

Report On
Pathao Ride Share Making Dhaka City People's Life Easier

By

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An internship report submitted to the BRAC Business School in partial fulfillment of the requirements for the degree of Masters of Business Administration (MBA)

BRAC Business School
Brac University
September 2020

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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.

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Letter of Transmittal

Dr. Salehuddin Ahmed
Professor,
BRAC Business School
BRAC University
66 Mohakhali, Dhaka-1212

Subject: Submission of case study report on “**Pathao Ride Share Making Dhaka City People’s Life Easier.**”

Dear Sir,

This is my pleasure to submitting the case study report on **Pathao Ride Share Making Dhaka City People’s Life Easier**, which I was appointed by your direction. I have tried my best to gather all kinds of relevant information, which could give an overall concept of this topic and have applied my knowledge of working here for preparing this report. I hope that it will meet your expected standard.

I have tried my best to finish the report with the essential data but there are some limitations as the time duration is too short. I recommended in a significant compact and comprehensive manner as possible.

I trust that the report will meet the desires.

Sincerely yours,

Bantee Rahman
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Date: September 27, 2020

Acknowledgement

No work can possibly be completed by individual efforts alone. In every step of this study invaluable suggestions and support I have been provided with many individuals and institutional experts. The entire report is based on information collection about Pathao Ride Sharing service. Firstly, I would like to thank my honorable supervisor, Professor Dr. Salehuddin Ahmed, for guiding me from start to finish. Also I would like to convey my special thanks to my friends and course mates for supporting me in every requiring moment. Their support and proficient guidance helped me to sketch a perfect knowledge to gather. Finally, I would like to thank the Almighty for blessing me with strength and patience for completion of this case study report.

Executive Summary

The study is about Pathao the first Ride Sharing Company in Bangladesh, founded by CEO Hussain M. Elius, co-founder Fahim Saleh, and Adnan Shifat. They also created a mobile app from which individuals can conveniently access the service. Since Dhaka is the world's sixth most densely populated city, the population is about 8.9 million. The usual phenomena now a few days in Dhaka City are traffic jams. The Pathao service has made life much easier for the people of Dhaka City for days now. On the other hand there is a comparison between Pathao and Uber as both are offering the same ride sharing services in Dhaka City.

Keywords: Pathao Ride Sharing, Uber, Transportation, Mobile App, Dhaka City, Easier life.

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Chapter 1

Introduction

Transport is an important part of the economy of Bangladesh. Since the country's liberation, infrastructure development has progressed rapidly, and a number of modes of land, water and air transport have emerged. Significant progress, however, needs to be made to ensure uniform access to all available transport services. Dhaka is the sixth most densely populated city in the world and the population is about 8.9 million. Traffic jam is the common phenomena now a days in Dhaka City. It is quite difficult to move one place to another. To solve or to minimize this problem three person Hussain M. Elius, Fahim Saleh and Shifat Adnan launched Pathao ride sharing concept to the Dhaka City people.

1.1 Company Background

Pathao is Bangladesh's first ride-sharing company to receive an enlistment certificate from the authorities. It was founded back in March 2015 by the three most talented people, the CEO Hussain M. Elius, the Co-founder Fahim Saleh and Shifat Adnan. Pathao began its journey with its fleet of motorcycles and bicycles as a delivery service back in 2015. They served as a delivery service for several E-Commerce Companies of Bangladesh. Later in 2016, Pathao started bike-sharing services in mid-2016 and had successfully signed up more than 100,000 drivers and about 1 million users in March 2018 across the country. Pathao launched its services in Nepal in September 2018. Pathao is the first company in Bangladesh to provide on-demand transport sharing services abroad. Pathao became the first major ride-sharing service provider in Bangladesh to receive enlistment certificates from the Bangladeshi authorities on 3 December 2019.

1.2 Services

In 3 major cities of Bangladesh, Dhaka, Chittagong and Sylhet and in Kathmandu, Nepal, Pathao currently offers ride-sharing, courier service, food delivery and on-demand transport sharing services. Its food delivery services are currently available in the metropolitan areas of Dhaka and the metro areas of Chittagong.

- **Bikes and Cars Ride Share:**

Using motorcycles and vehicles, Pathao offers on-demand ride-sharing services. In order to use Pathao's service, both the driver and the passenger must have an Android or iOS-based smartphone, internet and GPS-enabled. A location-based system is used by Pathao to align the passenger with a nearby driver heading towards the destination. It has more than 200,000 vehicles registered across the country.

- **Parcel Delivery Service:**

Back in 2015, Merchant Distribution was the basis of Pathao's base. Using their bicycle, motorcycle and pickup vans fleet, Pathao delivers in 50 + cities in Bangladesh cities. On behalf of its retailers, Pathao supports cash-on-delivery and returns of goods as well.

- **Food Delivery Service:**

In January 2018, in Dhaka and Chittagong District, Pathao introduced on-demand food delivery using bicycle delivery to escape traffic. It competes directly with local and foreign distribution firms. A Daily Star report reported that Pathao Food had a market share of 80 percent in the region.

1.3 How Pathao Works?

The app uses a mobile-friendly interface that allows users on any device to access the services: site, machine, mobile, and 24-hour customer support ensures that customers can manage their issues at any time of the day. In addition, since the company uses motorcycles and bicycles for most of its shipments, they have the added benefit of being more environmentally friendly than their competitors and maintaining the brand image.

Pathao launched its Mobile Wallet service, called Pathao Pay, on 24 May 2018, through which customers could pay riders without using cash through the app. A local news agency report reported that Bangladesh Bank had refused Pathao the launch of a Closed Payment Service. Pathao CEO Hussain M. Elius said in a statement that they faced a problem as they began the service as a closed wallet. In the future, by meeting all the regulations, they will turn the service into an open wallet.

A video published on both Facebook and YouTube on 5 November 2018 revealed that the Pathao android app purposefully copies confidential details, including SMS and contact lists. Pathao issued a statement saying that the information obtained from users is kept protected and secret from their employees and that, according to all terms and conditions, they use best practices similar to any other company. On 8 November 2018, without sensitive characteristics, Pathao published a new update.

Chapter 2

Why Pathao is Special as a ride sharing company?

Pathao Rides is a company-provided transport service that is more of a motorcycle taxi, close to UberMoto and Go-Jek. It operates on both the iOS and Android platforms via the official Pathao app. All who is looking for a ride simply logs into the app, chooses from where they want to be picked up and where they want to be dropped. In the app, a map showing the pick-up and drop-off point position, the estimated time of arrival and the estimated fair will appear. Pathao cost less than CNG or Rickshaw. An individual can travel within less cost in Pathao ride for instance, If someone wants to move from Mirpur 60 feet to Brac University, a CNG will cost 200-250 taka but Pathao ride will only cost 130-150 taka. Which is much more reasonable. On the other hand pathao riders can move easily with their bikes so that it will minimize the time to reach one place to another.

Chapter 3

Comparison between Pathao and Uber

We all face terrible times every once in a while, when we need to quickly make way for a meeting, an inspection, a party, but are at a loss of transport. A very common issue faced by over half of the world, you, me and everybody else.

Well, the days are long gone when any time we hear the words Uber on TV or on the Internet, we will awe in surprise, because now the booming city of Dhaka and many other neighboring cities have the comfort of calling such rides, both in times of emergency and daily usage.

Pathao, a name that says it all, is where you can send stuff to a destination, whether it's a package or to yourself. First, you have to download the Playstore app, choose the pickup point, and you will be called by the nearest rider to pick you up. Voila! You've got a trip.

The passenger is also sent the photo, phone number and name of the Pathao driver who will turn up, to make the job easier.

For most, while traveling, Pathao is a combination of expense and comfort, and most people love the concept of sharing their code to get a free trip.

Their mode of transport, which is not a car, but a motorbike, has to be one special point of Pathao drives. One that can skim through traffic easily to get you to your destination in the fastest way possible-not to worry, helmets are also issued to passengers.

Pathao also has other services with GPS monitoring, such as sending packages through them, so you know where your package is at all times.

For many people, the bike is a risk, but riders have admitted that it is absolutely secure due to its GPS tracking system, and all of their riders are qualified individuals who have gone through training before working for Pathao.

On the other hand, some riders have faced a few issues here and there, minor problems such as fewer riders' availability and application issues, and some are also wary of riding a motorcycle with a stranger. The next choice could just help you out for those who are looking for fast transport, but are afraid of taking bikes.

Uber. Finally, here it is. Just like Pathao, the app has to be downloaded, destinations have to be selected on the map, and the driver closest to you will be displayed on the map. You can

either continue to call him after he does, or he can call you, and then he picks you up and drops you off. Simple as that!

The promo deals that keep coming, and making the rides a lot cheaper, are one thing customers love. The cars that are mainly used on Uber are delivered by city owners, so they are comfortable and spacious most of the time.

Availability is another great thing about Uber besides its app, which is its use of handling. It can also get a bit costly over long distances, as the rides are more comfortable, which can sometimes be inappropriate, particularly for students.

Weighing both sides out, though, both Uber and Pathao have their benefits. Pathao is inexpensive and, as a bicycle, unlike a vehicle, it can glide through the traffic. On the other hand, Uber is more convenient and favoured by those who dislike motorcycles. Their services vary somewhat and so do their clients, but at the end of the day, for people like us, they are both blessings. The price chart is given below:

Pathao Rides	25	0.5	12	0
UberX	40	3	18	0
Uber Premium	80	3	22	0
Toma Taxi Cab	85	4.25	34 (<i>after 2 km</i>)	20

Comparative pricing chart for Pathao Rides (amount in BDT) Initial Fee Cost per minute Cost per Km Service Fee

Figure: Pathao and Uber Pricing Chart

A base fare of Tk is paid by Pathao Rides. 25 and Tk for the first 2 kilometres. 12 for each kilometer, with the addition of a 0.5 Tk fee. Per minute. Per minute. The ease of quicker travel and avoidance of traffic makes it worthwhile, even if the prices may appear pricey at a glance.

Chapter 4

SWOT Analysis

The study of SWOT (strengths, weaknesses, opportunities, and threats) is a method used to determine the competitive position of an organization and establish strategic planning. The study of SWOT measures internal and external variables, as well as existing and future prospects.

Strengths:

Pathao is a Bangladeshi company and, due to its rapid growth, has become one of the most cited companies in the media in recent years. It is a ride sharing app that has grown on demand and has become the most popular ride sharing business. Pathao is one of Bangladesh's most popular transport network firms. Product delivery on demand is their main priority. Besides, in an emergency, Pathao rides are really convenient. This unique organization offers transportation for cars and bikes and they are also accessible. People may use G.P.S to track them, which is very convenient nowadays. Via its amazing customer support, Pathao has built a brand name. Dhaka, Sylhet and Chittagong have been reached by their service.

Their delivery service has made life simpler than ever for individuals. Everywhere in Dhaka, they deliver cash on arrival and the cost is around 60 to 80 taka. If any issue arises, Pathao users can complain via an app, but they have not received an overwhelming number of complaints until now.

Another facility is Pathao food as well. So, along with "One App for Everything," we can infer the pathao tag as you get all in one app; food, rides and delivery of parcels.

Weakness:

There are some cons, too, despite all these pros. Bikers from Pathao do not use logos and it is difficult for customers to monitor them. Secondly, Pathao did not extend its services to all of Bangladesh's regions. They definitely have to work on that and extend their services around the country. Then again, the use of Google maps is often not understood by bikers and that becomes an issue for users. Thirdly, Pathao does not supply items greater than 2kgs in weight. That means they only offer goods that are lightweight. They also do not hold any kind of papers, such as passports, NID cards or anything like that, so they will not take responsibility for that if any kind of damage occurs.

Opportunities:

By spreading their company to the areas that they have not yet reached, Pathao will step up the services. Female freelancers or bikers may also be included in their squad and can attract the female segment in this way. So, it would be more convenient for women to use bikes every day.

In addition, individuals may use Pathao cars instead of buses when the Padma Bridge is completed.

Threats:

The other competing agencies are the threat that this agency discerns. Like Uber, Courier Service, Sundarban. Sundarban Courier Service, in particular, because they offer their service nationally and it is more convenient for people living in remote areas. And also, they have to raise their payments on government matters, such as if the tax sum increases. So, in the near future, it could be a threat.

4.1 How to improve the Drawbacks

As there are some weakness of Pathao, they can improve their service maintaining some policies:

- Pathao can provide logo t-shirt for the riders, so that the customers can ensure the riders properly.
- Pathao can train up the riders and update the app information giving the codes that they were trained.
- Pathao can give and maintain the location map service to the riders so that people won't face any location issues.

Chapter 5

Conclusion

Last but not least, Pathao Ride Share making Dhaka City peoples life much easier. Now a day's most of the people are involve in many kind of works and business or different kind of tasks, Pathao Ride Sharing helps them to move one place to another smoothly. Pathao is number one ride sharing company and it will expand its service more and more in near future. People have trust on them and it is the positive side of Pathao.

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