
A Case Study on Pathao: A glance through Covid-19

A detailed study on the challenges faced by Pathao during covid-19 and
their responses





A Case Study on Pathao: A glance through Covid-19

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Acronyms

BDT: Bangladeshi Taka

BRTC: Bangladesh Road Transport Corporation

CAGR: Compound Annual Growth Rate

CEO: Chief Executive Officer

CNG: Compressed Natural Gas

COVID 19: Corona Virus Disease 2019

EBITDA: Earnings Before Interest, Taxes, Depreciation, and Amortization

GPS: Global Positioning System

IMC: Integrated Marketing Communication

PRI: Policy Research Institute

VAT: Value Added Tax

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Background of Pathao

“Pathao”, a company of a variety of international investors, is one of the fastest growing technology startups in Bangladesh. The most important thing of its mobile applications is its offering easy solution to Bangladesh's infrastructure issues. While beginning as the most significant e-commerce delivery company with its headquarter in



Bangladesh's capital city of Dhaka, Pathao has operations in Kathmandu and Chitwan in Nepal as well as Dhaka, Chittagong, Khulna, and Sylhet in Bangladesh. Pathao expanded its services into courier, meal delivery, ride-sharing, and online shopping services as well. Since the inception of the business, the intention was to help people with their services while keeping to a stakeholder benefit centered philosophy (Pathao, 2020). Founders wished to give people work possibilities jobs through Pathao. In addition, founders of Pathao also wanted to create a platform that would transform the city's conventional logistics and public transportation system. They had succeeded in developing a distinctive technology that differentiates Pathao from other logistics providers in the country because of their commitment and diligence. The ride-sharing platform from Pathao is now recognized among other well-known companies like Uber or OLA. Pathao's tag line “Delivery made easy” sums up the core principle of their business, which is to provide fast, secure, easy delivery services to its customers, be it E-commerce, vendors, or individual clients. Elius, the Chief Executive Officer of Pathao, claimed that they aimed to make logistics as simple as sending an email. Although there are other courier services in Bangladesh, the founders thought they could use technology to create a revolution in the way products are conveyed. In contrast, Pathao introduced its Pathao Rides services in 2016, with the tagline “Your Journey Our Responsibility ” which was able to build the nation's first motorcycle taxi service by utilizing available resources (Pathao, 2020).

According to Pathao, the company has an estimated 300,000 riders and customers according to the number of times its applications have been downloaded. Residents of the city go on a lot of daily trips and are generally content with the management (Pathao, 2020).

Vision of Pathao

The vision of Pathao is to build a smart city, where people and things move around efficiently and seamlessly. No getting stuck in traffic and no excessively waiting at a red light would exist.

Mission of Pathao

Pathao strives to be an inspirational company, not because it was the first ride-sharing company in Bangladesh, but rather because the company was founded on a grand mission of bringing people together and connecting cities. Its mission statement is “make transportation as reliable as running water, everywhere, for everyone.”

Goal of Pathao

The goal of PATHAO is “Moving Bangladesh forward and upward by building the platform for entrepreneurs.”

Company Activities

In 2015, Pathao was launched as a delivery business using a fleet of motorcycles and bicycles. They served as a delivery service for a number of Bangladeshi e-commerce businesses. Midway through 2016, Pathao launched its bike-sharing program. By March 2018, the company had successfully signed up more than 100,000 drivers and around 1 million riders nationwide. Pathao began providing its services in Nepal in September 2018. The first Bangladeshi business to provide on-demand transport sharing services outside is Pathao. Pathao became the first significant ride-sharing service offering on 3 December 2019.

Company activities
Ride sharing
Pathao Parcel
E-commerce delivery
Food delivery

Source: (Pathao, 2020)

Pathao uses the SuperApp business model, offering each of its services through a single app, namely on-demand ride-sharing, parcel, courier, and food delivery services.

Pathao Parcel is an on-demand service that uses the Pathao app to ship small to medium-sized parcels inside Dhaka at a low rate. Parcels are typically delivered on bicycles for short trips and bikes for greater distances. This service also requires both the delivery person and the sender to have GPS-enabled cellphones in order to match with a nearby delivery person.

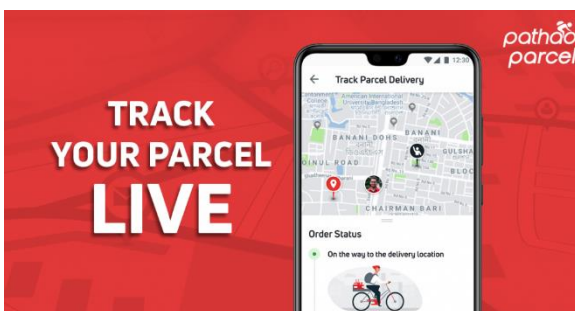
E-commerce delivery operation of Pathao uses bicycles, motorcycles, and pickup trucks to distribute in more than 50 cities in Bangladesh. Pathao also takes cash-on-delivery and merchandise refunds on behalf of its merchants.

Pathao began offering on-demand food delivery in Chittagong and Dhaka, using bicycle deliveries to get around traffic. It squarely contends with domestic and foreign delivery firms. According to a Daily Star article, Pathao Food holds a major portion of the total market share in the nation (The Daily Star, 2021).

In addition to operation in popular cities like Dhaka, Chittagong, and Sylhet, Pathao also includes on-demand ride-sharing, parcel, courier, and food delivery services in Kathmandu, Lalitpur, Chitwan, and several more cities in Nepal and Bangladesh (Pathao, 2020).

Parcel

Pathao parcel is on demand service where customers can send product or documents to the destination by requesting from the app. Pathao shop gives customers the chance of choosing different categories of products from the app and delivered to their doorsteps. Pathao parcel service is done by following these terms:



- Download Pathao app.
- Select the parcel option and location. Open the app and select the parcel option.
- Fill in the information and fill in the receiver's information and the type of products being delivered and wait for the parcel to be picked up.

There are several benefits that makes Pathao parcel service best. They are:

- Instant on demand delivery: Sit back, request and let pathao take over.
- Anywhere in Dhaka and Chattagram city area: Total coverage.
- Guaranteed Safety: All parcels are trackable via GPS. You're insured for losses and damages. All Pathao journeys and deliveries are tracked via GPS.
- Use friendly app interface: Super simple to use.
- Cash on delivery: They provide cash on delivery by collecting the payment in cash at the time of delivery.
- Emergency delivery via parcel: With the Pathao parcel, customers can get their products in the quickest time.
- Environmentally friendly service.
- Reliability is their first priority.

Regarding Pathao parcel payment modality, deliveries which are less than 7 kilometers in distance, the fare will be flat BDT130. For deliveries beyond 7 kilometers, the fare will be BDT 130 plus BDT 15 per kilometer. Customers may choose to pay the services by cash and where available by using pathao credit. Customers are able to track the parcel sent along with the rider on a map in real time. They can watch as the rider makes it way from your destination to the delivery location.

Step 1: Confirm the parcel.

Step 2: After the rider accepts the parcel order, customers will be able to track in real time.

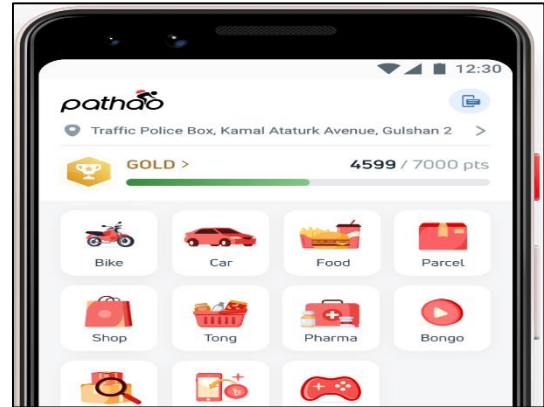
Step 3: Once the rider has picked up the parcel from customers location and started his/her journey, the receiver will also be able to track the parcel in real time. The receiver will be notified on the phone number which has been provided by the sender.

Pathao Parcel service is the fastest delivery service in Bangladesh. Gift, documents, package, accessories, electronics are be sent or delivered by using Pathao parcel service.

Pathao App

Pathao App brings a hassle-free cheap ride at your doorstep. It provides benefits or solutions through ride sharing, food delivery and e-commerce logistics services. The user can use this app by following these rules:

- Download the app. Pathao bikes are the fastest solution to the cities everyday traffic.
- Request your ride by selecting the bike option and setup your pickup and destination location.
- Wait for your ride. Pathao will connect the user to a nearby rider. Wait for the rider to arrive and start your journey.



It provides value as the app user can earn points with every eligible ride and food order, redeem points on in-app deals which can be used for discounts on future Pathao orders, access special benefits such as discounts at popular restaurants and fashionable brands, unlock exclusive in app perks. The advantages of using this app are:

- Real time GPS tracking: Pathao app tracks the real time location of the rider and customers for every ride in order to maximize security.
- Live location sharing: You can share your location with your friends and family throughout the ride through various social media channels and direct text from Pathao App itself.
- Emergency contact: You can also call 100 for help through app in case of emergency.
- Report issue option: Pathao focuses on customers experience and facilities the option to report issue after the completion of ride through Pathao app. You can select the ride through your history and report issues like being overcharged, rude behaviour and so on.

Industry in which Pathao is operating in

Ride-sharing Industry

A 2018 study conducted by the Policy Research Institute (PRI) revealed that the ride-sharing market in Bangladesh was valued at approximately USD 262 million, or 22 billion in local currency. Additionally, the government has recently implemented a 5% value-added tax (VAT) on ride-sharing, thereby generating additional revenue. Despite facing challenges during the early stages of the pandemic, the industry has since stabilized, and new opportunities have emerged (Sakib et al., 2023).

The ride-sharing industry not only helps users avoid the everyday struggle of managing transport to their college or workplace, but it has also proven to be a valuable source of employment for many citizens of Bangladesh. Since 2016, this industry has created over 120,000 new full-time jobs. Many unemployed individuals with a license to ride a bike have found ways to acquire a motorbike or secure funding from friends and family to join these ridesharing businesses. This industry has provided hope and opportunities for many, including those who are already employed but are looking for an additional source of income.

Business	Launching year
Uber	2016
Pathao	2015
Shohoz	2014
Obhai	2018
InDriver	2013

In 2016, Uber, a globally recognized American ridesharing company, introduced the concept of ridesharing to Bangladesh by launching their ridesharing with cars. However, despite being the first mover in the industry, local players like Pathao and Obhai have gained significant market share within a few years by emphasizing their local roots and focusing on more affordable 2-wheeler motorbike sharing instead of 4-wheeler car sharing.

Founded in 2015, Pathao initially started as a courier company but shifted to the ride-sharing industry. It expanded its services and entered the 4-wheeler ride-sharing market in 2018 in Chittagong in an effort to compete with Uber, which had been operating 4-wheeler ridesharing in only Dhaka since 2016. It is the country's premier super-app with nearly 10 million downloads and over 70 million successful trips (Jamal, Chowdhury, and Newbold, 2022).

In 2022, Pathao, relaunched its car ride-sharing service with a unique, enhanced model aimed at enabling users to find rides faster and at fair prices. The new model allows users to request car rides at a fare suggested by the app or to propose their own fare. The request is then simultaneously sent to multiple drivers, providing the user with multiple options to choose from based on the driver's counter-offer price, estimated time of arrival, vehicle model, and rating. Additionally, users have the ability to offer a revised fare. Similarly, the new model also allows drivers to have more control over their ride options. Drivers are able to select from multiple ride requests and accept the one that best suits their preferences, or they can suggest their own fare. This allows for greater flexibility and autonomy for both drivers and riders.

In contrast, the traditional ride-sharing model operates by dispatching a user's ride request to a single driver selected by the app, with the pricing determined by a pre-established algorithm. This approach does not offer the same level of flexibility and choice for both riders and drivers as the new model introduced by Pathao (Jamal, Chowdhury, and Newbold, 2022).

Shohoz, another local player that was founded in 2014 for online bus, launch, events, and movie ticketing services, entered the ride-sharing market in 2018 and quickly established itself as a major competitor. However, the company laid off its ride-sharing service in 2021 as the business fizzled out after the pandemic when the government suspended motorcycle ride-sharing to curb the spread of Covid-19.

Obhai, another player in the industry, entered the market in 2018, providing a unique service by offering CNG auto rickshaw sharing for the first time. Among the companies operating in the industry, Obhai primarily focuses on CNG auto rickshaw sharing and has not gained significant traction in 2-wheeler or 4-wheeler ridesharing. Once the pandemic restrictions were lifted, Obhai responded by launching Obon, a division specifically catering to female customers, offering bike-sharing services.

InDriver, a ride-sharing service based in California that employs over 1,900 people throughout the world, has recently started its operation in Bangladesh. The company is gaining popularity by deploying extremely competitive pricing for both the riders and customers — a strategy

they seem to have directly borrowed from Pathao's playbook (Jamal, Chowdhury, and Newbold, 2022).

On-Demand Food Delivery Industry

The on-demand food delivery industry in Bangladesh was first established in 2013 with the launch of Bangladesh's first homegrown food delivery startup, HungryNaki. Soon after, international giant FoodPanda, a service owned by German multinational Delivery Hero, entered the Bangladeshi market. In the following years, Pathao entered the market with Pathao Food and Uber also launched UberEats, a food delivery app in addition to their ride-sharing services. The industry was valued at more than BDT 43 million in early 2021, and experts predict that it will continue to grow exponentially, reaching a valuation of BDT 5 billion by 2025 (Sakib et al., 2023).

Like other industries, the on-demand food delivery sector in Bangladesh was impacted by the Covid-19 pandemic. Initially, operations were suspended, however, with the implementation of strict safety measures such as contactless delivery, cashless transactions, and adherence to food safety protocols, the industry was able to restart operations. The mandatory use of personal protective equipment such as masks and gloves by delivery personnel, as well as stringent food safety and hygiene protocols, contributed to the industry's growth and resilience.

Prior to the pandemic, in 2019, Bangladesh's food delivery sector had four dominant players: local startups: HungryNaki, Shohoz Food, Pathao Food, and Foodpanda. In June 2020, Uber also shut its food delivery service, Uber Eats, in the country, just a year after its launch — a sign that the business could not survive the pandemic, leading to its closure in April 2020.

With venture capital and private equity investments increasingly harder to come by, local food delivery startups in Bangladesh have struggled to offer the discounts that had brought in so many customers. As a result, local startup Shohoz shut its food delivery business in 2021. The next year, HungryNaki reduced its serviceable area from 30 regions to 17 regions — restricting its services largely to Dhaka and Chattogram. For a company with grand ambitions, this represented a major setback. HungryNaki was acquired by Daraz, the Alibaba-owned e-commerce major, in 2021. At the time of the buyout, the startup planned to expand to 64 districts across Bangladesh.

Currently, FoodPanda controls nearly 65% of the market share in the country's food delivery industry. It is currently operational in 64 Bangladeshi districts, with plans to keep investing in offering discounts to consumers.

The market share of Pathao Food, has halved to just 20% since 2019 as it struggled to offer heavy discounts. However, like the rest of Pathao's business (ride-hailing and courier services), Pathao Food is EBITDA positive and cash-flow positive.

It is believed by industry experts that the current global decrease in startup funding may exacerbate the already challenging situation for domestic companies in Bangladesh's food delivery industry, potentially resulting in a monopolistic market position for the dominant player, such as FoodPanda (Zafri et al., 2021).

IMC tools used by Pathao

Pathao currently Provides on- demand ride sharing, on- demand parcel, courier, food delivery services in major cities of Bangladesh.

Pre-COVID situation

Pathao is the first major ride –sharing company in Bangladesh. It has more than 1,00,000 registered vehicles across the country. Pathao would meld their offers with their digital ads, they would show their customer their attractive offers and lure them. Not just for customers, Pathao put together interesting bonuses for its riders too.



In 2019, Pathao sponsored Dhaka Dynamites for the year's season of Bangladesh Premiere league for the t shirt (chest) category. Pathao also shot a commercial with the participant of Dhaka Dynamites player. Pathao also Promoted their food delivery service with the commercial of three player of Dynamites –Zazai, Shakib Al Hasan and Birch. in addition, sponsoring various social events has been a great IMC tool for Pathao.

Post-COVID situation

Pathao made donation to the most active riders through Bkash in their Pathao account, which is called the “Donate to Riders” project.

They have launched Pathao “Tong”, a delivery service in response to the covid-19 pandemic. User could also order medicine using “Pharma” app.

The riders can use new and improved Pathao parcel to send and receive improved parcel from their family.



Current situation

Direct marketing has been significant tool of IMC for Pathao. Pathao regularly sends text messages to its customers to remind them of their app. Even now, they find ways to keeping customers involved with their app. Notifying users of promo codes, app updates, traffic updates and so on mean users actively see their brand pop up in their phone. Pathao marketing campaign is highly targeted and extensively sponsored on youth. Instead of putting billboard, they sponsor shows and events that their customer regularly interact with (Pathao, 2020).

Impact of covid-19 on Pathao value deliveries

Ride sharing services

Ride-sharing services have been most utterly affected by covid-19 since this service directly involves direct contact of people, which is assumed to be one of media of the spread of covid-19 virus. However, in the context of post-pandemic, the CAGR of ride-sharing industry in Bangladesh is expected to be 5.47% from 2022-2027 (Statista, 2022).

- Covid-19 forced Pathao to adopt a set of strict rules as well as regulations when delivering ride-sharing services.
- Pathao was forced by the pandemic to adopt a budget cutting policy by minimising amount of money paid to riders.
- Pathao was required to provide safety measures such as masks and gloves to riders and clients. In addition to this, donation was given to the most active riders since Pathao wanted to support the riders in the pandemic situations.
- Pathao had to move to contactless transaction where riders could be able to get the payment from respective clients by using digital transaction platforms such as bKash, Rocket, Nagad, and other digital payment services.

In essence, during the pandemic, Pathao had to stop its operation completely for a long time. Afterwards, with proper precautions in place, Pathao again started its operation in ride-sharing and food delivery services. Therefore, the temporary closure of ride-sharing and food delivery services of Pathao owing to the pandemic caused damage to the sustainable profitability of the company.

Delivery, parcel, and food delivery services

The disastrous effects of covid-19 have touched every sort of industry all around the globe, and the delivery and parcel service is not an exception. This industry has had to resort to some new cautions due to the pandemic and even after covid-19 is no longer a threat to the public health, some changes in the delivery and parcel services are expected to be for good.

- The pandemic has made Pathao to initiate the project of “Support Out Delivery Heroes” where the delivery men of Pathao were given various forms of assistance during the pandemic.
- 6 feet of more distance had to be maintained by Pathao delivery man from people when delivering products and parcel.
- In case of gloves, delivery man needed to wash them between shifts and wash the hands as soon as removing the gloves.
- In addition, since direct human interaction was a great threat to the public health, Pathao offered around 5000 gloves and masks to different delivery heroes, which, however, increased the operational costs of Pathao to some extent owing to this practice.
- Pathao had to provide flexible hours to its delivery heroes so that they can take rest if they fall sick.
- Interaction between customers and delivery men was reduced to the barest minimum whenever possible.
- Personal hygiene was promoted by Pathao and hand sanitisers were distributed among delivery heroes.
- All the more important, Pathao encouraged delivery heroes to report any health issues as they may have.

Challenges faced by Pathao during Covid pandemic

The COVID 19 pandemic has severely impacted almost all ride-sharing businesses, harming people who depend on the sector for a living. A total of 2,34,103 vehicles are listed as ride-sharing operators according to BRTC. After a six-month hiatus owing to the COVID, ride

sharing resumed bike services in Dhaka on March 4, 2020. In addition, business for food delivery services also had been slowed down (Anwari et al., 2021).

Unprecedented closure of ride sharing app

One of the sectors that has been severely impacted by the Corona virus outbreak in the industry is ride sharing. Pathao's primary industry is ridesharing, and during COVID 19 Following the following announcement, Pathao and other ride-sharing businesses stopped to provide services throughout Bangladesh's cities. Pathao's main business is ride sharing and during the month of December 19, services from Pathao and other ride-sharing companies were suspended throughout the cities of Bangladesh as a result of the government's statement. Additionally, even before that, the number of ride-sharing businesses fell down as many Urban residents were reluctant to commute in the mid of pandemic.

Pathao food service and courier stopped

Not only did Pathao Ride Sharing experience a slow situation, but Pathao Food App also encountered with a loss in revenue as customers were hesitant to purchase food online owing to sanitation concerns. Due to the lack customer demand during the epidemic, two of the primary services were put on hold.

Cut in expenditure

As there was no profit, Pathao was compelled to reduce costs. For everyone of their employees who made more than BDT 30,000 per month, they changed their payment schedule. The progressive pay restructuring proposal included a compensation reduction that would mostly affect mid-level and top-level executives, ranging from 30% to up to 70%. It was decided that the decreased pay structure will remain in place from April 1 to September 30 (Jamal and Paez, 2020).

Deficit in budget

Pathao experienced a budget deficit as a result of having to stop their ride-sharing operations due to COVID19. In addition, they had to provide safety equipment for their riders' workers and delivery drivers who were assisting them in their operation.

Loss of employment

As most of the people were staying at home due to spread of the corona virus, hundreds of riders in Bangladesh who had registered with various ridesharing service providers were having difficult time making it through the day. Pathao President Fahim Ahmed said "those who depended on ride sharing for their livelihood went through severe economic hardship in the lockdown last year." The suspension of the service also created a culture of offline trips, where hygiene precautions and safety protocols are not maintained.

Government law

The most challenging aspect of government law was the requirement to maintain safety and security for both drivers and passengers. In the metropolis, motorcycles are frequently involved in accidents. Accidents are frequent in the city due to lax traffic restrictions and a lack of awareness of pedestrians and other cars, and Pathao is always working to ensure that no accidents are reported to its services (Jamal and Paez, 2020).

Initiatives taken by Pathao to address challenges in post-pandemic context

We know that Pathao is one of the famous ride-sharing local app in Bangladesh. During the lockdown, many of delivery men, bike service providers and the other service providers of Pathao fell into economic problems because they were not able to deliver service due to lockdown. Pathao had taken an initiative called “Donate to Riders” for helping those service providers. Besides, Pathao launch several services to handle this pandemic situation, which are (Pathao, 2020):

Pathao Tong and Pathao Pharma

Pathao “Tong” is a current demand essential delivery services in response to the coronavirus pandemic situation. Pathao “Pharma” can take an order for nonprescription and OTC medicine from users. Pathao are worked to deliver the items to customers' doorsteps in less than 40 minutes.

Contactless Delivery

Pathao Inaugurated contactless delivery system to maintain the proper quality of service and also maintain the social distance in this pandemic. Pathao ensures the payment is done digitally. Such as through debit cards, credit cards, Bikash, Nagad and other Mobile payment systems.

Supporting Delivery Heroes

Pathao doing its best to make sure riders are being safe and protecting themselves from the coronavirus when they served the desired customers. Because riders are working ceaselessly. Delivery heroes of Pathao got more than 5000 gloves and masks.

New and Improved Pathao Parcel

Pathao developed its parcel system to serve the customers and adjust to the pandemic. Customers can now use the new and exalted Pathao parcel to send and receive important parcels from their family, pioneers, and friends because during this time when most people are in home quarantine and isolated from each other.

Social Contribution by Pathao during COVID-19

Pathao is engaged with some social contribution projects during covid-19, which collectively leads to significant social benefits. These include:

- Partnership with Obhizatrik
- Contributing to Bidyanondo

Turning challenges into opportunities

Pathao is one of the most pre-eminent transportation network companies in Bangladesh. Their main focus is delivering products on demand. As well as, Pathao rides come in very handy in an emergency. Pathao can convert different challenges into opportunities by using strategic approach.

Dissatisfaction with an unorganized market

Customers are unsatisfied with the unorganized cab market which presents an opportunity to take advantage of in Bangladesh. This is one of the main reasons for the success of Pathao since Local cab drivers are known to be rude and do not comply.

Increasing internet penetration

With Government's move to digitize Bangladesh, the Number of smartphones are increasing and technology-based applications like Pathao can expand their services to other cities and enlarge its footprint over the country.

Rising Disposable income

With rising disposable income, customers are willing to spend higher on convenience in Bangladesh.

Alternate transport

Pathao has launched 'Pathao Moto' in Bangladesh and can look for other transport mediums catering to local needs.

Poor government transport

In markets like Bangladesh where there is over population and people are tired of using public transport, Pathao provides a kind of privacy and relief where the user gets his own space to travel and does not have to drive in Traffic.

Threats and recommendations in light of post-pandemic situation

Every industry that supported the Bangladeshi economy has been hindered by the "Covid-19". Pathao is no different. Since the beginning, Pathao has been drumming up well with their business before the pandemic but this Covid-19 brings some noticeable threats for Pathao to run their operations as BRTA banned ridesharing by Pathao to limit the spread of COVID-19. The sudden stop of Pathao ride-sharing and Pathao delivery services came as a great threat during covid-19. however, the business again gained its momentum since the lifting of the ban on ride-sharing and delivery services. in addition, one of the sectors that has been severely impacted by the coronavirus outbreak in many areas is ride-sharing.

Over and above, Pathao deems budget deficit as a great threat to the sustainable operation in the context of post-pandemic business. Pathao has to face budget deficit since anticipated amount of revenues could not be generated from ride-sharing business, coupled with the extra costs for ensuring safety and security for both drivers and passengers for dealing with covid-19. It also leads to the layoff of employees, thus contributing to employee tension inside the organization. in addition, in the post-pandemic scenario, many riders of Pathao are still unemployed and can no longer work with Pathao, which is negatively affecting the employer brand image of Pathao.

Recommendations

Although they are growing, rideshare services have tremendously increased in popularity in Dhaka. Due to increased affluence and an increase in internet usage, Dhaka has a sizable consumer base. As a result, it can be said to be the ideal environment for the growth of sharing economy services. But Pathao is now more than simply a ride-sharing app. It added more

segments to its app like Pathao food, Pathao delivery, Pathao tong, and Pathao health. So, some recommendations for Pathao to develop their programs and fulfil those gaps in the context of post-pandemic situations are as follows.

- The safety and well-being of the community should be the first priority.
- Pathao should improve its customer service quality by integrating a more interactive mechanism for communication with customers, which would reduce costs in the long run.
- Many students use Pathao cars and bikes. The company should enhance its services to meet all the customers' needs and demands and charge a fair amount.
- Restructuring its mobile app would highly increase customer satisfaction as they add many new segments to all kinds of consumers to avoid the difficulty of understanding the app.
- Delivery persons and riders should be well-trained and well-educated, which would give customers a holistically better experience.
- Pathao should use an alternate pricing strategy by minimizing its fare.
- The website and mobile app should be user-friendly for all types of users.
- Pathao can provide special transport services such as paid ambulances or urgent and emergency vehicles for dedicated transport operations.
- Pathao can also introduce female freelancer bikers to attract the female segment. Hence Pathao could also have seized this opportunity to differentiate the service by offering such additional unique facilities. So, it's going to be more comfortable for females to use bikes daily.

Questions to consider

1. Now, the performance of Pathao is better in comparison to the pre-pandemic situations given the current CAGR of 5.47% in the ride-sharing industry, Should Pathao have taken more effective initiatives to address the challenges faced during covid-19?
2. Could Pathao have better utilised the technology to cater to the needs of customers provided the tendency of people to avoid direct human interaction during the pandemic?
3. Should Pathao have focused on a new business or customer segment instead of focusing on developing new and customer-friendly features of current services of Pathao?
4. Since many changes during covid-19 are expected to be for good in the industry, what should be the future focus of Pathao? Should Pathao have to change the combination of IMC tools in the post-pandemic context?

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Teaching notes

Synopsis: This case investigates the operation of Pathao in the pre and post pandemic context. It also discusses how covid-19 has affected the operation of Pathao in ride-sharing, delivery and parcel, and food delivery sector. This case further sheds light on how Pathao responded to the challenges facing during covid-19 so as to meet the new needs among customers. This case has been prepared with the help of a junior executive of HR of Pathao and various secondary sources. Some questions have been developed to evaluate various responses of Pathao and situations in the case.

Target group: This case study has been developed in order to educate students doing a course on Integrated Marketing Communication (IMC).

Learning objectives: The case revolves around the challenges faced by Pathao during covid-19 and the responses to the challenges. Pathao responded by taking several initiatives in order to address several challenges during pandemic, which was the main learning point of the case because the initiatives taken by Pathao at this stage helped the company sustain in the post-pandemic context. Students can get to explore how Pathao came up with new services such as *Pathao Tong* and *Pathao Pharma* and changed IMC tools in the post-pandemic context.

Other learning takeaways:

Companies catering to the needs and wants of customers by delivering services must be flexible enough to take actions in order to align with the changing environment.

Teaching strategy: Harvard case solving method should be used. students should read the case beforehand and the contents and questions of the case will be discussed during the class time. Outside information backed by proof will be of great use to bring better solutions despite the fact that the scope of the case is significant.

Questions for discussion

1. Now, the performance of Pathao is better in comparison to the pre-pandemic situations given the current CAGR of 5.47% in the ride-sharing industry, Should Pathao have taken more effective initiatives to address the challenges faced during covid-19?
2. Could Pathao have better utilised the technology to cater to the needs of customers provided the tendency of people to avoid direct human interaction during the pandemic?
3. Should Pathao have focused on a new business or customer segment instead of focusing on developing new and customer-friendly features of current services of Pathao?
4. Since many changes during covid-19 are expected to be for good in the industry, what should be the future focus of Pathao? Should Pathao have to change the combination of IMC tools in the post-pandemic context?

Suggested framework: Porter's five forces model and other situational analysis model such as SWOT may be used to analyze the problem and deliver better solutions. In addition, regarding IMC related problems, advertising theories such as cognitive, conative, affective may be of a greater use to deliver solutions.

Multimedia: The case does not require any use of multimedia for better understanding. It has to be noted that various online platforms used by Pathao would be helpful for teachers to understand the case properly.

Preferred solutions: Due to the fact that the situation in the case has already occurred and Pathao has taken necessary initiatives to tackle the problem, contradicting the solutions will be of no use. However, some comments may be made on the already-taken initiatives by Pathao in order to apply more effective and modified initiatives in case this type of pandemic emerges again in future. Alternate solutions and strategies can be offered by students in order to increase the market share and brand identity of Pathao in the context of Post-pandemic time.

Question 1: Now, the performance of Pathao is better in comparison to the pre-pandemic situations given the current CAGR of 5.47% in the ride-sharing industry, Should Pathao have taken more effective initiatives to address the challenges faced during covid-19?

Probable answer: Student can include any new ideas of initiatives, other than the initiatives already taken, which would have more effectively tackled the challenges faced during covid-19.

Question 2: Could Pathao have better utilised the technology to cater to the needs of customers provided the tendency of people to avoid direct human interaction during the pandemic?

Probable answer: In this regard, difference in the answer of students from the steps taken by Pathao is not expected since Pathao has excellently used its technology by coming up with innovative ideas like *Pathao Tong* and *Pathao Pharma*.

Question 3: Should Pathao have focused on a new business or customer segment instead of focusing on developing new and customer-friendly features of current services of Pathao?

Probable answer: Two different opinions are expected among the students. However, students should argue for focusing on a new business or customer segment because it would help sustain the market share in the long run.

Question 4: Since many changes during covid-19 are expected to be for good in the industry, what should be the future focus of Pathao? Should Pathao have to change the combination of IMC tools in the post-pandemic context?

Probable answer: Pathao should put focus on continuous innovation and product development since it is operating on a SuperApp business model. The combination of IMC tools may be changed to some extent in the post-pandemic context because the IMC tools used by Pathao before pandemic can largely be applied to the post-pandemic context.