewpoints and to explain and draw the appropriate conclusions from the market.

## Ethical standard

I won't engage in any improper activities that compromise the company's hygiene, university policies, or my integrity when creating the internship report and conducting the data gathering survey.

I will completely adhere to the internship rules, uphold the highest standards of purity in my work, and observe all applicable regulations.

## Data Analysis Method

### Narrative method

To further understand how participants in the study create narratives and stories based on their own unique ideas, researchers are employing narrative analysis. This indicates that there is a deeper layer of meaning in qualitative data. First, each participant in the study uses storytelling to examine their personal lives. The composition of the tale is next evaluated by the analyst.

To conduct the research I chose interviews and surveys and went for long answer to find out what customers and merchants actually feel about bKash payment and what can be improved so that they get better services. Narrative style was appropriate in this case as long answers were required which got followed by another questions. For instance, narratives can be created from diaries, emails, conversations, biographies, transcripts of in-depth interviews, participant observations, and other types of narrative qualitative data.

## Data Analysis

### Charge for the merchants

This factor is responsible to address the charge that merchants are getting for bank settlement or while taking out the money in the name of cash out. Even though the charge is less than the personal account which is close to 1.5% in most of the cases, still a lot of merchants tend to be reluctant towards taking bKash payment because of the charge. So, this factor for the merchants plays a negative role as they also need their monetary benefit in every step of their business. But in some of the cases, merchants are satisfied with the service of bKash to some extent that they do not bother about the charge.

### “Free payment” for the customer

For the customer it is totally free to make any bKash payment as per the policy and law. They need to keep digital e money in their wallet and they are good to make the payment which is a factor that drives the customer to make bKash payment. So, this is a positive factor working as an influence to increase the acceptance of bKash payment in this market.

### Service

For both the merchants and customer, customer service experience has been satisfying as they can get attached to the bKash anytime they want. For bKash customer there is a dedicated customer service team which is on duty all the time and ready to solve any problem. On the other hand, for the merchants they can use the helpline and also there are dedicated merchant management officer for them who are always available with all kind of support.

### User experience

For both the merchants and the customer, it's very easy to use bKash app for making the payment and also to receive the payment. To avail this service a smartphone is not required, it can also be done with the help of button phone. So, both the parties seemed to be really satisfied by the easy process of using this payment services which can work as a positive driver.

### Access to bKash

There are almost 6.5 crore customer and more than 1 lac merchant in market right now. So, this number can play as a positive factor while supporting the argument. But, by increasing this number the count and volume can also be increased further.

### Technological abasement

A lot of customers are not technologically that advanced so the merchants. Sometimes, they tend to avoid bKash payment or any other digital payment as this appears a bit tough to them. This is working as a negative factor as with less technological advancement bKash payment cannot be boosted dramatically because of direct connection between the payment service and technology.

## Categories

According to the discussion given above, the following categories can be considered as the causes of bKash payment and can be entertained according to customer's and merchant's opinions.

Things that motivate them:

- "Free payment" for the customer
- Service
- User experience
- Access to bKash

Things that demotivate them:

- Charge for the merchants
- Technological abasement

## Connections

This clearly shows that customers and merchant both parties are inclined to take bKash payment whenever there is a digital payment option as they are getting proper services, it is very easy to use and for the customer making bKash payment is very easy but as this market is not that much technologically advanced, it sometimes gets difficult to convince the customer to make a digital payment and also sometimes because of the settlement charge a lot of merchants get dissatisfied and do not act positive about taking bKash payment.

## Analysis

Summary of all the concepts that was discussed above

- Customers are willing to make bKash payment if they have the access to bKash account and if they have digital money to make the payment.
- Customers and merchant both the parties are satisfied with the bKash payment services and the fact that this is very user friendly service.
- It is not easy to convince the merchants that the charge they are providing for the service is justified.
- It depends on the technological advancement if there is going to be heavy uses of bKash while making or taking bKash payment.
- Merchants expect to have less charge while customers are satisfied as making bKash payment is totally free

## Breakdown Analysis

- “Free payment” for the customer: this option should always be available for the customer as this influence them to make bKash payment whereas losing this option will make customer feel that they are going to have to pay extra for the same product.
- Service: bKash should keep the standard of their service which can also be better with time to hold the customer and merchant along with attracting more in the future.
- User experience: User experience should keep this consistency so that it feels easy to use to the merchants and the customers. Also, it can be modified to make it more user friendly and less dependent on the technology so that user experience gets better.
- Access to bKash: Access to bKash should be easier and the number should be increased which will make bKash payment more acceptable.



- Charge for the merchants: this charge for the merchants can be lessened or there can be other benefits added for the merchants so that they get motivated to take bKash payment from the customers.
- Technological advancement: with time, customers and merchants are expected to get technologically advanced and bKash can play a very important role to educate this huge number of individuals so that they become inclined to take bKash payment.

## Discussion

As I was doing my internship in bKash, they always put their stakeholders like customers, merchants, agents and others in their top priority with the hope that they will be served properly to fulfill the mission and of the company. With that objective, all the employees are working day and night to make all the strategies work and put the best outcome.

But there are always room for work which can be addressed in such situation. From the findings, we can see that in some context, the merchants and the customers can be served in a better way like adding more benefits for the merchants like adding send money and recharge option to the merchant app so that they can feel they are getting some extra value and get interest to take bKash payment.

To successfully reach my goal, at the very beginning I did the secondary research which was an online survey for the customer and interview in narrative style for the merchants. First of all, I worked on the area that I want to focus and then made the questions for both the parties. After that interviews were held where I cleared my intention first and asked for their honest opinion. After that, all the data and information from secondary research were taken into consideration and discussed these with my line managers to make it more accurate. After that, it was the data analyzing part where I tried to find all the positive and negative factors and the drivers that make bKash payment or stop one to make bKash payment. After the analyzing part it was very easy to come to a conclusion which says if the research statement is a positive statement or negative. As, most of the factors are in a positive side we can say that merchant management strategies are working fine to increase the acceptance of bKash payment among the bKash merchants and the bKash customers.

## Research Contribution

This research will help the relevant managers to know about the negative factors that keeps one away to make bKash payment and later can work on that. For example, merchants are sometimes reluctant to open a merchant account or take bKash payment as the charge is high according to them. So, it can be taken into consideration and then they can be provided a better solution to mitigate the challenge.

On the other hand, to have an overall idea about the bKash payment industry, one can go through this research paper and later implement these ideas into relevant work.

Apart from the negative factors, there are positive factors as well such as customers are being satisfied with the service and other facilities of bKash that they are willing to make bKash payment if the situation allows them to. So, this can be further improved for better outcome by providing extra services.

In this research paper, I tried my best to apply all the possible method and keep all the biases away so that the result gets accurate as much as possible. I believe I have reached my goal and it will be able to add benefit the company by providing insights on different problems and how to make those better. As for company's betterment it is very important to know what customers are feel and what their demand is along with the ideas that can make them satisfied and keep them in the business.

## Conclusion

bKash LTD is one of the biggest mobile financial service provider in the country that has been working continuously for the customers and other stakeholders along with providing the best services. They always welcome innovations and new ideas from the fresh and brilliant mind who can go extra mile to make a difference. They are continuously developing themselves by adding new and innovative options like save money or loan service on the bKash app.

The goal of this research was to find out how much bKash payment has been accepted by the merchants and the customers and the contribution of the bKash merchant management team as they are working standing at the front line to ensure focused servicing for the stakeholders.

It is obvious that with time, digital payment acceptancy has been increased among the customers as this is easy to use and adds great value to the customer's life and the team that is working to

providing services had direct contribution to make the business run smoothly. But at the same time, it can do better by making the merchant's influential ensuring their benefits from bKash. Overall my experience in this internship was indeed insightful as this was full of learning and practical scenarios. Adding my ideas and implementing some of the strategies were the best part of this internship as this opportunity came with having full ownership and leadership.

## References:

- 1) Star Business Report. (2018, May 15). *bKash app launched*. The Daily Star. <https://www.thedailystar.net/business/bkash-app-launched-1576999>
- 2) *About Us / bKash*. (n.d.). <https://www.bkash.com/about-us>
- 3) Wikipedia contributors. (2022, October 27). *BKash*. <https://en.wikipedia.org/wiki/BKash>
- 4) Hasan, M. (2022, June 8). *bKash dominates while Nagad grows fast*. The Business Post. <https://businesspostbd.com/front/bkash-dominates-while-nagad-grows-fast-2022-06-09>
- 5) *Brac Bank*. (n.d.). <https://www.bracbank.com/en/information>
- 6) The Daily Star. (2020, October 8). *Digital Bangladesh 2021: Payment systems and fintech*. <https://www.thedailystar.net/supplements/news/digital-bangladesh-2021-payment-systems-and-fintech-1974417>
- 7) *Bangladeshi consumers keen to adopt digital payment solutions: Visa survey / Visa*. (n.d.). <https://bd.visa.com/about-visa/newsroom/press-releases/bangladeshi-consumers-keen-to-adopt-digital-payment-solutions-visa-survey.html>
- 8) Your Organization Name. (n.d.). *Bangladesh's National Digital Payments Roadmap 2022-2025*. Better Than Cash Alliance. <https://www.betterthancash.org/alliance-reports/bangladesh-national-digital-payments-roadmap-2022-2025>

## Survey Questions for the customers:

1. Name
2. Age
3. Where do you live?
4. Do you have any bKash account? (yes, no)
5. Do you use this bKash account? (yes, no)
6. Do you find using bKash payment system easy? (yes, no)
7. Do you consider yourself as tech savvy? (yes, no)
8. Do you think it's justified to make payment option free for the customer? (yes, no)
9. How frequently do you make bKash payment? ( very frequently, not much, not at all, sometimes)
10. If not much or not at all then what is the reason? ( do not have the access, it is very hard to use bKash payment, there is no payment option, I do not like it)

## Answers of the questions:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. Mostly in urban areas
4. 60% said yes
5. 50% said yes
6. 90% said yes
7. 60% said no
8. 98% said yes
9. Sometimes: 50%, Very frequently: 20%, Not much: 20%, Not at all: 10%
10. do not have the access: 20%, It is very hard to use bKash payment: 10%, there is no payment option: 50%, I do not like it: 20%

## Interviews for the Merchants

**There were 6 interviews**

### **Demographic Information:**

Age range:

- 41 – 50

Salary Range:

- 36,000 – 50,000

Education level:

- SSC- HSC

Occupation:

- Businessman

### **Questions and Answers:**

**1) For how long are you a bKash merchant?**

Most of the merchants are with bKash for a very long time and they are well aware about the bKash payment service as field force from bKash visit these merchants on a regular basis. Two merchants were new but they had enough ideas about the bKash payment services.

**2) Do you find using bKash payment system easy?**

All six merchants agreed with this one that using bKash is very easy when it is about taking payment. They automatically get the notification on several ways after receiving a payment. Also, they do not need any smartphone to take the payment which make their life very easy.

**3) How frequently do you take payment from the customer?**

In these questions, 4 out of 6 merchants replied they do not take payment regularly even if this is very easy to operate and it to some extent makes their life very easy. Other two were inclined to take bKash payment as they get very good response from the customer lately.

**4) If you do not want to take bKash payment then what is the reason?**

Those who were reluctant to take bKash payment showed the charge as the reason. They claimed it is near 15 taka per 1000 taka and when the amount gets bigger the charge also gets higher which makes them think about the total margin out of the business. This is something stop them to take payment from the customer and they prefer taking cash from the customer.

**5) What is the best thing about bKash payment system?**

All six merchant claimed that the service that are being provided by bKash is the best thing about the payment system. Whenever they are facing any problems such as forgetting the PIN or in case they need the statement, there is always merchant management officer ready to provide services.

**6) Is there any room for improvement?**

The higher charge is something that all merchants agreed that bKash should work on. Other than that, they were demanding other featured in the merchant app just like they get in the personal app such as load, mobile recharge, and send money and so on.

**7) Any suggestion?**

In this part, all the merchants showed their gratitude towards bKash for offering such innovative solution and suggested if they can add some extra values that can make the payment system more convenient for the customer and for them as well.

