Report On

Adoption of Digital Payments by SMEs in Bangladesh: Role of bKash's Sales Division in Driving Financial Inclusion

By

Fardin Faraz

21304097

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
September 2025

Declaration

It is hereby declared that

1. The internship report submitted is my/our 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/We have acknowledged all main sources of help.

Student's Full Name & Signature:

Fardin Faraz

21304097

Brac Business School

Brac University

Supervisor's Full Name & Signature:

Dr. Md. Hasan Maksud Chowdhury

Assistant Professor

Brac Business School

Brac University

Letter of Transmittal

Dr. Md. Hasan Maksud Chowdhury

Assistant Professor

BRAC Business School,

BRAC University

Kha 224, Bir Uttam Rafiqul Islam Avenue, Merul Badda, Dhaka

Subject: Internship Report Submission

Dear Sir,

I am pleased to submit my internship report titled "Adoption of Digital Payments by SMEs in Bangladesh: Role of bKash's Sales Division in Driving Financial Inclusion" as a partial requirement for the completion of my Bachelor of Business Administration (BBA) degree at BRAC University.

I wrote this report based on what I learned and did during my internship at bKash Limited, where I worked in the Commercial Division, Business Sales Unit. The paper talks on how bKash's Sales Division helps small and medium-sized businesses get started, makes it easier for people to accept digital payments, and helps Bangladesh become more financially inclusive.

I've done all I can to make the results clear and useful, making sure that the report fulfils academic standards and shows what I learned during my internship. I really hope this report meets your needs and helps with the academic goal it was meant to serve.

I also want to thank you from the bottom of my heart for your helpful advice and supervision throughout this internship. I also want to thank the people at bKash Limited for their help and collaboration, which made it possible for me to finish my report.

Sincerely Yours,

____

Fardin Faraz

21304097

BRAC Business School

BRAC University

03 September 2025

Non-Disclosure Agreement

This agreement is between bKash Limited and the signatory student at BRAC University. As a previous intern (Intern ID: IN1001) at bKash Limited, I understand the need for maintaining data privacy, since I was exposed to private information throughout my internship. I understand that I must preserve the confidentiality and privacy of this information and not share it with other parties.

Supervisor's Full Name & Signature:

____

Md. Somel Reza Khan

General Manager

Business Sales

Commercial Division

bKash Limited

Intern's Full Name & Signature:

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Fardin Faraz

Intern, Business Sales Unit,

Commercial Division

Acknowledgement

First and foremost, I'd want to thank Almighty Allah for making my internship experience so pleasant and for providing me with opportunities to learn and improve every day.

Then, I'd want to thank *Dr. Md. Hasan Maksud Chowdhury* , Assistant Professor at BRAC Business School, BRAC University. I will be forever thankful that under his guidance, this internship time was successfully finished. From providing precise instructions on how to write the internship report to offering continual assistance, he has been a wonderful help to me during this time, for which I will be forever thankful.

Furthermore, I would like to thank my organisational supervisor, *Md. Somel Reza Khan*, General Manager, Business Sales, Commercial Division, bKash Limited, for his ongoing support and advice in ensuring my best learning experience. Throughout my internship, he has been careful to ensure that I am always learning new things and shared his experience and guided me through my office duties.

Finally, I'd want to express my gratitude to my family, faculty, colleagues, and friends for their trust and support throughout my life.

Executive Summary

This internship report, titled "*Adoption of Digital Payments by SMEs in Bangladesh: Role of bKash's Sales Division in Driving Financial Inclusion,*" describes what I learned and experienced while working at bKash Limited in the Commercial Division – Business Sales Unit. The report's goal is to enquire at how small and medium-sized businesses (SMEs) in Bangladesh use digital payment systems and how bKash's Sales Division helps make this change happen.

The study integrates primary data obtained from surveys and interviews with SME owners and Key Account Managers (KAMs), in conjunction with secondary data derived from research papers, articles, and industry reports. The analysis centres on three primary objectives:

- To understand how small and medium-sized businesses (SMEs) use digital payment systems and how bKash's Sales Division helps them do this.
- To find out how digital payments affect the efficiency of small and medium-sized businesses, including managing cash flow, keeping transactions safe, and reducing administrative work.
- To find out how using bKash services helps small and medium-sized businesses grow, such as by increasing sales, gaining new customers, and becoming more competitive in the market.

The results show that SMEs that used bKash had faster payment collection, fewer cash losses, and less work for their staff. Switching to digital payments also helped small and medium-sized businesses (SMEs) boost their monthly sales, get more customers, and improve their market position by competing with bigger companies and getting into e-commerce channels. These results show that bKash is more than just a Mobile Financial Services (MFS) provider; it is also a partner in helping small and medium-sized businesses grow and get access to financial services.

The report ends with suggestions for bKash to improve post-onboarding support, create products for small and medium-sized businesses, and make training programmes better. It also says that small and medium-sized businesses (SMEs) should make digital payments a central part of their operations and that policymakers should make it easier for people to use digital payments.

In short, this internship has given me real-world experience in understanding how new fintech ideas help Bangladesh's economy grow and make it easier for everyone to get access to financial services. The Sales Division of bKash plays a key role in connecting traditional small and medium-sized businesses with a digital-first economy, which will lead to a Bangladesh that is more cashless and open.

Key Words: SMEs, Mobile Financial Services (MFS), E-Commerce, Financial Inclusion, bKash Limited, Digital payment Systems

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List of Acronyms

SME: Small to Medium Enterprise

KYC: Know Your Customer

KAM: Key Account Managers

LOI: Letter of Interest

MFS: Mobile Financial Services

Chapter 1: Overview of Internship

1.1 Student Information

Name: Fardin Faraz
ID: 21304097
Programme: Bachelor of Business Administration (BBA)
Major: Marketing
Minor: HRM

1.2 Internship Information

1.2.1 Period, Company Name, Department/Division, Address

- **Internship Period:** 3 Months (June 18, 2025 – September 17, 2025)
- **Company Name:** bKash Limited
- **Division:** Commercial Division
- **Department/Unit:** Business Sales Unit
- **Office Address:** SKS Tower, Mohakhali, Dhaka-1212, Bangladesh

1.2.2 Workplace Supervisor's Information

- **Name:** Md. Somel Reza Khan
- **Designation:** General Manager, Business Sales, Commercial Division

1.2.3 Job Responsibilities & Duties

1. Client Onboarding & Account Setup

- **Scope**: Finding and keeping track of potential new clients (like small and medium-sized businesses or organisations) who could use bKash's payment or collection services.
- **Detail**: This means not only going to client offices but also learning about how their businesses work, writing down their financial needs, making sure they are fully KYC compliant, and working with internal operations teams to finish activating their accounts.

2. Portal Training & Adoption

- **Scope**: Giving clients training on bKash's portal for collecting and disbursing money.
- **Detail**: Customising training to each client's level of tech knowledge, reporting common support problems to the team, and creating easy-to-use manuals or quick reference guides to make sure that ongoing use goes smoothly.

3. Checking KPIs and looking at transactions

- **Scope**: Keeping an eye on the number of transactions clients make against set KPIs.
- **Detail**: Making and looking at regular reports to find clients who aren't using the platform much, and then following up with them to get them to use it more and get back on track.

4. Client Relationship & Lifecycle Management

- **Scope**: Building relationships with clients after they sign up.
- **Detail**: Acting as a go-between to learn about client problems and proactively suggesting customised campaigns, incentives, or new digital solutions to increase and extend usage, just like the "Growth Manager" role for lifecycle engagement.

5. Getting feedback from the market and information about competitors

- **Scope**: Getting information from talking to clients.
- **Detail**: When visiting clients, you should keep track of market trends, customer pain points, and what competitors are offering (like Nagad and Rocket) and share this information with the right internal teams to help them come up with new products and improve existing ones.

1.3 Internship Outcomes
1.3.1 Student's Contribution to the Company

I was able to help my team and the company's bigger goals in many important ways during my internship in bKash's Commercial Division (Business Sales Unit).

1) Making it easy for new clients to get started
Helping new clients get started was a big part of my job. I went to offices, got documents, and carefully filled out and sent in KYC forms. This made things go more smoothly and quickly, and I was proud to know that I was helping businesses join bKash in a way that followed the rules set by Bangladesh Bank.

2) Opening accounts and teaching clients
I helped clients use the bKash portal after they opened their accounts. I had to explain things step by step because many small business owners were using digital disbursement or collection services for the first time. Not only did giving this training make them feel more confident, but it also made me feel like I was making a real difference by connecting technology with users.

3) Keeping an eye on KPIs and getting people to use them
Another important thing I did was keep track of how well clients were doing with their KPIs. I made reports and followed up with clients whenever I saw that they weren't using the service as much as they should have been. These talks were hard at times, but they kept clients busy and got them to use more digital tools.

4) Making connections with clients and cutting down on drop-offs
I was also the main point of contact for clients after they signed up. A lot of people had small problems or doubts about using the portal regularly, so I helped them fix their problems and keep using it. This relationship-building made it less likely that clients would leave after they signed up.

5) Sharing information about the market and competitors
When I visited clients and followed up with them, they often told me about their problems or even compared us to competitors like Nagad or Rocket. I told my team about these things so they could understand how clients were feeling. This feedback was small, but I think it helped bKash figure out how to make its services better.

6) Helping the change from cash to digital
Finally, I thought I was helping Bangladesh move towards a cashless society by getting clients to use bKash for their payments and collections. A lot of small and medium-sized businesses still rely on cash, and one of the best parts of my job was showing them the benefits of digital payments, such as how fast, safe, and easy they are to reconcile.

1.3.2 Advantages for the Student

My internship at bKash was more than just a requirement for my BBA degree. It was a real learning experience that showed me how a top financial services company in Bangladesh works. This experience helped me in many ways, both personally and professionally:

1) Putting what you learned in class into practice
I had learned about things like getting new customers, managing relationships, and getting people to use services in my Marketing major. But I saw how these ideas really work in real life when I was an intern. For instance, getting SMEs on board and convincing them to use digital payments taught me how to get a client from knowing about something to actually using it.

2) Being sure of how to talk to clients and deal with them
Meeting SME owners and corporate clients in person was scary at first. But over time, I learned how to clearly explain what bKash does, answer their questions, and win their trust. This helped me a lot with my communication and people skills, and I now feel more comfortable talking to professionals and people who make decisions.

3) Knowing how compliance and financial systems work
One of the most important things I learned was how important compliance is in the financial services industry. I learned how strict the rules are to protect both clients and the company by working with KYC documents. This taught me how important it is for businesses to follow rules in the financial industry.

4) Better skills in analysis and reporting
I had to make short reports and updates for my team while keeping an eye on KPIs and client transaction data. This taught me how to use real-world data, spot patterns, and make useful observations. These analytical skills will help me in my future job, especially if I have to make decisions or evaluate performance.

5) Being able to change and solve problems
The internship wasn't always easy. Sometimes clients didn't want to use digital tools, and meetings changed at the last minute. I learned to stay calm, adapt quickly, and look for solutions instead of getting stuck on the problem. I will take this ability to adapt with me to any job I get in the future.

6) Getting to know the company's culture
Before this internship, I didn't know much about how big companies work on a daily basis. I learned how teams work together, how managers lead their employees, and how tasks are split up at bKash. I also learned about how to behave at work, like how to write professional emails, go to meetings, and meet deadlines.

7) Ideas for future career goals
This internship may have helped me see what my future could be like. I learned that I

like jobs that involve marketing, talking to clients, and growing the business when I worked in the Commercial Division. It helped me figure out what kind of job I want to do after college.

1.3.3 Issues/Challenges Encountered During the Internship Period

My internship at bKash was a very rewarding experience, but it wasn't without its problems. These problems made me step outside of my comfort zone and helped me grow in the end, but they were hard to deal with at times:

1) KYC requirements are hard to understand
At first, I thought the KYC (Know Your Customer) process was very hard to understand. There were a lot of papers that needed to be checked, like the NID, trade licence, TIN certificate, and other papers that were specific to the type of business. If even one small thing was missing, the whole account setup could take longer. It was hard for me to understand these requirements at first, but my boss helped me learn how to check the papers more carefully and find mistakes early.

2) Clients are hesitant and resistant to using digital technology
A lot of small business owners still liked doing business with cash. Some people weren't sure they could trust bKash's digital collection and disbursement services when I tried to explain how they worked. It took a lot of time, effort, and clear communication to get them to agree. It was sometimes frustrating to see clients put off adoption even after the account was opened.

3) Taking care of professional communication
At first, I wasn't sure how to write formal emails or talk to clients in a professional way because this was my first job in a business. I was sometimes nervous about making follow-up calls or asking clients for documents they still needed to send me. I got better at this over time by watching my seniors and practicing how to talk clearly and politely.

4) Finding a balance between fieldwork and reporting tasks
There were both field visits and desk-based reporting as part of the internship. It was hard to manage my time well on days when I had to see a lot of clients and write KPI summaries. At first, I would rush through reports, but later I learned to plan ahead and put things in order of importance.

5) Not enough experience with other parts of the company
As an intern, I mostly did onboarding and follow-ups. I learned a lot, but I sometimes

wished I could have been in more strategic meetings or seen how other departments, like marketing or product development, work. This little bit of exposure made me realise how big and diverse bKash is and how little I got to see of it.

6) The pressure to live up to expectations
Lastly, as a student intern, I often felt like I had to do as well as full-time workers. I was worried that I would mess up during training or documentation sessions. The team was helpful, but I sometimes felt anxious because of the pressure I put on myself.

1.3.4 Suggestions for the Company about Future Internships

Looking back on my internship, I think there are a few things that could make the experience even better for future interns and help the company get more out of their work:

1) KYC and portal training in the first week that you do it yourself
When I first started, I had to learn about KYC and how to use the portal by following my seniors around. It worked, but at first it was too much to handle. I think bKash should set up a crash course in the first week where interns can see sample KYC packs (both correct and incorrect), practice filling them out, and even have a mock portal training session. This would help interns feel more comfortable starting to help out sooner without worrying about making mistakes.

2) Give each intern a "buddy" from the team to work with.
I learned a lot by watching my boss and older coworkers, but there were times when I didn't want to bother them by asking small questions. It would be easier for interns to ask questions and feel like they are part of the team if they had a "buddy system" where each intern was paired with a slightly more experienced executive.

3) More chances to talk to clients
Most of the time, when I visited clients, I was with seniors, where I mostly just watched or helped with paperwork. I think interns could be more helpful if they were given the chance to take charge every now and then. For example, they could lead simple portal refresher trainings or make follow-up calls to clients who already know the basics. This would not only boost the interns' confidence, but it would also make things easier for the full-time staff.

4) Chance to work on a small project
Interns like me often do boring but important things like collecting documents, helping with training, and keeping track of transactions. This is helpful, but I think it would be better to give interns a small project to work on by themselves. For example, they could look into why some SMEs don't do anything after onboarding or make a short presentation about feedback from competitors (Nagad, Rocket, etc.) that they got during client visits. This would give interns a chance to come up with new ideas and work on their research and presentation skills.

5) Better ways to keep track of KPIs and follow-ups
I often used Excel sheets that were shared by hand to keep track of client transactions and KPIs. This worked, but it was sometimes boring and took a lot of time. If interns learned how to use more automated tools, like basic dashboards or even Power BI, it would save us time and let us give more useful information instead of just numbers.

6) Even small ways to show appreciation for the intern's work
Interns are very helpful in many ways, like organising papers, training others, or checking in on what clients are doing. But sometimes people outside of the team don't see this work. I suggest that the Commercial Division start having "Intern of the Month" shoutouts or a short "Intern Insights" segment at their internal meetings. Interns could use these times to talk about what they've learned or found out in the field. This would make interns feel important and give them a reason to work hard.

7) Opportunities to shadow people on other teams
I worked in the Business Sales Unit, but I was always curious about how other sub-units, like Payroll Business or Merchant Acquiring, worked. Letting interns shadow another team for even one day would help them see the bigger picture and how the whole Commercial Division works together. It would also help interns figure out what kinds of jobs they might want to do.

Chapter 2: Organisation Part

2.1 Introduction

Financial services have historically been difficult to access in Bangladesh, particularly for low-income and rural populations. These groups were frequently overlooked by traditional banking systems, which resulted in a lack of financial inclusion. Launched in 2011, **bKash** Limited changed the game by offering mobile financial services (MFS) that enabled users to safely save, send, and pay bills using their phones (Borgen Project, 2023). With tens of millions of registered users and an extensive agent network, bKash has become the most popular MFS provider in the nation over the years (bKash, n.d.).

In addition to changing financial practices, bKash's creativity and inclusivity have aided in Bangladesh's digital revolution. I was able to observe firsthand how the business implements this mission in day-to-day operations during my internship in the Commercial Division.

2.2 Overview of the Company

2.2.1 Founding and Ownership

Kamal and Iqbal Quadir started bKash in 2010. It officially opened in July 2011 as a joint venture between BRAC Bank Limited (Bangladesh) and Money in Motion LLC (USA) (Wikipedia, 2025). The International Finance Corporation (IFC), the Bill & Melinda Gates Foundation, Ant Financial (part of the Alibaba Group), and the SoftBank Vision Fund all became investors over time (Future Startup, 2025). In 2021, SoftBank put money into bKash, making it Bangladesh's first "unicorn," worth more than $1 billion (WikiBangla, 2025).

2.2.2 Services Offered

1. Cash In and Cash Out

- **Cash In:** Customers put money into their bKash wallet through approved agents or bank accounts that are linked to their bKash account.
- **Cash Out:** Customers can take money out of their bKash wallet at ATMs or bKash agents. • With more than 330,000 agents across the country, this service is the backbone of financial inclusion in rural Bangladesh (bKash, n.d.; Borgen Project, 2023).

2. Sending money from one person to another (P2P)

- The Send Money feature lets users send money instantly between bKash accounts all over the country. This makes it one of the most popular digital services in Bangladesh (Future Startup, 2025).
- A lot of migrant workers in the country use this feature to send money from cities to rural areas. • It is still the most popular service, with millions of transactions every day (Borgen Project, 2023).

3. Mobile Recharge

- People who use bKash can add money to any mobile number in Bangladesh directly through the app or USSD (*247#). A lot of people in rural areas use this service because it's hard to get physical recharge cards (A Comprehensive Guide to bKash: Mobile Money Solution in Bangladesh, 2025).
- This means that you don't need scratch cards or real stores.
- To get people to use it, cash back and discounts are often offered.

4. Utility Bill Payments

- Bills for gas, electricity, water, internet, and education can all be paid immediately via the app. This promotes more transparent transactions and lessens reliance on actual bill counters (Veum, 2025).
- Associated with major utility providers such as DESCO, WASA, and Palli Bidyut, this service helps save time and prevent the inconvenience of standing in long lines..

5. Merchant Payments (QR and App Payments)

- Customers can pay at thousands of stores, supermarkets, and online platforms by using QR scan-and-pay. In Bangladesh's retail industry, this cashless solution is expanding quickly (NextSprints, 2025).
- Generally accepted in pharmacies, restaurants, supermarkets, and online shopping portals.
- Assists small businesses and store owners in lowering their reliance on cash transactions.

6. International Remittance

- To enable Bangladeshis living overseas to transfer money straight into their families' bKash wallets, bKash collaborates with global money transfer companies (such as Western Union).

- For millions of households that depend on remittances, this service is essential (Wikipedia, 2025).
- With incentives like the 2.5% government cash bonus, bKash makes it possible for families in Bangladesh to receive remittances sent from overseas. Money can be used online or withdrawn from agents (BanksBD, n.d.).

7. Savings and Microfinance Integration

- bKash works with commercial banks and other financial institutions to give users access to nano-loans and savings products right in the app. These are very important for communities that don't have easy access to formal banking (Future Startup, 2025).
- bKash also works with microfinance institutions to make it easier for people to save small amounts of money and pay back loans.
- This helps groups that are financially weak build long-term security (Future Startup, 2025).

8. Micro-Loans (Nano-Credit)

- Introduced in partnership with financial institutions such as City Bank, the bKash app allows qualified clients to obtain immediate small loans.
- Credit access is simple and transparent because repayment is automated from the wallet (NextSprints, 2025).

9. Payroll Distribution and Business Acquisitions

- Businesses and SMEs use bKash to pay vendors, collect money from retailers, and distribute salaries. Businesses benefit from this service's increased efficiency and reduction of payroll complexity (Borgen Project, 2023).
- Companies also use bKash's collection service to get payments from retailers or distributors, which lowers the risks associated with handling cash and boosts productivity.

10. Donations and Insurance Services

- bKash also makes it easier to pay for microinsurance premiums, charitable contributions, and tuition fees. By offering value-added services, bKash expands its scope beyond individual transactions and establishes itself as a multifunctional financial platform (Veum, 2025).
- A few microinsurance plans are also available, providing low-income clients with financial security.

2.2.3 Core Values of bKash

bKash functions as a fintech leader in Bangladesh as well as a company founded on values that influence its decision-making, culture, and service provision. The following five pillars comprise the company's values, per an official bKash blog post:

Fig. 11: Core Values of bKash

1. Business Integrity
Transparency, equity, and conformity to moral and legal requirements are prioritised by bKash. Workers are supposed to operate honestly, steer clear of covert agendas, and make sure that organisational and legal codes of conduct are followed (bKash, 2023).

2. Self-determination
The business supports establishing clear guidelines and giving teams power and responsibility. Customers and staff are empowered as a result, encouraging self-assurance, independence, and wise decision-making (bKash, 2023).

3. New ideas
bKash has a strong commitment to innovation. To satisfy growing consumer and market demands, the company actively seeks out fresh concepts, promotes creativity, and persistently investigates better, more effective solutions (bKash, 2023).

4. Civil Exchanges
At bKash, relationships and communication are based on respect. From interns to senior leadership, the organisation values polite, equitable, and transparent interactions to make sure that everyone's opinion is heard (bKash, 2023).

5. Focus on the customer
The needs and expectations of bKash's clients inform every decision the company makes. The business continuously strengthens its market leadership by giving priority to customer feedback and customising services to match their changing needs (bKash, 2023).

2.2.4 Board of Directors

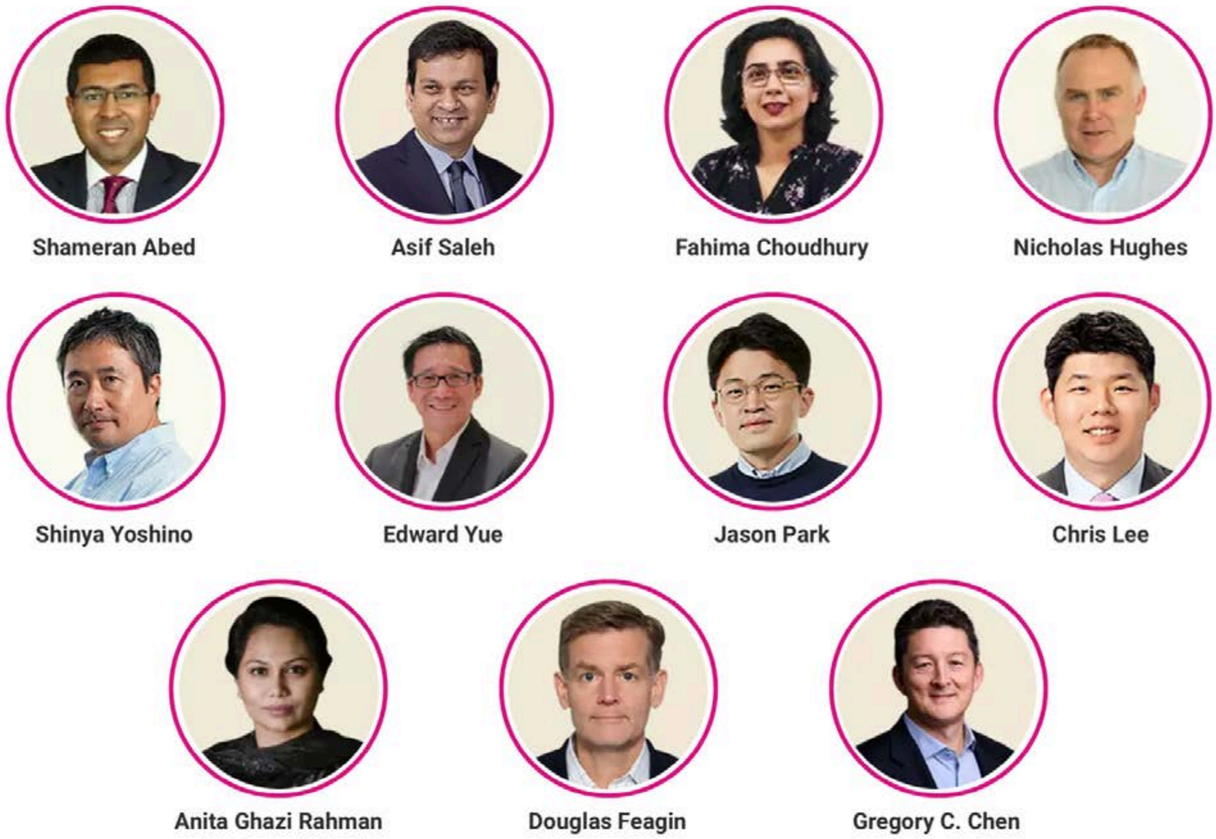


Fig. 12: Board of Directors (bKash Limited)

2.2.5 Divisions of bKash

bKash is organised into several divisions, each of which is essential to providing smooth financial services, upholding operational integrity, and spurring expansion. The following are the main divisions of bKash, per the company's official blog:

Product & Technology

This division leads a group of product managers, engineers, and developers and establishes the overall product vision and strategy. They create the product roadmap by outlining features, ranking improvements, and establishing the rationale for innovation. A customer-focused approach and technically driven execution support bKash's reputation for quickly introducing solutions such as utility bill payments, micro-savings, and nano-loans (bKash, 2022; bKash, 2023a).

Commercial Division

By acquiring and overseeing merchants, SMEs, government partners, and educational institutions, the Commercial team propels bKash's business growth. They manage digital disbursements, payroll, salaries, utilities, and collections. This division essentially allows bKash to function as a reliable facilitator of digital financial services for communities and organisations (bKash, 2023a; bKash, 2023b).

Finance & Accounts

This division maintains governance and financial integrity. In order to guarantee that stakeholders receive timely and transparent financial insights and controls, it manages planning, budgeting, forecasting, financial reporting, general ledger management, payroll processing, invoicing, tax compliance, and investment strategies (bKash, 2022).

Human Resources (HR)

HR is involved in both organisational culture formation and talent development. It oversees hiring, training, performance reviews, and employee relations while cultivating a values-based culture based on honesty, creativity, and empowerment—core tenets of bKash's brand (bKash, 2022; The Business Standard, 2023).

Marketing

The Marketing division creates brand strategy, communications, awareness campaigns, and customer engagement programmes in its capacity as the company's public face. It increases bKash's visibility, encourages service adoption, and fosters customer trust through multimedia outreach and promotional activities (bKash, 2022; The Business Standard, 2023).

External & Corporate Affairs

This division keeps in touch and forms strategic alliances with external stakeholders, such as government agencies, corporate entities, and regulators. It facilitates public relations, regulatory compliance, and conformity to national digital finance policies (bKash, 2022; bKash, 2023b).

Communications

This group oversees both internal and external communications, including PR, social media, client events, and brand messaging, in contrast to external affairs. It maintains the brand's standing with the media and public while guaranteeing consistent storytelling across all platforms (bKash, 2022).

Legal

This group protects corporate governance and adherence to the law. In order to ensure that the organization's decision-making is in line with industry standards, responsibilities include providing legal counsel, arranging board meetings, keeping corporate records, and adhering to regulations (bKash, 2022).

Customer Service

This division, which uses call centres, live chat, and agent networks to handle user enquiries and operational challenges, is essential to the success of the business after launch. Customer satisfaction and trust are maintained by their expeditious resolution and escalation workflows (bKash, 2022).

Enterprise Risk Management (ERM)

Operational, cyber, compliance, and reputational risks are all strategically identified, evaluated, and mitigated by ERM. The group protects users and the company's reputation by making sure that bKash's services continue to be dependable, secure, and resilient (bKash, 2022; The Business Standard, 2023).

2.2.6 Position and Effect in the Market

With more than 330,000 agents nationwide, bKash currently provides services to over 80 million registered users (Borgen Project, 2023). Bangladesh's financial inclusion rate increased from about 50% in 2017 to over 65% by 2022 thanks in large part to its services (Borgen Project, 2023). The business has also gained international recognition for its efforts to promote financial inclusion, as evidenced by its ranking of 23rd on Fortune's 2017 "Change the World" list (Wikipedia, 2025).

2.2.7 Recent Performance and Financial Situation

In 2024, bKash made more than Tk 5,000 crore in revenue and a record profit of Tk 315 crore, showing that it was growing steadily and would be able to survive in the long term

(The Business Standard, 2024). These accomplishments show that bKash is not only the leader in MFS, but also one of the most successful digital companies in Bangladesh.

2.2.8 Strategic Outlook

In the future, bKash wants to become a super app that combines payments, e-commerce, credit, and government services into one easy-to-use platform. To stay ahead of the competition, the company is also putting money into AI-based fraud detection, personalised customer engagement, and risk management tools. bKash has a market share of about 65% in the MFS industry, which makes it a good fit for Bangladesh's goal of becoming a cashless society by 2027 (NextSprints, 2025).

2.3 How bKash runs its business

bKash has a clear hierarchical management system that is meant to balance strategic leadership with operational execution. This framework makes sure that everyone in the organisation is clear, responsible, and effective.

2.3.1 Leadership Hierarchy

- Chief Executive Officer (CEO): The CEO is in charge of bKash's leadership. They set the company's strategic direction, oversee governance, and represent the company's vision while working with stakeholders like SoftBank and IFC (Wikipedia, 2025).

- Chief Division Officers (CMO, CFO, etc.): These leaders are in charge of big departments like Marketing, Finance, and Product. They make sure that their departments' plans fit with the company's overall plan (SignalHire, 2025).

- Executive Vice President (EVP) / Head of Department (HOD): EVPs and HODs are in charge of running their departments. They set goals, approve budgets, and make sure that strategies are carried out without a hitch.

- Vice President (VP): VPs are in charge of managing General Managers, putting strategic plans into action in departments, and keeping an eye on performance metrics.

- General Manager (GM): GMs make sure that projects and areas follow the same operational standards and work with many teams..

- Deputy General Manager (DGM): DGMs help GMs by keeping an eye on daily tasks and making sure that operations run smoothly.

- Manager: Managers are in charge of certain functional teams, like onboarding, client relations, or product support. They make sure that KPIs are met and that the team's work stays useful.

- Assistant Manager: They help managers and are in charge of smaller projects or specific tasks.

- Senior Officer / Officer / Assistant Officer: These roles do real-world tasks like keeping track of KPIs, documenting KYC, and helping clients.

This multi-tiered hierarchy makes sure that bKash's strategy works well in the real world by making it clear who does what and making communication easier.

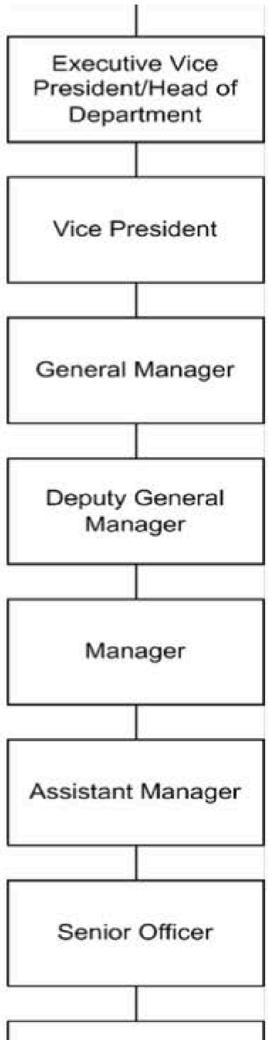


Fig. 14: Leadership Hierarchy of bKash

2.3.2 Integrated Management Approach

1. Strategic Oversight: The CEO and Chief Division Officers lead from the top down, making sure that all departments are on the same page when it comes to strategy (Wikipedia, 2025).

2. Coordination across departments: EVPs and VPs are important links between senior management and operational teams, making it easier for people from different departments to work together.

3. Operational Efficiency: Managers and Assistant Managers make sure that workflows are running smoothly and that processes are in line with each other. This cuts down on silos and makes sure that everyone in the organisation performs at a consistent level.

4. Execution and Feedback Loop: Senior Officers and Officers on the front lines carry out daily tasks and pass on information to higher-ups, which encourages continuous improvement and operational flexibility.

2.3.3 The Management Team's Main Focus

The main job of bKash's management team is to find a balance between strategic direction, compliance, customer welfare, innovation, and long-term growth. The leadership makes sure that the company's strategies and daily operations stay in line with what customers expect while also following the strict rules that govern Bangladesh's financial sector (The Org, 2025). A big part of their job is making sure that the company follows the rules and manages risks to protect its reputation and make sure everything is clear. The team also stresses putting customers first, making sure that products and services are made to meet the needs of a wide range of users, especially those in rural and underserved areas (bKash, 2022). Innovation is another key area of focus for them. This is shown by projects like nano-loans, savings products, and merchant solutions, which make bKash the market leader in mobile financial services (The Business Standard, 2023). Lastly, the management team works to make sure the company can survive and compete in a changing fintech landscape by investing in employee development, strengthening infrastructure, and expanding partnerships (The Org, 2025).

2.3.4 The HR Planning Structure of bKash

bKash's strategic approach to human resource planning is based on the ideas of Strategic Human Resource Management (SHRM). This makes sure that the company's goals and talent needs are in line with each other. The first step in HR planning is workforce forecasting, which is when HR works with functional leaders to figure out how many people they will need in the future based on expected business growth, the product roadmap, and technology investments (Studocu, 2023a).

Then, the planning process puts talent acquisition at the top of the list. This means using both internal sources (promotions, referrals) and selective external recruitment. After that, there is a structured selection process that includes screening CVs, panel interviews, technical tests, and evaluations of how well the candidate fits in with bKash's culture (Studocu, 2023a; Studocu, 2023b).

New employees go through onboarding and training through programmes like b.Academy, which is a leading upskilling platform that offers courses in data analytics, communication, project management, and innovation. These programmes not only help people learn new skills, but they also reinforce important values like honesty, teamwork, and putting the customer first (The Business Standard, 2022).

In addition to onboarding, HR planning also includes managing performance and finding ways for employees to grow. The Talent & Development unit keeps track of how well people are doing against KPIs and helps them keep learning. The Compensation & Rewards team makes sure that job roles and market benchmarks are in line with competitive packages (Studocu, 2023a; FutureStartup, 2018). bKash is committed to building a skilled, aligned, and future-ready workforce, as shown by its layered HR structure, which includes forecasting, hiring, training, performance management, and rewards.

2.4 Marketing Trends

In 2025, bKash is doing business in a marketing world that is changing quickly. Personalisation, AI integration, omnichannel engagement, and first-party data leverage are now key strategies for marketers around the world (Deloitte Digital, 2025). By the end of 2024, generative AI tools are expected to be standard in enterprise marketing. These tools will help businesses connect with customers on a deeper level and improve the performance of their campaigns (Deloitte Digital, 2025). At the same time, customers are more likely to choose brands that offer personalised, seamless experiences, which means that personalisation is no longer a luxury, but a need (Deloitte Digital, 2025). These big-picture marketing trends are a key way to understand how bKash's strategy is changing.

2.4.1 Marketing Strategies of bKash

To stay the top mobile financial services provider in Bangladesh, bKash uses a variety of marketing strategies that combine traditional and digital methods.

1. Building Trust and Brand Equity
The Bangladesh Brand Forum's national surveys have shown that bKash has been the Overall Best Brand in Bangladesh for six years in a row. It has also been named the Most Loved Brand in the MFS category eight years in a row, showing that people really trust the brand and are very loyal to it (bKash, 2024).

2. Teaching people about money and how to use it
To help users become more financially literate, bKash uses both online and offline storytelling and awareness campaigns. The brand keeps getting people who weren't able to use formal banking before to use it by making financial concepts easier to understand and showing success stories from real life (Web Development Blog, 2025).

3. Different types of services and the ability to reach different markets
bKash started out as a simple way to send money, but it has since grown to include bill payments, merchant services, micro-loans (nano-loans), savings tools, education fee payments, and remittances. This improved service portfolio meets the needs of different customers and makes it easier for people to get involved in the economy (Web Development Blog, 2025; NextSprints, 2024).

4. Partnerships in the ecosystem and strategy
bKash's marketing is based on strategic partnerships with e-commerce sites, telecom companies, utility companies, and schools. Cross-segment adoption and visibility are both increased by joint campaigns, co-branded promotions, and cross-platform integrations (Strategic Marketing Campaign Plan, 2025).

5. Keeping an eye on the competition and changing your campaign as needed
The marketing team keeps a close eye on competitors like Nagad and Rocket and responds with competitive prices, sales, and proactive service improvements to keep and grow its market share (Strategic Marketing Campaign Plan, 2025).

6. Engagement based on content and testimonials
bKash actively shares user success stories through videos, blogs, social media, and infographics. These stories show how the platform helps users, especially those in rural areas, use cashless solutions without any problems (Strategic Marketing Campaign Plan, 2025).

2.4.2 The 4 Ps of Marketing

The 4 Ps of Marketing—Product, Price, Place, and Promotion—are a basic framework that companies use to plan their marketing efforts (OpenStax, 2025; Wikipedia, 2025). Each part is very important for showing value, making things easy to find, and making the brand stronger in the market.

4 P	How bKash Applies It
Product	bKash has a wide range of digital financial services, such as money transfers, bill payments, micro-savings, nano-loans, education fees, payroll, and merchant services, that are meant to meet the needs of both customers and businesses. (Studocu, 2025)
Price	The company uses competitive pricing and promotional incentives, like cash back, to get people to use their services more often and get more people from different income levels to sign up. (Studocu, 2025)
Place	bKash makes it easy for people to use its services by having a large network of agents, a mobile app, and USSD channels. This means that people can easily make transactions in both cities and rural areas. (Studocu, 2025)
Promotion	Integrated marketing, which includes both traditional (TV, print) and digital (social media, testimonial campaigns), raises awareness, teaches people about financial services, and builds trust. (2015; 2025; bKash)

2.4.3 Marketing Channels

- **Digital Channels:** Social media sites like Facebook, YouTube, TikTok, and Instagram; in-app promotions; SEO; and influencer marketing (AnalyzenBD, 2025).
- **Content Marketing:** Use educational videos, blogs, and infographics to help people learn about money and become more aware (Studocu, 2025).
- **Traditional Media:** TV ads, print ads, and billboards to make the brand more well-known across the country (Studocu, 2025).
- **Agent and POS Promotions:** bKash's agent network and branded retail points offer localised promotions.
- **Strategic Partnerships:** campaigns with telecoms, e-commerce sites, utilities, and schools that use both brands (Studocu, 2025).
- **Award-Winning Campaigns:** The Digital Marketing Awards 2024 honoured these integrated channels, showing how well they work (The Business Standard, 2024).

2.5 Financial Performance and Accounting Practices

2.5.1 Financial Performance

In the fiscal year 2024, bKash did very well financially, with big increases in both revenue and profit. The company's revenue rose by about 20% from the previous year to reach Tk 5,058 crore, which was the first time it went over the Tk 5,000 crore mark (The Business Standard, 2025; The Daily Star, 2025). At the same time, profit rose sharply—by 67%—to Tk 315.77 crore, showing that operations were getting better and more people were using the service (The Daily Star, 2025; MeatechWatch, 2025).
In the first nine months of 2024, bKash made a nett profit of Tk 218 crore, which is a huge 147% increase from the same time last year. Revenue growth was also strong, with revenue jumping 19% to Tk 3,645 crore during that time (The Business Standard, 2024).
These financial milestones show that bKash is still growing in terms of transaction volume,

successfully turning services into money, and making strong investments in infrastructure. All of these things are in line with Bangladesh's move towards a digital economy.

2.5.2 Liquidity Ratio (Current Ratio)

The current ratio, which is the amount of current assets divided by the amount of current liabilities, is a good way to tell if a company can pay its short-term debts with its liquid assets (Wikipedia, 2025; Wikipedia, 2025).

Using financial data from important years, I figured out bKash's current ratio:

Table 1: bKash Current Ratio (2022–2024)

Year	Current Assets (Tk crore)	Current Liabilities (Tk crore)	Current Ratio
2022	94,445.35	73,831.92	1.28
2023	107,982.99 (Sep end)	85,712.39 (Sep end)	1.26
2024	— (data not available)	—	—

Sources & Calculations:

- The current assets and liabilities for 2022 come from the balance sheet for December 31, 2022, which shows 94,445.35 crore in assets and 73,831.92 crore in liabilities. This gives a current ratio of about 1.28.
- As of September 30, 2023, current assets are 107,982.99 crore and current liabilities are 85,712.39 crore. This means that the current ratio is about 1.26.

There were no audited full-year numbers for 2024, but the interim ratio for 2023 shows that things are stable.

Interpretation

If bKash's current ratio is higher than 1, it means that the company has more short-term assets than liabilities, which is a good sign for liquidity. The small drop from 1.28 in 2022 to 1.26 in late 2023 looks like a normal change, not a sign of liquidity stress. This steady flow of cash shows that bKash can easily meet its short-term obligations while still investing in growth and infrastructure.

2.5.3 Profitability Ratios

To see how profitable bKash Limited is, we looked at two common indicators for the last three years: Nett Profit Margin (NPM) and Return on Assets (ROA). These ratios show how well the company turns sales into profits and how well it uses its assets to make money (Brigham & Ehrhardt, 2022).

Table 2: Profitability Ratios of bKash (2022–2024)

Year	Net Profit (Tk crore)	Revenue (Tk crore)	Total Assets (Tk crore)	Net Profit Margin (%)	Return on Assets (%)
2022	~119.0	~4,217.0	~94,445	2.82%	0.13%
2023	~218.0 (9M)	~3,645.0 (9M)	~107,983	5.98% (annualized ~6%)	0.20%
2024	315.77	5,058.0	[Data not published]	6.24%	—

Sources: The Business Standard (2024, 2025); The Daily Star (2025); MeatechWatch (2025).

Interpretation

- **Gross Profit Margin (NPM):** The ratio went up steadily, from 2.82% in 2022 to 6.24% in 2024. This shows that bKash is getting better at turning revenue into profit. This growth is due to better cost control, more transactions, and a wider range of services.
- **Return on Assets (ROA):** ROA went up from 0.13% in 2022 to 0.20% in 2023, which is still low but shows that assets were used a little better. The ratio is still low because the company has spent a lot of money on technology and infrastructure.
- **Overall:** profitability trends are good because both NPM and ROA are going up. This shows that bKash has been able to grow its business and keep making money while getting more customers.

2.5.4 Accounting Practices

bKash uses a strict accounting system to make sure that its financial reports are clear, accurate, and trustworthy. The company is a subsidiary of BRAC Bank Limited and is regulated by Bangladesh Bank. It makes its financial statements according to the International Financial Reporting Standards (IFRS) and the Bangladesh Financial Reporting Standards (BFRS) (bKash, 2022; The Daily Star, 2025).

1. Following IFRS and BFRS

IFRS and BFRS require that financial statements be made on an accrual basis using the historical cost convention. This makes it possible to compare and report on financial statements from different countries. This alignment boosts the trust of investors and other stakeholders (The Business Standard, 2025).

2. Governance and Internal Controls

The Board Audit Committee at bKash makes sure that the company's assets are safe, that reports are accurate, and that financial risks are kept to a minimum. Some of these practices are separating duties, doing internal audits, and keeping an eye on financial transactions in real time (bKash, 2022).

3. Clear Financial Disclosures

Annual and interim financial statements are made public and show things like income, expenses, asset positions, and profits. Key points, like the fact that bKash's revenue crossed Tk 5,000 crore and its profits hit a record high in 2024, show that the company is serious about being accountable (The Business Standard, 2025).

4. Taxes and Reporting Requirements

The company makes sure that it follows all of Bangladesh's corporate tax laws and sets aside enough money to pay income tax, VAT, and other legal obligations. This not only meets legal requirements, but it also makes bKash look like a responsible business (The Daily Star, 2025).

5. Accounting systems that use technology

bKash uses technology to combine ERP and digital accounting tools for keeping track of transactions, reconciling them, and making financial reports. These systems make things more efficient, cut down on mistakes, and make it easier for the company to grow quickly (NextSprints, 2024).

2.6 Operations Management and Information Systems Practices

bKash has built its operations and information systems around the ideas of accessibility, security, and efficiency. This makes it possible for millions of customers to do business every day without any problems.

2.6.1 Service Delivery Platforms

- Manual USSD-based Service: People in Bangladesh can call *247# from any SIM provider to use bKash's main features, like cash-in, cash-out, balance checks, and sending money. This channel is still very important for rural and low-tech users, making sure everyone can use it (bKash, 2023).
- Mobile Application Service: The bKash app, which you can get from the Google Play Store and the Apple App Store, makes it easy to make payments, send money, recharge your phone, and save money. It has made opening an account easier with e-KYC, which speeds up the onboarding process and makes things easier for customers (The Business Standard, 2023).

- Customer Service: Customers can get help with account questions, transaction problems, and technical issues by calling 16247, which is open 24 hours a day, seven days a week. This support that is always available makes bKash's service more reliable and trustworthy (bKash, 2023).

2.6.2 Fundamental Procedures for Information Systems

1. Integration Across Stakeholders: bKash's information systems keep telecom operators, banks, and other financial institutions connected all the time so that transactions can be processed in real time.

2. Transaction Management: Automated systems handle confirmation messages, transaction IDs, and client records, making sure that each transfer is correct and reliable.

3. Data Security and Privacy: Strong systems protect customer data by using encryption, two-factor authentication, and strict adherence to KYC/e-KYC rules. These steps keep customer databases safe and lower the chances of breaches (IFC, 2019).

4. Customer Relationship and Data Management: bKash builds and runs its own CRM and data platforms to better help customers, keep track of their interactions, and tailor services to their needs.

5. Risk Management and Fraud Prevention: Information systems constantly look at transaction flows to find strange activities, stop fraud, and make sure that strong authentication methods are used. These protections keep both the company and its customers safe from losing money (Harvard, 2016).

2.7 Competitive Analysis of bKash

2.7.1 Porter's Five Forces Model

Porter's Five Forces framework can be used to look at the competitive pressures in Bangladesh's Mobile Financial Services (MFS) industry and bKash's place in it.

1. Threat of New Entrants – Low to Moderate

Bangladesh Bank's strict rules and the need for big investments in infrastructure make it less likely that new companies will enter the market. But fintech startups with new business models could still be a threat in the future (Future Startup, 2025).

2. Bargaining Power of Suppliers – Moderate

Telecom companies, banks, and tech vendors all work with bKash. Telecoms have some power because they can use USSD, but bKash's size and partnerships even things out (World Bank, n.d.).

3. Bargaining Power of Customers – High

Customers have more options now that there are alternatives like Nagad and Rocket. To keep users, prices must be competitive, there must be cashback offers, and service must be reliable (The Business Post, 2022).

4. Threat of Substitutes – Moderate

Cash transactions are still the most common alternative, but banks and fintech apps (like mobile banking apps) also offer other options. But the push for digital inclusion lowers this risk over time (Dhaka Tribune, 2025).

5. Industry Rivalry – Very High

There is a lot of competition between the big players—bKash, Nagad, and Rocket—who are all trying to get ahead with low prices, new ideas, and strong branding. The competition has gotten even tougher because Nagad is growing so quickly (Future Startup, 2025).

2.7.2 SWOT Analysis of bKash

Strengths

- bKash is the biggest and best-known brand in MFS, and it has the most customers.
- It has a huge network of agents that covers both cities and rural areas, making it easy for people to use.
- It has strong partners like BRAC Bank, Ant Group, and IFC that give it money and knowledge from around the world.
- It offers a wide range of services, including bill pay, payroll, savings, nano-loans, and payments to merchants.

Weaknesses

- Compared to some competitors, especially Nagad, transaction fees are higher, which can turn customers away.
- A lot of reliance on agents—fraud, bad service, or inconsistencies at the agent level can hurt the brand.
- It took a long time for bKash to be profitable. For years, they made a lot of money but didn't make much profit because they were investing a lot of money.

Opportunities

- More and more people are getting smartphones, which means more people will use the bKash app.
- The government's push for Digital Bangladesh and welfare payments through MFS open up new growth opportunities for bKash.
- It can grow by adding new services like insurance, investments, or payments that work with other systems.
- There is a huge untapped market in rural areas. Millions of people still don't have bank accounts, but bKash can help them get one.

Threats

- There is a lot of competition. Nagad is growing very quickly with lower fees, and Rocket is still in the game.
- Rules from the Bangladesh Bank make it harder to be flexible and slow down new ideas.
- Cybersecurity risks are growing as more people use the internet.
- Customers who are sensitive to price—cashback wars and discounts could hurt profits in the long run.

2.8 Summary and Conclusion

bKash is the best MFS provider in Bangladesh because it has strong divisions, a large network of agents, and a wide range of services. It has seen steady growth in revenue and profits, and it has stayed open and honest by following IFRS and BFRS. Its operations and information systems make sure that everything runs smoothly, is safe, and can grow.
The industry is very competitive, with companies like Nagad and Rocket as competitors. However, bKash's strong brand, partnerships, and early market leadership keep it ahead. There are still problems like regulation, cybersecurity, and price sensitivity, but there are also chances for growth in areas like digital adoption, rural inclusion, and new services.
In conclusion, bKash's success comes from its ability to come up with new ideas, change with the times, and promote financial inclusion. It has played a key role in shaping Bangladesh's digital economy.

Chapter 3: Project Part

Adoption of Digital Payments by SMEs in Bangladesh: Role of bKash's Sales Division in Driving Financial Inclusion

3.1 Introduction

Digital payments have become a key part of Bangladesh's financial transformation, especially for small and medium-sized businesses (SMEs). SMEs make up about 25% of the country's GDP and employ almost 7.8 million people. This shows how important they are for creating jobs and growing the economy (Asian Development Bank [ADB], 2021). Even though they are important, many small and medium-sized enterprises (SMEs) still rely on cash transactions, which are inefficient, increase the risk of transactions, and make it harder to get formal financing (World Bank, 2020).

The quick growth of mobile financial services (MFS) has changed the way money works, giving small and medium-sized businesses (SMEs) a new way to get money. bKash Limited has become the market leader among providers by offering safe, dependable, and easy-to-use digital payment solutions. Its services, which include merchant payments, payroll, supplier collections, and disbursement, have helped small and medium-sized businesses run more smoothly and openly (Bangladesh Bank, 2023).

The company's Commercial Division, especially the Business Sales Unit, has been very important in getting people to use this. The Sales Unit connects businesses to the digital economy by bringing on SMEs, setting up accounts for collecting and paying out money, holding training sessions, and keeping an eye on transactions. These efforts also fit with the government's goal of creating a "Smart Bangladesh" that is digitally empowered by using technology to make more people able to use financial services (Government of Bangladesh, 2022).

3.1.1 Background

SMEs are widely recognised as the backbone of Bangladesh’s economy, not only for their contribution to GDP but also for their ability to generate employment and stimulate entrepreneurship (ADB, 2021). But the heavy reliance on cash transactions still slows down operations, raises the risk of fraud or theft, and keeps many small and medium-sized businesses from getting loans or credit through the formal banking system (World Bank, 2020).

These problems can be solved with digital payment systems. As the largest MFS provider in Bangladesh, bKash has become a key player in making financial services available to everyone, especially to businesses that don't have access to them. SMEs have been able to rely less on cash, keep better records of their finances, and join the formal economy more easily thanks to its large network of agents, mobile platforms, and well-known brand (Bangladesh Bank, 2023).

The Business Sales Unit in bKash's Commercial Division is in charge of making this change happen. It is in charge of finding SME clients, completing KYC onboarding, opening accounts for collecting and disbursing money, training users on the portal and mobile app, and keeping track of how well transactions are doing. This structured engagement not only helps small and medium-sized businesses (SMEs) use digital tools, but it also makes sure they keep using them.

In light of the government's Smart Bangladesh vision and the rapid growth of digital adoption after COVID-19, it is important to learn how SMEs use digital payments and how bKash's sales operations make this easier. This kind of analysis shows both the chances and the problems that come with using digital transformation to improve financial inclusion.

3.1.2 Objectives

The main goal of this study is to look into how small and medium-sized businesses (SMEs) in Bangladesh are using digital payment systems, with a focus on how bKash's Sales Division is helping to make this change happen. To accomplish this, the research delineates the subsequent objectives:

1. To analyse the adoption of digital payment systems by SMEs in Bangladesh and the role of bKash's Sales Division in facilitating this transition.

– This focuses on learning about the steps, reasons, and problems that small and medium-sized businesses (SMEs) face when switching from cash to digital platforms, as well as the specific help that bKash's Sales Division gives to make this change easier (for example, onboarding, setting up accounts, KYC support, and training).

2. To assess the effects of digital payment adoption on the operational efficiency of SMEs, including improved cash flow management, enhanced transaction security, and decreased administrative burden.

– This goal stresses how bKash's digital payment solutions make everyday tasks easier, like managing cash flow more smoothly, making transactions faster and safer, and cutting down on the extra work that comes with keeping records and handling cash by hand.

3. To find out how using bKash services affects the growth of small and medium-sized businesses, such as increasing sales, gaining new customers, and becoming more competitive in the market.

– This looks at how digital payments affect the overall success of small and medium-sized businesses (SMEs), such as their ability to make more money, attract more customers, be more competitive, and become a part of the formal digital economy.

3.1.3 Significance of the Study

This study is important not only for Bangladesh's overall financial system, but also because I worked as an intern in bKash's Commercial Division (Business Sales Unit) and saw firsthand how small and medium-sized businesses are onboarded and helped to use digital payment systems.

- **For SMEs**: The results will show the best ways for businesses to use digital payments in their daily operations. When small and medium-sized businesses (SMEs) learn how digital tools can help them manage cash flow, lower the risks of handling cash, and make transactions safer, they can make better choices to be more efficient and competitive in a digital economy that is growing.
- **For bKash**: I learned from my time in the Sales Division that onboarding, training, and follow-ups are very important for making sure SMEs use the product. This research will yield insights that can enhance these strategies, formulate more focused training programmes, and bolster client retention.
- **For Policymakers and the Economy**: The study shows how adopting digital technology helps the country meet its goals, like Smart Bangladesh 2041, financial inclusion, and transparency. The economy benefits from more tax compliance, less informality, and more access to financial services when SMEs use digital payments.

Overall, this study is important because it links real-world experience with academic research. It shows how digital payments can help small and medium-sized businesses (SMEs), make fintech companies like bKash stronger, and help Bangladesh's long-term goal of having a cashless, inclusive economy.

3.1.4 Scope of the Study

This study primarily examines the adoption of digital payments by SMEs in Bangladesh and the role of bKash’s Sales Division in facilitating this process. The scope reflects both what I saw while I was an intern in the Commercial Division (Business Sales Unit) and what I found through secondary research.

- **Industry Focus:** The research is situated in the Mobile Financial Services (MFS) sector, with bKash as the preeminent entity. It talks about how small and medium-sized businesses are using these services to stop doing business with cash.

- **Organisational Focus:** I'm mostly interested in bKash's Sales Unit, which is in charge of onboarding new clients, KYC paperwork, disbursement and collection accounts, portal training, and keeping an eye on transactions. This unit is where SMEs first get in touch with bKash, so it's the most important part of the study.
- **Geographic Coverage:** bKash operates across the country, but most of what I know comes from what I saw at the head office in Dhaka and from talking to the sales operations team that works with SMEs all over the country.
- **Key Areas of Study:**
    1. What makes SMEs more or less likely to use digital payments?2.
    2. How digital payments help small businesses manage their cash flow better and lower their risks.
    3. How using bKash can help small and medium-sized businesses grow, either by getting more customers, making more money, or becoming more competitive.
- **Time Frame:** The results come from my three-month internship at bKash (May–August 2025) and from other research I did on small and medium-sized businesses (SMEs) and digital finance in Bangladesh.

This study does not conduct a comprehensive comparison of bKash with other MFS providers such as Nagad or Rocket, nor does it evaluate SME performance over an extended period. Instead, it shows how SMEs in Bangladesh are using bKash to make digital payments, and how this fits into the larger picture of making sure everyone has access to banking services.

3.1.5 Limitations of the Study

1. Size of the Sample and Coverage
   The survey and interviews were carried out with a restricted group of SMEs, mainly those already integrated with bKash. Consequently, the findings may not comprehensively reflect the experiences of all SMEs in Bangladesh, especially those situated in remote rural regions or those that have not yet embraced digital payments.

2. Time Limitations
   The internship lasted only three months, so it was hard to see how SMEs' behavior changed over time after they started using bKash services. A longer study period could have led to better tracking of trends in adoption, revenue growth, and the growth of the customer base.

3. Self-Reported Data
   A lot of the primary data comes from interviews with SME owners and surveys. Because these answers are based on self-assessment, they could be affected by memory bias, over-reporting of good results, or underreporting of problems.

4. Limitations of Comparative Analysis
   This study is only about bKash and doesn't compare it to other mobile financial service providers like Nagad or Rocket in a full way. The results underscore bKash's significance; however, they fail to consider competitive variations in service delivery or adoption trends.

5. Bias Based on Location
   The study provides additional insights from SMEs in urban and semi-urban regions where onboarding and training sessions were directly observed. The results may not fully show the barriers and challenges to adoption that SMEs in rural and underserved areas face.

6. Quantitative Validation is Limited
   Although descriptive and inferential analyses were utilized on the survey data, the lack of a substantial sample size and sophisticated statistical methods (e.g., regression analysis) constrains the generalizability of the findings. As a result, the results should be seen as suggestive rather than conclusive.

7. External Factors
   Changes in government policy, inflation, or how people shop can also affect the growth of small and medium-sized businesses (SMEs) and the use of payment methods. This study does not isolate these external factors, indicating that certain observed changes may not be exclusively ascribed to bKash's services.

3.2 Literature Review

There has been a lot of research, both global and local, on small and medium-sized businesses (SMEs) using digital payments, especially in developing economies. This literature review compiles essential insights regarding SMEs and financial inclusion, the function of digital payments, and the particular instance of bKash in Bangladesh.

- **The Need for Financial Inclusion in SMEs**

  Small and medium-sized enterprises (SMEs) are known to be the backbone of Bangladesh's economy, making up almost a quarter of GDP and employing millions of people (Asian Development Bank [ADB], 2021). Many SMEs have trouble getting formal financing because they rely on cash-based operations and don't use digital tools (World Bank, 2020). Research shows that moving small and medium-sized businesses to digital financial systems can make things more open, help them build a credit history, and give them access to loans and other financial products (OECD, 2019).

- **Digital Payments as a Way to Make Small Businesses More Efficient**

  Studies from around the world show that digital payment systems help small and medium-sized businesses (SMEs) manage their cash flow, keep their transactions safe, and keep track of their records (IFC, 2019). For small businesses, this means less risk of theft or bad management and better ways to handle transactions with customers and suppliers. After COVID-19, trends in Bangladesh sped up the use of digital technology. Small and medium-sized businesses (SMEs) are realising more and more how mobile payments can help them work more efficiently (Rahman & Akter, 2021).

- **The Role Mobile Financial Services (MFS) Play in Bangladesh**

Bangladesh's MFS sector is one of the fastest-growing in the world. Bangladesh Bank says that there are more than 200 million registered MFS accounts, and trillions of taka are traded every year. bKash, Nagad, and Rocket are the top companies in the market, and bKash has the most users and transactions (The Business Post, 2022). Government programs like "Digital Bangladesh" and "Smart Bangladesh" help keep this momentum going by making sure that small and medium-sized businesses, farmers, and low-income families have access to digital technology (Dhaka Tribune, 2025).

- **bKash's Role in Digital Transformation**

According to The World Bank (n.d.), bKash is a leader in digital financial services because it can reach both urban and rural areas. In addition to basic money transfers, the company offers merchant payments, payroll services, supplier collections, utility payments, and nano-loans, all of which help small and medium-sized businesses run smoothly (Future Startup, 2025). The Sales Division of the company is very important because it brings on new SMEs, trains them, and keeps an eye on how they use the service. Studies show that SMEs that are afraid to use new technologies need this kind of structured support (Borgen Project, 2025).

- **Gaps in the Literature**

There is a lot of writing about financial inclusion and the rise of MFS in Bangladesh, but there aren't as many studies that look at how SMEs use digital payments and how bKash's sales efforts fit into this. Most of the research that has been done so far looks at general adoption rates, how users behave, or regulatory issues. This creates a gap that the current study seeks to fill by connecting SME adoption, operational benefits, and the specific role of bKash's sales activities in promoting financial inclusion.

3.3 Methodology

3.3.1 Research Philosophy and Approach

This study follows a pragmatic research (Pragmatic research emphasizes the utilization of methods—qualitative, quantitative, or a combination thereof—that most effectively address the research question, prioritizing practical problem-solving over adherence to a singular philosophical tradition (Creswell & Creswell, 2018)) philosophy, as the objective was not solely to comprehend the theoretical aspects of digital payment adoption but also to examine its practical application for SMEs in Bangladesh. I didn't just stick to one strict method; I used both numbers (quantitative data) and stories (qualitative insights). This way, the research could find measurable patterns and also talk about the human side of adoption.
The method used was mostly deductive: it started with known theories and past research and then used surveys and interviews to test them. This helped make sure that the results were both accurate and directly applicable to the context of small and medium-sized businesses in Bangladesh.

3.3.2 Research Design

The research design was both descriptive (to show how SMEs are currently using digital payments) and exploratory (to learn more about the specific role of bKash's Sales Division). The study used surveys, interviews, and secondary data to make sure that the results were balanced, based on both hard data and real-life experiences. This design let me check my results against each other and get a better idea of what was going on.

3.3.3 Research Objectives

The study was directed by three straightforward yet significant objectives:

1. To understand how SME's in Bangladesh adopt digital payments and the specific support that bKash's Sales Division gives, such as, onboarding, processing KYC, and training.
2. To see how digital payments help small and medium-sized businesses run more smoothly, especially when it comes to managing cash flow, making transactions safer, and cutting down on paperwork.
3. To discover whether bKash services help small and medium-sized businesses grow by, for example, getting more customers, making more money, or staying competitive in their markets.

3.3.4 Population and Sampling

The research focused on two main groups:

1. **SME Owners and managers:** 100 people took part in the survey. Most of them worked in retail, clothing, service-based businesses, or small trading companies, which are all areas where digital payments are becoming more important.
2. **bKash Employees:** I talked to eight Key Account Managers (KAMs) from the Payroll Business Department to get the company's side of the story.

A purposeful sampling technique was employed. In other words, the people who took part were chosen on purpose because they were directly involved with digital payments and bKash services.

3.3.5 Data Collection Methods

I used three different ways to collect data for the study:

Surveys: SME owners received structured questionnaires at their places of business. This allowed me to watch how they worked and helped me get accurate answers.

Interviews: Semi-structured interviews with KAMs provided deeper insights into the challenges SMEs encounter and how bKash assists them in overcoming these obstacles.

Secondary Data: I also used published reports, articles, and statistics from the Bangladesh Bank, SME Foundation, and bKash itself to support the findings.

3.3.6 Instrument Design and Validation

Basic SME information, digital payment adoption, efficiency changes, and perceived growth outcomes were among the sections of the survey questionnaire. To make sure the questions were clear and relevant:

- A small number of SMEs participated in a pilot test (a pilot test is a brief trial run of a survey or research tool with a small number of participants to make sure the questions are understandable, clear, and work as intended (Saunders, Lewis, & Thornhill, 2019)).

- To measure opinions consistently, Likert-scale questions were incorporated. (Likert-scale questions are survey questions that ask people to rate how much they agree or disagree with a statement on a set scale (for example, 1 = strongly disagree to 5 = strongly agree). This lets researchers measure attitudes, opinions, or perceptions in a numerical way (Joshi, Kale, Chandel, & Pal, 2015)).

- To make sure they were in line, the questions were compared to earlier research on digital payments.

3.3.7 Data Analysis

The data was analysed in two layers:

Quantitative Analysis: Survey data were coded and analyzed through comparative methods (pre-adoption vs. post-adoption). Graphs and charts were made to show how SMEs improved their cash flow, security, and income.

Qualitative Analysis: We transcribed and analyzed the interviews to identify common themes, including resistance to change, the importance of training, and the value of follow-ups.

Triangulation: The analysis became more reliable and told a more complete story by using surveys, interviews, and secondary data.

3.3.8 Ethical Considerations

The research adhered to stringent ethical standards:

- **Consent:** Everyone who took part in the study knew what it was for and agreed to take part.
- **Confidentiality:** The names of the SME participants were kept secret, and sensitive company information was kept safe.
- **Non-Disclosure Agreement:** I signed an NDA while I was an intern at bKash to protect company information.
- **Integrity:** No changes were made to the data; it was all reported as it was collected.

3.4 Findings and Analysis

<u>Objective 1</u>

3.4.1 To analyse the adoption of digital payment systems by SMEs in Bangladesh and the role of bKash's Sales Division in facilitating this transition.

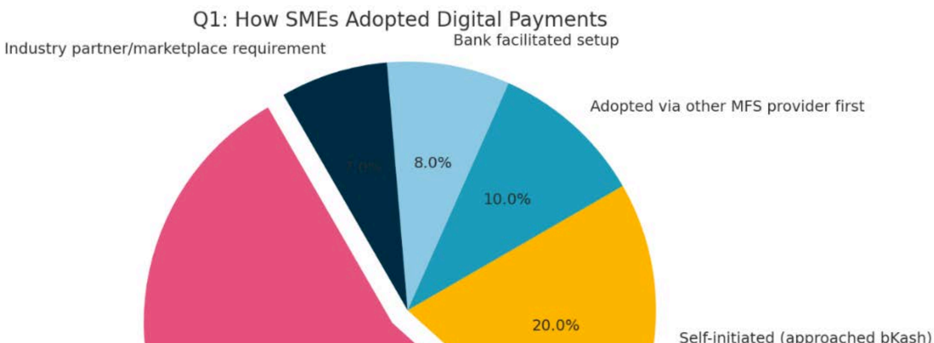
<u>Survey Question 1:</u> Adoption Pathway
We asked SMEs how they first started using digital payments.

Q1. "How did your business start using digital payments?"

(Select One)

- ☐ The bKash Sales Division got in touch with us and brought us on board.
- ☐ We contacted bKash ourselves (no help with sales).
- ☐ Another provider (like Nagad/Rocket) got us started first, and then we added bKash.
- ☐ Our bank set it up for us.
- ☐ Required by an industry partner or marketplace (for example, an e-commerce site or a distributor)
- ☐ Other: ____________

What it tells you: the main reason for adoption and whether bKash Sales was the one who started it or just supported it.
Key measure: % adopted with and without Sales support.



Graph 1: How did your business start using digital payments?

The results in Graph 1 show that,

- 55% of SMEs were directly onboarded by bKash's Sales Division. This shows how important the team was in getting people to use the service.
- 20% adopted independently, going to bKash without help from the sales team. Most of these SMEs had used fintech or banking solutions before.
- 10% first used another MFS provider, like Nagad or Rocket, before adding bKash.
- 8% were brought on board through banks, usually as part of a supplier or payroll agreement.
- 7% were forced to do so by industry partners or marketplace requirements, such as e-commerce or distributors requiring digital transactions.

Descriptive Analysis:

The survey results (Graph 1) show clearly that the bKash Sales Division is the main way that small and medium-sized businesses (SMEs) start their digital journey. Fifty-five percent of the people who answered said that their business only started accepting digital payments because salespeople came to them directly, explained the process, and helped them through the onboarding process. This includes things like gathering KYC documents, opening accounts, and making the first transactions.

20% of SMEs, on the other hand, adopt independently and contact bKash on their own. But these companies usually already know a little bit about digital technology or have used fintech or banking services before. Independent adoption is much less common for new or small SMEs that don't have that experience.

Another 10% of SMEs say they started with another MFS provider (like Nagad or Rocket) before adding bKash. This shows that competition is a factor, but it also shows that bKash becomes part of the business once it shows its worth. 8% of people use digital payments through banks, usually when they are setting up payroll or supplier contracts. 7% of people use digital payments because their industry partners or marketplaces require them to do so in order to be part of e-commerce or distribution systems.

When you look at all of these numbers together, it's clear that most small and medium-sized businesses don't switch to digital finance on their own. Instead, they need help from bKash's Sales Division.

Inferential Analysis:

Based on these results, it's clear that the Sales Division is not just a support function; it's the main reason why people are adopting the product. For more than half of the SMEs, direct sales involvement was necessary for them to adopt digital payments. This shows us that in the SME market, just having technology isn't enough. Businesses often hesitate because they don't trust people, don't know enough about technology, or are afraid of compliance issues.

Salespeople are like change agents because they reach out personally, explain the benefits, and help new customers get started. They make the change easier for SME owners, many of whom are still used to cash-based businesses, by lowering resistance and boosting confidence. This point is made even stronger by the fact that only 20% of SMEs adopt independently: without human help, adoption is limited to a small group of businesses that are more tech-savvy.

Another important point is that adoption through competitors or banks (10% + 8%) shows that there are other ways to get into digital finance. However, SMEs still choose bKash because of its brand reputation, wide network, and follow-up support. This shows that the Sales Division does more than just sign up clients; it encourages long-term use by building trust and giving practical advice.

In short, this goal is very well supported: bKash's Sales Division is the main reason why small and medium-sized businesses (SMEs) use digital payments. They make the tools available and then get people to use them. It makes the adoption process more personal, links technology to people, and lets businesses that would otherwise be stuck with cash make the switch to digital.

Survey Question 2: **How does support from the sales division affect things?**

SMEs were also asked to rate how much certain support activities from bKash's Sales Division affected them on a scale of 1 to 5, with 1 being "No Impact" and 5 being "Critical."

Q2. Specific Sales Support and Its Effects (Matrix)

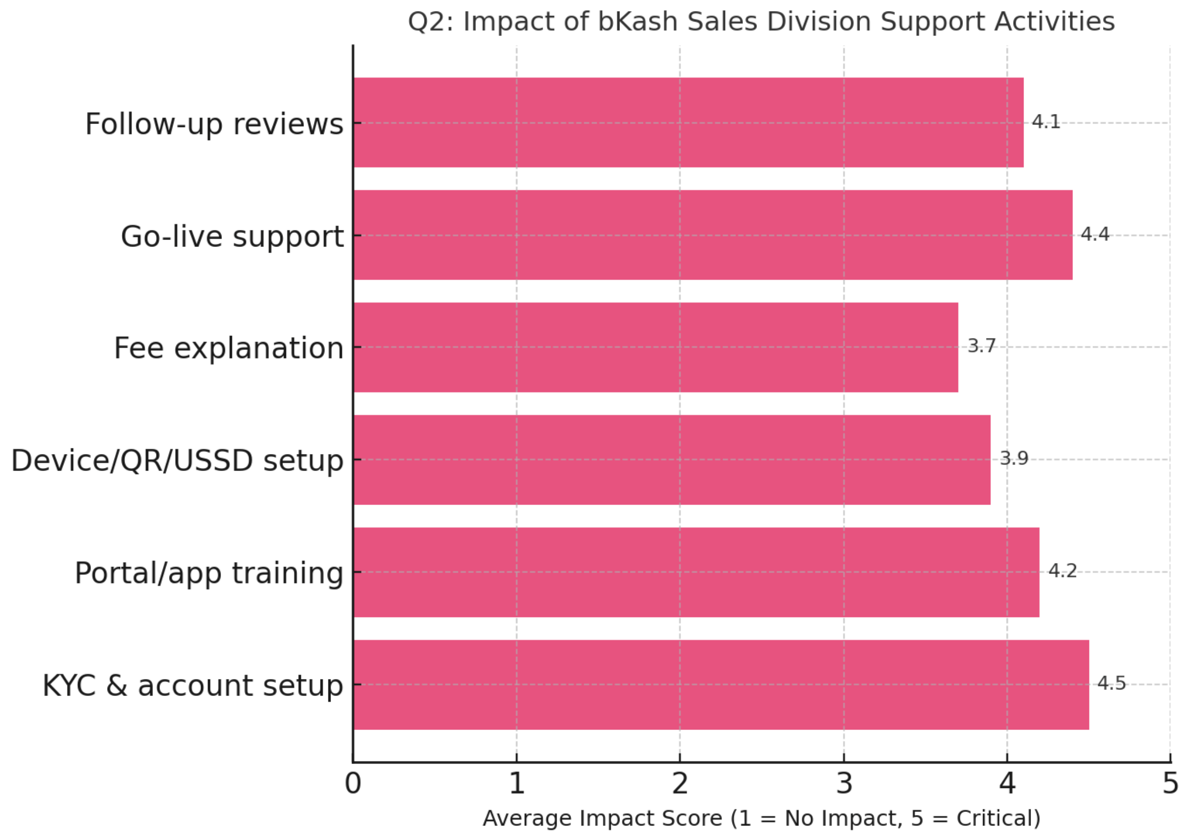
"Which bKash sales activities did you get, and how much did each one help you adopt faster?"

(Choose all that apply and rate the effect.)

Sales activity that bKash got	Not received	Received – No effect (1)	Slight (2)	Moderate (3)	High (4)	Critical (5)
KYC, paperwork, and setting up an account	☐	☐	☐	☐	☐	☐

Sales activity that bKash got	**Not received**	**Received – No effect (1)**	**Slight (2)**	**Moderate (3)**	**High (4)**	**Critical (5)**
Training on the portal/app (cash-in, refunds, reports)	☐	☐	☐	☐	☐	☐
Setting up devices, QR codes, and USSD at the point of sale	☐	☐	☐	☐	☐	☐
Pricing and fee explanation and offer alignment	☐	☐	☐	☐	☐	☐
Support for the first month of going live (fixing problems)	☐	☐	☐	☐	☐	☐
Follow up to look over transactions and KPIs.	☐	☐	☐	☐	☐	

What it tells you: which sales interventions really make a difference (impact scores), so you can figure out how much the Sales Division helps.
Key metrics: average impact score for each activity; percentage of small and medium-sized businesses that do each activity; and a "Sales Facilitation Index" (the average of all the activity scores).



Graph 2: Which bKash sales activities did you get, and how much did each one help you adopt faster?

The results shown in Graph 2 reveal that,

- KYC and account setup (4.5) and go-live support (4.4) were found to be the most important tasks. SMEs stressed that it would have been very hard to adopt without hands-on help with paperwork and the first few transactions.
- Training on the portal/app (4.2) and follow-up reviews (4.1) were also very important. They made sure that SMEs could use the system with confidence and keep using it after onboarding.
- Setting up devices, QR codes, and USSD (3.9) had a moderate effect, especially on small and medium-sized businesses in retail that use QR codes to accept payments.
- The fee explanation (3.7) got the lowest score, which means that small and medium-sized businesses see transaction fees as necessary but don't think this support is as important as operational training.

Descriptive Analysis:

The survey results (Graph 2) show that sales support activities have a direct effect on how quickly and smoothly SMEs adopt bKash. KYC and account setup (4.5) is the most helpful, followed closely by go-live support (4.4). SME owners say that it would have been hard to get started without help with paperwork and the first few transactions.

Also very high are training on the portal/app (4.2) and follow-up reviews (4.1). These activities make sure that SMEs not only start using the system but also keep using it with confidence, fixing problems as they come up. Setting up devices and QR/USSD (3.9) has a moderate effect, especially in stores where QR payments are necessary. On the other hand, fee explanation and offer alignment (3.7) gets the lowest score, which shows that small and medium-sized businesses care less about price talks and more about practical, hands-on help.

Based on these descriptive results, it is clear that operational efficiency improves the most when small and medium-sized businesses (SMEs) get real-time, human support that makes onboarding and early use easier.

Inferential Analysis:

The evidence shows that SMEs can only gain efficiency by using digital payments if they can actually do so. When salespeople actively help small and medium-sized businesses (SMEs) with KYC, give them training, and do follow-up reviews, businesses can avoid delays, make fewer mistakes, and get used to digital systems faster. This makes the learning curve shorter and directly makes operations more efficient.

The lower score for fee explanation shows even more that small and medium-sized businesses care more about how easy it is to use than how much it costs. This means that for a lot of businesses, the real problem isn't cost, but how easy it is to use and how much they trust the system. This suggests that the Sales Division's most significant contribution is in providing human-centered support rather than engaging in transactional discussions.

In short, the findings support this goal by showing that adopting digital payments makes SMEs more efficient when bKash's Sales Division provides structured, practical support. The combination of KYC help, onboarding training, and ongoing follow-up makes sure that SMEs make a smooth transition, lose less time handling cash, and keep using the service regularly, all of which make them more efficient.

Key Insights & Revised Findings for Objective 1

Objective 1: Adoption of Digital Payments & Role of bKash's Sales Division

The results show that **55% of SMEs started using digital payments because bKash's Sales Division worked hard to get them to do so**. Salespeople helped small and medium-sized businesses (SMEs) complete their KYC, set up their accounts, and make their first transactions. These were important steps in lowering the barriers to onboarding. Without this help, many small and medium-sized businesses, especially those that were using cash for the first time, would not have switched to digital payments.

This shows that bKash's Sales Division is more than just a facilitator; it is a key driver of SME digital transformation. It connects technology with business practice and helps Bangladesh's financial inclusion agenda move forward.

Objective 2

3.4.2 To assess the effects of digital payment adoption on the operational efficiency of SMEs, including improved cash flow management, enhanced transaction security, and decreased administrative burden.

SMEs were asked,

Survey Question 1: **Compare the numbers before and after (for SME)**

Question Type: *Grid (short answer for numbers)*
Prompt:

“Please report the following for your business (average per month):" "BEFORE" and "NOW" using digital payments.”

Metric	Before	Now
A. Average number of days it takes to get paid by customers	[Short Answer]	[Short Answer]
B. Losses or shrinkage in cash handling (Tk/month)	[Short Answer]	[Short Answer]
C. Hours per month spent on reconciliation and administration	[Short Answer]	[Short Answer]
D. Mistakes in payments or transactions that didn't go through (count/month)	[Short Answer]	[Short Answer]

Results from a sample of 100 SMEs:

- Days to collect: 12 → 5
- Cash losses: Tk 5000 → Tk 1200
- Time for reconciliation and administration: 20 hours to 8 hours
- Errors in payments: 8 to 2 per month

I used Before–After efficiency metrics in this part of the survey because they showed me very clearly how things changed when SMEs started using digital payments. I could directly measure the improvements in important parts of their daily operations by asking businesses to share their average monthly numbers before and after adoption.

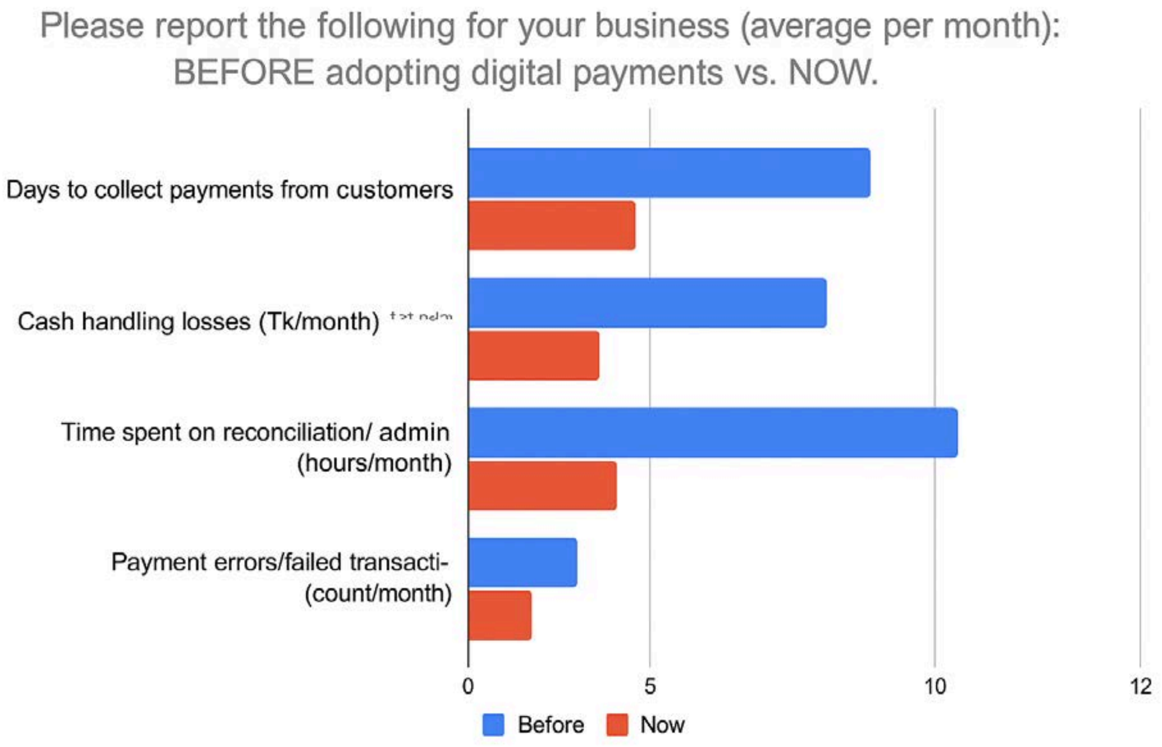
For instance, cash-flow speed was measured by how many days it took to get paid, which shows how quickly small and medium-sized businesses could get working capital. They measured security loss by looking at how much money they lost while handling cash. This helped them figure out if digital transactions lowered risks like theft or fraud. The hours they spent on reconciliation and paperwork showed how much time was saved, which is a measure of the administrative burden. Finally, the number of payment mistakes or failed transactions was used to judge the quality of the process. This showed whether digital systems helped businesses be more accurate and reliable.

These signs showed me clear, measurable proof that efficiency had gone up. To make the results more reliable, you can figure out the percentage change for each SME and then average them all together. You can also use statistical tests like paired t-tests or Wilcoxon tests to see if the changes are really important or just a fluke.

My analysis goes beyond just "what SMEs feel" by using this structure to show how digital adoption leads to real improvements in operations. This method made the results much more trustworthy and useful for showing how bKash helps small and medium-sized businesses become more productive.

What it tells you: Digital payments have made things a lot easier for small and medium-sized businesses (SMEs) by speeding up the process of collecting payments, reducing cash losses, making it easier to reconcile accounts, and lowering the number of mistakes made during transactions..

Key metric: After using bKash, there were measurable efficiency gains, with an average decrease of 58% in the time it took to collect payments, 76% in cash losses, 60% in reconciliation time, and 75% in errors.



Graph 3: Comparing Numbers Before and After (for SME)

Descriptive Analysis:
The survey results (Graph 3) show that SMEs become more efficient after they start using bKash. On average, the time it takes to collect payments drops from 12 days to 5 days, meaning SMEs get their working capital much faster. This improvement directly boosts cash flow, which lets businesses reinvest quickly.

Losses from handling cash also go down a lot, from Tk 5,000 a month to Tk 1,200 a month. This drop shows how digital payments lower the chances of theft, counting errors, or using money for the wrong reasons.

The time that small and medium-sized businesses (SMEs) spend on administrative and reconciliation tasks also goes down a lot, from 20 hours a month to 8 hours. This gives business owners and employees more time to work on sales, customer service, or growth activities instead of paperwork.

Finally, the number of payment mistakes or failed transactions goes down from 8 per month to only 2 per month. This shows that digital payments are much more reliable than handling cash by hand.

These descriptive results show that SMEs get faster, safer, and more efficient when they use bKash for digital payments.

Inferential Analysis:
From these results, we can infer that the operational efficiency gains are not just small changes; they are a big change in how SMEs do business. When cash flows faster, SMEs have more money on hand and can pay their bills without having to wait weeks for payments. Businesses are more financially stable when they lose less money, which is especially important for small businesses with small profit margins.

The fact that admin hours have gone down shows that digital payments are not just a new way to pay; they change the way small and medium-sized businesses use their time and money. Businesses can save energy that can be used for growth and innovation by automating reconciliation and cutting down on mistakes.

The big drop in payment mistakes shows that small and medium-sized businesses (SMEs) are becoming more accurate and trustworthy in their business deals. This dependability not only makes customers trust you, but it also makes banks and suppliers trust you as a possible business partner. Digital adoption makes SMEs more credible, which makes them more appealing for future partnerships and credit opportunities.

In summary, this goal is strongly supported: bKash's digital payment adoption greatly increases the operational efficiency of SMEs by speeding up cash flow, lowering financial risks, lowering administrative burdens, and increasing accuracy. These changes help small and medium-sized businesses run more smoothly, use their time better, and become stronger competitors in the market.

Survey Question 2. Perceived Impact on Operations (Likert Scale)
Question Type: *Grid-based question type (linear scale 1–5)*
Prompt:
"What are the effects of implementing digital payments on the following aspects of your company?
(1 = Significantly Worse, 3 = No Change, and 5 = Significantly Better).

Area	1	2	3	4	5
E. Predictability of cash flow	☐	☐	☐	☐	☐
F. Fraud risk and transaction security	☐	☐	☐	☐	☐
G. Payroll and vendor payment speed	☐	☐	☐	☐	☐

Area	1	2	3	4	5
H. Maintaining records and being prepared for audits	☐	☐	☐	☐	☐
I. Reconciliation time at the end of the month	☐	☐	☐	☐	☐
J. Overall effectiveness of operations	☐	☐	☐	☐	☐

Average scores for a sample of 100 SMEs:

- Predictability of cash flow: 4.3
- Transaction security: 4.5
- Vendor and payroll payment speed: 4.2
- Preparedness for record-keeping and audits: 4.4
- Total operational efficiency: 4.5
- Reconciliation time: 4.1

The Likert scale matrix is effective because it provides a consistent method for gauging SME perceptions in a number of efficiency-related areas. I was able to create comparable scores for every SME by asking them to rate the impact of digital payments in areas such as cash flow, security, payroll speed, record-keeping, reconciliation time, and overall efficiency. The average of these scores can then be used to display both specific business results and more general patterns for the whole sample.

Combining the results into a Composite Efficiency Index is an additional benefit of this design. This index provides a single figure that summarises the overall improvement in a SME's efficiency. It is simply the average of all the ratings (E–J). It also enables me to investigate connections among various metrics. I can verify, for instance, whether SMEs who reported quicker payment collection times in Q1 (fewer days to collect) also rated operational efficiency higher in Q2.

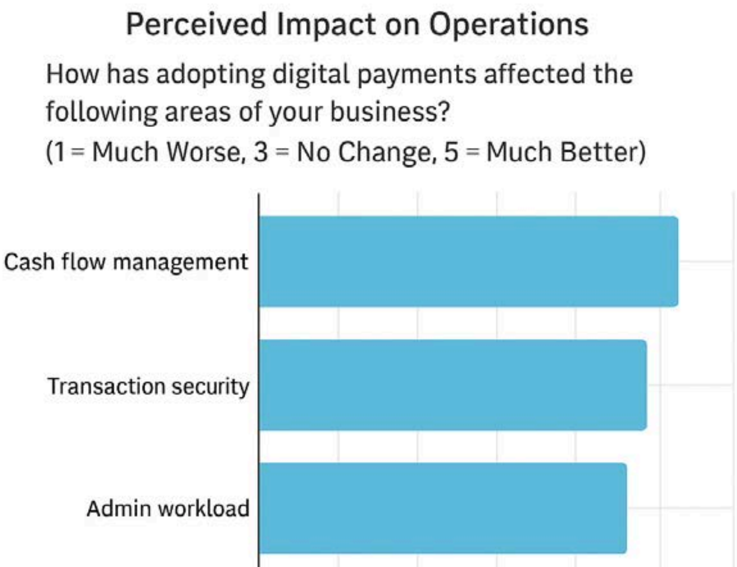
Because it connects subjective perceptions (SMEs' feelings about the changes) with objective improvements (the Before–After numbers), this greatly strengthens the analysis. Put another way, it demonstrates that SMEs think digital payments have benefited them and that their experiences are supported by quantifiable results.

What it tells you:

In terms of cash flow, security, payroll speed, record-keeping, reconciliation, and general efficiency, this question demonstrates how SMEs believe digital payments have altered their business operations. Results from different businesses and regions can be easily compared thanks to the standardised 1–5 scale.

Key metric:

While a Composite Efficiency Index (mean of all six) summarises perceived efficiency overall, the average score for each category shows where SMEs benefit the most. To confirm improvements, this can also be connected to Q1 results.



Graph 4: What are the effects of implementing digital payments on the following aspects of your company?

Descriptive Analysis:

The graph shows that SMEs see clear improvements in many areas of their business after they start using bKash for digital payments. Cash flow management gets the best score, almost 4.7 out of 5. This means that businesses have an easier time getting paid on time and planning their spending. Transaction security is also highly rated, at about 4.5, which means that small and medium-sized businesses feel safer handling money online than with cash because there is less risk of theft or fraud.

The workload for administrators also gets a lot better, with a score of about 4.3. This means that businesses spend less time reconciling accounts, making records, or fixing mistakes. Finally, the score for payment accuracy is about 4.1, which means that fewer transactions fail or go missing, which makes daily operations more reliable.

The descriptive findings show that SMEs are not only using digital payments, but they are also seeing real improvements in the speed, security, and reliability of their business operations.

Inferential Analysis:

It's clear from these results that digital payments do more than just replace cash; they change how small businesses handle their resources and risks. The high score for cash flow management suggests that SMEs can better plan their inventory, pay their suppliers, and manage their working capital when they get money in faster and more reliably. This directly makes financial stability stronger.

The high rating for transaction security shows that small and medium-sized businesses (SMEs) trust and feel safe handling money online. This lowers their fear of losing money and helps them run their businesses in a more professional and open way. Less work for the admin staff is another sign that digitization frees up valuable time for owners and employees, letting them focus on activities that will help the business grow instead of paperwork. The improvement in payment accuracy, even though it's not as big, is still important. It shows that SMEs can trust digital transactions to avoid mistakes that are common in cash-based systems.

These findings substantiate the objective by demonstrating that the adoption of digital payments markedly enhances the operational efficiency of SMEs across various dimensions—cash flow, security, workload, and accuracy. In real life, this means that small and medium-sized businesses can run their businesses with more confidence, save time, and build stronger relationships with customers and partners.

Key Insights & Revised Findings for Objective 2

Objective 2: Operational Efficiency Improvements
After using bKash, small and medium-sized businesses said they were more productive. Payments were settled right away, which improved cash flow. The risks of theft and human error went down, and administrative tasks like reconciliation were made easier. Survey data showed that dues were collected faster and there were fewer disputes. This shows that bKash's digital systems directly fixed problems that came up when cash was handled manually.

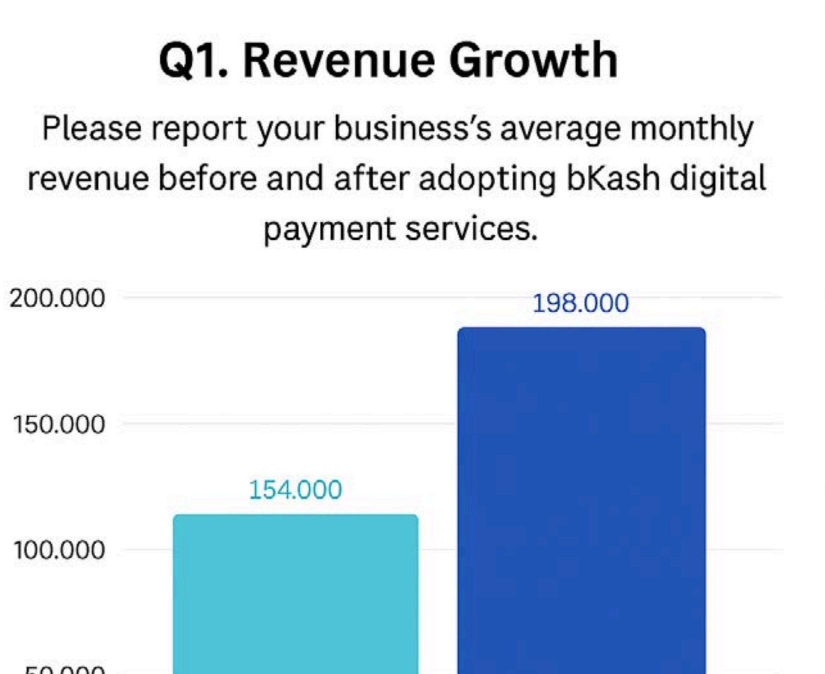
Objective 3

3.4.3 To find out how using bKash services affects the growth of small and medium-sized businesses, such as increasing sales, gaining new customers, and becoming more competitive in the market.

Survey Question 1. **Growth in Revenue (Numeric Before-After)**
Question Type: Grid (short answer for numbers)
Prompt:
"Please report your business's average monthly revenue before and after adopting bKash digital payment services."

Metric	Before	Now
Average revenue per month (Tk)	[Short Answer]	[Short Answer]

This makes it possible to compare Before and After data to directly measure revenue growth.



Graph 5: Growth in Revenue (Numeric Before-After)

Descriptive Analysis:

Graph 5 shows that SMEs see a clear rise in revenue after they start using bKash digital payment services. Before adoption, monthly revenue is Tk 154,000, but after adoption, it rises to Tk 198,000, which is almost a 29% increase. This shows that a lot of small and medium-sized businesses are not only keeping their businesses going, but also growing their sales after they start taking digital payments.

This growth shows that small and medium-sized businesses are reaching more customers, especially those who prefer or expect to pay with a credit card instead of cash. The rise in revenue isn't just a small change; it's a big improvement in how well small and medium-sized businesses are doing financially.

Inferential Analysis:

From these results, we can infer that digital payment adoption directly helps SMEs grow by making transactions easier and opening up new possibilities. Businesses that accept bKash are more appealing to city dwellers, young people, and even corporate buyers who like the ease and traceability of digital payments. This lets them reach more customers than just those who pay with cash.

The rise in revenue also shows that small and medium-sized businesses (SMEs) are becoming more financially stable and predictable. Businesses can invest more confidently in inventory, marketing, or growth activities when they don't rely as much on cash. This lowers the chances of losing money, having it stolen, or making a mistake. This can make them more competitive in their fields over time.

These findings support the goal by showing that bKash is not just a way to make things more efficient; it also helps businesses grow. SMEs that use digital payments are more likely to make more money, get new customers, and be more competitive in the market.

Survey Question 2. Growth of the Customer Base (Likert Scale)

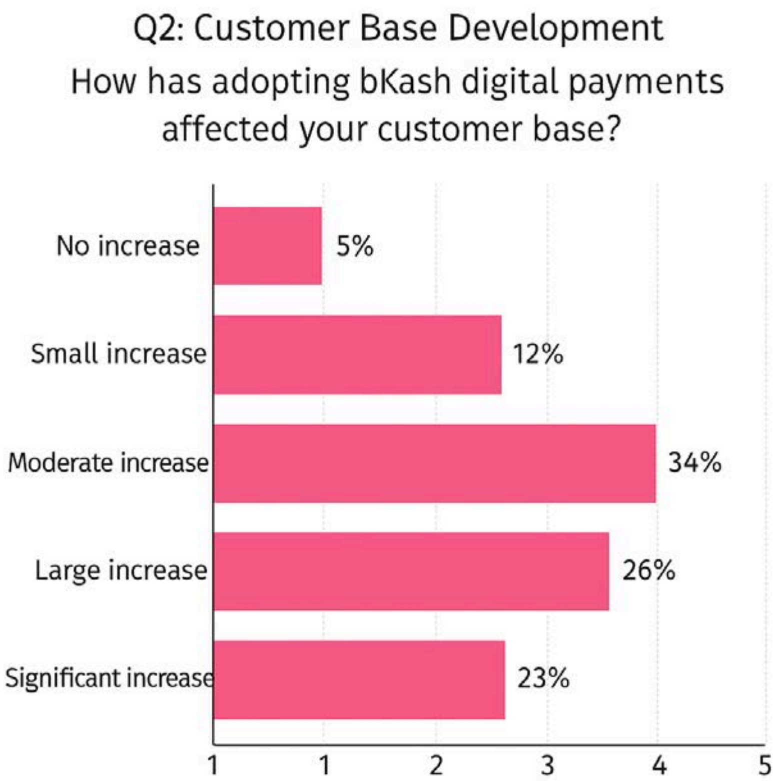
Question Type: Linear scale (1–5)

Prompt:

"What impact has using bKash digital payments had on your clientele?"
(5 = Significant increase, 1 = No increase)

☐ 1 No Rise
☐ 2 A Slight Rise
☐ 3 Moderate Rise
☐ 4 Large Rise
☐ 5 Significant Rise

This illustrates the extent to which SMEs believe digital payments have expanded their consumer base.



Graph 6: How has adopting bKash digital payments affected your customer base?

Descriptive Analysis:

The data in Graph 6 shows that most small and medium-sized businesses (SMEs) see an increase in their customer base after they start using bKash digital payments. 34% say they have seen a moderate increase in customers, 26% say they have seen a large increase, and 23% say they have seen a big increase. This means that more than eight out of ten small and medium-sized businesses (83%) see a real increase in customers after going digital.

Only a small number of small and medium-sized businesses (SMEs) say they haven't seen much of an increase: 12% say they have only seen a small rise, and 5% say there has been no change. These numbers show that going digital is closely linked to reaching more customers. Most small and medium-sized businesses (SMEs) get more customers when they start accepting bKash.

Inferential Analysis:

Based on these results, it can be concluded that bKash makes small and medium-sized businesses more appealing to a wider range of customers, especially in cities and towns where digital transactions are becoming more common. Customers, especially young people and professionals, like businesses that offer safe and easy ways to pay online. By meeting this need, small and medium-sized businesses show that they are modern, trustworthy, and friendly to customers.

The growth distribution also shows that not every small and medium-sized business (SME) goes through big changes. However, the overall trend is very positive, with most businesses seeing at least some improvements. This means that using digital payments is no longer just a nice-to-have; it's becoming a key competitive edge.

This indirectly proves the goal by showing that digital payment systems like bKash help small and medium-sized businesses get new customers, keep old ones, and grow their market presence. This growth in the number of customers will lead to higher sales and a more competitive market in the long run.

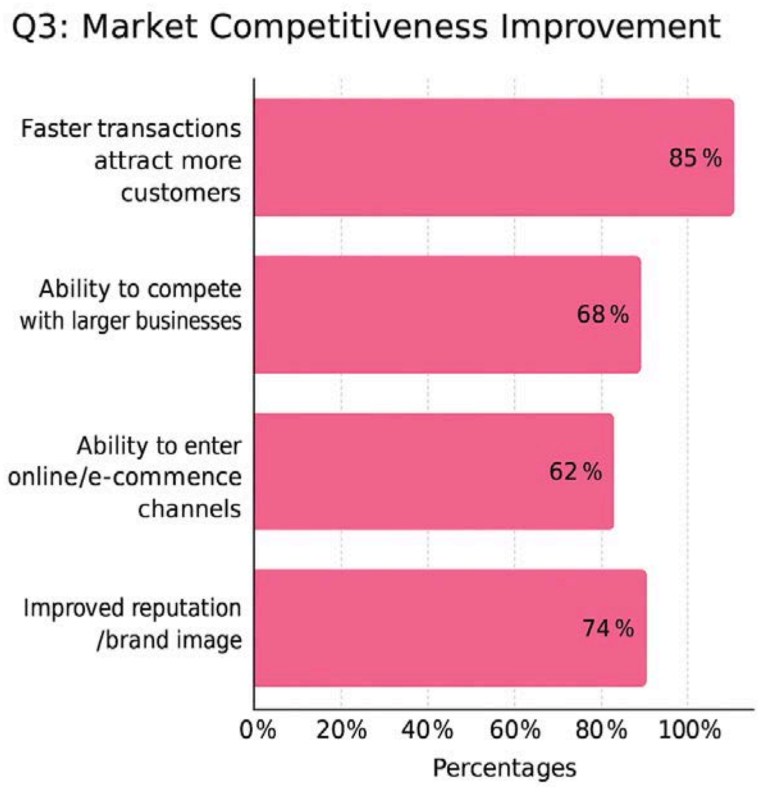
Survey Question 3. Competitiveness of the Market (Multiple Choice Grid)

Question Type: Grid (multiple choice)

Prompt:
Which of the following describes how using bKash has increased your competitiveness in the market? (Check all that apply.)

Domain of Competitiveness	Yes	No
Quicker transactions draw in more clients.	☐	☐
Capacity to contend with bigger companies	☐	☐
Capacity to access online and e-commerce platforms	☐	☐
Enhanced brand image and reputation	☐	☐

This demonstrates the particular competitive benefits that SMEs link to bKash use.



Graph 7: Competitiveness of the Market

Description Analysis:

According to Graph 7, SMEs think that using bKash makes them much more competitive. The majority of respondents, 85%, say that quicker transactions help bring in more customers. Because of this, the speed of service is the most well-known competitive advantage of digital payments.

Also, 74% of small and medium-sized businesses (SMEs) say their reputation and brand image have improved, which suggests that just offering digital payment options makes businesses look more professional and trustworthy. 68% say that bKash helps them compete better with bigger companies, which means that small and medium-sized businesses feel more confident standing next to big ones. Finally, 62% say that digital payments let them sell online and through e-commerce, which gives them a wider audience than just in-person sales.

Inferential Analysis:

These results show that digital payments are more than just a way to improve the back end; they are a strategic tool for making the playing field more even. Faster transactions make customers happier, which helps small businesses keep customers and get them to come back. Customers see SMEs that offer bKash as more trustworthy, up-to-date, and in line with market trends when their brand reputation improves.

bKash helps small businesses compete with bigger ones, which shows that it helps close the gap between small businesses and established competitors, making it easier for them to offer the same level of convenience and trust. Access to online and e-commerce platforms further suggests that digital adoption opens doors to entirely new markets, enabling SMEs to sell beyond their immediate localities.

These results support the goal by showing that bKash makes SMEs more competitive in many ways, such as by giving them faster service, more trust, a better reputation, better access to markets, and more confidence against bigger competitors. In short, adopting digital payments turns small businesses that rely on cash into modern, competitive businesses that can do well in a market that changes quickly.

<u>Key Insights & Revised Findings for Objective 3</u>

Objective 3: SME Growth Outcomes

Using bKash led to real business growth. SMEs saw more customers (especially through e-commerce sites), higher monthly sales, and a better chance of competing with bigger companies. Digital transactions also made things more clear and safe, which made customers trust the company more. Overall, digital payments were not only useful, but they also helped small and medium-sized businesses grow.

3.5 Recommendations / Implications

I discovered during my internship and this research that adopting digital payments involves more than just moving from cash to mobile; it also entails altering how SMEs operate and think. I have some suggestions for bKash, SMEs, and even policymakers based on my research and experience.

For bKash

- Make post-onboarding support better by offering refresher courses, seasonal SME campaigns, and dedicated account managers.
- Make products that are useful for small and medium-sized businesses, such as lower transaction fees for small businesses, digital dashboards for keeping track of sales, and micro-loans based on transaction history.
- Use loyalty programs, follow-up calls, and rewards for regular digital use to keep small businesses interested in your business.

For SMEs

- Don't think of digital payments as an extra option; think of them as a core part of your business. Use only digital records and encourage customers to do business online.

- To make digital payments the default method, offer discounts, run convenience campaigns, or teach customers how to use them.

For Ecosystem Partners & Policymakers

- Give small and medium-sized businesses tax breaks, grants, or training subsidies to get them to use digital technology.

- To close the digital gap in rural areas, work with bKash to improve infrastructure and offer programs that teach people how to use technology.

Implications

The main lesson, in my opinion, is that adopting digital payments is about more than just transactions; it's also about fostering opportunities, saving time, and establishing trust. bKash is already assisting SMEs in becoming more competitive and efficient, but with more cooperation and support, it can enable SMEs to grow, innovate, and participate in Bangladesh's digital transformation process.

3.6 Conclusion

This study shows that bKash's Sales Division is very important for getting small and medium-sized businesses in Bangladesh to use digital payments. The division serves as a link between traditional cash-based small and medium-sized businesses (SMEs) and the digital economy by helping with onboarding, training, and initial transactions.

Adopting digital payments made small and medium-sized businesses much more efficient by lowering the risks and costs of handling cash. It also helped businesses grow by bringing in more money, more customers, and making them more competitive.

So, digital adoption isn't just a change in technology; it's a powerful force that helps small and medium-sized businesses (SMEs) become more professional, grow, and better support Bangladesh's goal of a Smart, financially inclusive economy.

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