Internship Report

on

An analysis of Operational Management on PriyoShop.com Ltd.

Submitted By:

Sarmin Akter Sohana

ID: BBA2103024018
Program: Bachelor of Business Administration
Department of Business Administration
Major in Human Resource Management (HRM)

Semester: Summer 2025

Submitted To:

Department of Business Administration

Sonargaon University (SU)

Submitted for the partial fulfillment of the degree of

Bachelor of Business Administration



Sonargaon University (SU)

147/1, Green Road, Tejgaon, Dhaka-1215, Bangladesh

Date of Submission: August 30, 2025

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Lecturer

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Date of Submission: August 30, 2025

Letter of Transmittal

Date: 30 August 2025

To
Naima Khan Tarin

Lecturer

Department of Business Administration

Sonargaon University (SU), Dhaka.

Subject: Submission of Internship Report on “An Analysis of Operational Management at PriyoShop.com Ltd.”

Dear Madam,

I am delighted to present my internship report on the impact of **An Analysis of Operational Management at "PriyoShop.Com Ltd.**, working with them as a team, as part of the academic requirements of my BBA program. This report summarizes my work and experience during my internship at "PriyoShop.com Ltd", which lasted for 45 working days.

I sincerely acknowledge your guidance, support, and valuable suggestions, which have been crucial in the successful completion of this report. I have tried my best to present the findings objectively, though there may still be some limitations due to time and access constraints.

I humbly request that you accept this report for your kind evaluation. I would be grateful for your feedback and constructive suggestions.

Sincerely yours,

Sarmin Akter Sohana

ID: BBA2103024018
Department of Business Administration
Sonargaon University (SU)

Certificate of Supervisor

This is to certify that the internship report on **An Analysis of Operational Management at PriyoShop.Com Ltd.** has been prepared as a part of the completion of the BBA program from the **Department of Business Administration, Sonargaon University (SU),** carried out by **Sarmin Akter Sohana,** bearing **ID: BBA2103024018,** under my supervision. The report or the information will not be used for any other purposes.

……

Naima Khan Tarin

Lecturer

Department of Business Administration

Sonargaon University (SU

Student's Declaration

I am **Sarmin Akter Sohana**, a student of Bachelor of Business Administration, **ID: BBA2103024018** from **Sonargaon University,** would like to solemnly declare here that this report on **An Analysis of Operational Management at PriyoShop.Com Ltd.** has been authentically prepared by me. While preparing this report, I didn't breach any copyright internationally. I am further declaring that I did not submit this report anywhere for the awarding of any degree, diploma, or certificate.

…….

Sarmin Akter Sohana

ID: BBA2103024018

Program: BBA

Major: Human Resource Management (HRM)

Department of Business Administration

Sonargaon University (SU)

Letter of Authorization

Certified that this internship report titled **An Analysis of Operational Management at PriyoShop.Com Ltd.** is the bona fide work of **Sarmin Akter Sohana**, who carried out the research under my supervision. Certified further that to the best of my knowledge, the work reported here does not form part of any other project report or dissertation based on which a degree or award was conferred on an earlier occasion on this or any other candidate.

……

Naima Khan Tarin

Lecturer

Department of Business Administration

Sonargaon University (SU)

Acknowledgement

In preparing the internship report on 45 days of experience with **"PriyoShop.Com Ltd."**. Firstly, I would like to express my sincere gratitude to my academic supervisor, Naima Khan Tarin, Lecturer in the Department of Business Administration at **Sonargaon University. Without** her kind direction and proper guidance, this report would not have been possible. I would also like to show my deepest appreciation and gratitude to my field supervisor, **Sakib Ahmed Eshan**, HR & Admin, for his cooperation, and to my senior line manager, **Md. Mahbub Alam** helped me understand the basics of the business method and the full process of Supply chain management for this company. They supported and guided me throughout my internship journey. Thank them for putting their trust in me with real tasks, which allowed me to play an active role in **PriyoShop.Com Ltd.**

I would also like to thank every colleague for their support and valuable time in sharing important information with me. Without their co-operation, it was impossible to prepare this report. Throughout the last three months as a part of my role at Priyoshop.com, I got the opportunity to meet many clients from different backgrounds and professions.

I would like to thank each one of them for their valuable contribution in making my internship program a successful and memorable one.

Executive Summary

During my internship period at “PriyoShop.Com Ltd.", which has been known as a B2C marketplace since February 2013. Later in 2021, It Started its journey as a B2B marketplace. So, now it is Bangladesh's biggest B2B marketplace where consumer purchases their products within a short time. So, I have worked for different corporate clients, and Focallure is one of them.

In my report, I have tried to portray the Growth and challenges of Operational Management in Supply chain procurement and how it reaches people through the rebranding of different brands. To find out the real information and gain the most acknowledgment about the company's supply chain procurement Process as well as their operational management system. Solving the issues with the previous logo, introducing a new value proposition, and reaching more people at a time, nowadays, "PriyoShop.com Ltd." is one of the fastest-growing B2B marketplaces in Bangladesh.

Currently, they are serving more than 44000 MSMEs in Dhaka, Chattogram, Feni, Chadpur, and so on. Moreover, for the rebranding of Focallure the time of Brand Week, they used social media most, over traditional media. In this report, I have tried my level best to exemplify the basic functions of business operation, which are exercised in "PriyoShop.Com Ltd. I have analyzed the operation process supply chain procurement “PriyoShop.Com Ltd" from the view of theoretical definition, practical application, basic principles followed, and technology used in the whole process.

The report also discussed the "PriyoShop.Com Ltd" goals, mission, and vision. This report focuses on this Organization’s one of the sister concerns with specific products and the full business operation process.

Table of Contents

Particulars	Page No.
Title Page	I
Letter of Transmittal	II
Certificate of Supervisor	III
Declaration of Student	IV
Letter of Authorization	V
Acknowledgment	VI
Executive Summary	VII
Table of Contents	VIII - IX

SL. No.	Particulars	Page No.
	Chapter- 01 Introduction	1
1.1	Introduction of the Report	2
1.2	Origin Of the Report	2
1.3	Objectives of the Report	2-3
1.4	Scopes of the Report	3
1.5	Methodology of the Report	3-4
1.6	Limitation of the Report	4
	Chapter- 02: Literature Review	5
2.1	Literature Review on PriyoShop.com Ltd.	6-8
	Chapter- 03: Company Overview	9
3.1	History And Background	10
3.2	Logo of the Company	11
3.3	Tagline of the	11
3.4	PriyoShop.com Ltd – Key Dates: A Journey at a Glance	11-12
3.5	Organizational Structure and Hierarchy	12-13
3.6	Company's Objectives	13
3.7	Vision, Mission, Goal & Core Values	13-15
3.8	Product and Services Offer	15-17
3.9	Market Coverage & Distribution	17-18
3.10	Financial Situation of PriyoShop.com Ltd.	18-19
	Chapter- 04: Operational Management Analysis	20
4.1	Operations Management process	21
4.2	Order Management System	21-22
4.3	Supply Chain Procurement Process	22-23

SL. No.	Particulars	Page No.
4.4	Inventory & Warehouse Management	23-24
4.5	Logistics Management & Last-Mile Delivery	25-26
4.6	Technology Integration (AI, Digital Payments, Embedded Finance)	26-28
4.7	Positioning & Uniqueness of PriyoShop	28-30
4.8	Planning, Forecasting & Budgeting	30-32
4.9	Sustainability in Operations (Green Logistics, Electric Delivery Vehicles)	32
	Chapter – 05: Competitors and Growth Data Analysis	33
5.1	SWOT Analysis	34-35
5.2	Micro Environment	35
5.3	Macro Environment	35
5.4	PriyoShop's Competitive Advantage	35
5.5	Competitor Market Share	36
5.6	Growth of E-Commerce Business	37-38
5.7	Analysis of Product Categories in the E-commerce FMCG Sector	38-39
5.8	Growth of PriyoShop	39-40
5.9	PriyoShop Growth (2013–2025): Orders vs. MSMEs	41
5.10	Challenges of E-Commerce Business	42
	Chapter -06: Findings	43
6.1	Findings	44
	Chapter -07: Recommendations and Conclusion	45
7.1	Recommendations	46
7.2	Conclusion	47
	Bibliography	48
	References	49
	Websites and Links	50

CHAPTER: 01

Introduction

1.1 Introduction of the Report

Bangladesh's retail sector is made up of millions of micros, small, and medium enterprises (MSMEs) that depend on scattered, relationship-based supply networks. In recent years, the spread of smartphones, mobile financial services, and last-mile logistics has sped up the move toward digitally coordinated purchasing and distribution. In this setting, PriyoShop.com Ltd. has changed from a consumer-focused e-commerce site to a B2B marketplace aimed at digitizing last-mile retail and helping MSMEs buy inventory more effectively.

Operational management is key to this change. It makes sure that orders are recorded correctly, inventory is placed where there is demand, logistics are reliable, and information systems connect activities among teams and partners. This report examines how PriyoShop's operating model supports its B2B marketplace, focusing on order management, procurement, logistics, and the supporting role of technology.

1.2 Origin of the Report

This report is prepared to fulfill the Bachelor of Business Administration (BBA) internship requirement at Sonargaon University. It is based on my internship at PriyoShop.com Ltd., which lasted about three months. The report involved observing, documenting, and examining operational processes and connecting them to academic theory and industry practice.

1.3 Objectives of the Report

1.3.1 Broad Objective

The broad objective of this report is to **analyze the operational management practices of PriyoShop.com Ltd.** and understand how these practices contribute to the company's efficiency, service quality, and overall performance in the B2B e-commerce sector.

1.3.2 Specific Objectives

- To **examine the operational workflow** of PriyoShop, including order management, logistics, and supply chain processes.

- To **identify the role of technology** in streamlining operations and enhancing efficiency.
- To **evaluate the effectiveness of embedded finance and credit management** in supporting MSME retailers.
- To **analyze challenges and bottlenecks** in daily operational activities and provide insights for improvement.
- To **link theoretical knowledge of operational management** with practical experiences gained during the internship.

1.4 Scopes of Report

The motivation behind this report is to give an impression of my temporary position insight. The objective was to gain practical knowledge from this internship program at Priyoshop.com and understand the working environment of the acquisition department. In this report, I have tried to come up with the overall operations in the Supply chain Procurement of Priyoshop.com. I have also taken some expert opinions on the topic I have covered in this report.

1.5 Methodology of the Report

This report is prepared mainly from **practical learning during the internship period**, supported by theoretical concepts of operational management acquired during academic coursework. The internship allowed direct involvement in different operational activities, which helped to connect classroom learning with real-world practices. The methodology followed is as follows:

1.5.1 Primary Sources

- Practical experience gained by working within PriyoShop's operational and management team during the internship.
- Direct interactions with supervisors, team leaders, and employees to understand workflows, challenges, and problem-solving approaches.

- Observation of order management, logistics, and supply chain activities in daily operations.

1.5.2 Secondary Sources

- Internal documents, official publications, and guidelines provided by PriyoShop.com Ltd.
- Articles, reports, and news published in newspapers, journals, and online platforms regarding PriyoShop and the B2B e-commerce industry in Bangladesh.
- Company website and other online resources relevant to operational and business strategies.

1.6 Limitation of the Report

Despite efforts to conduct a comprehensive analysis, the report faced some limitations:

- **Time Constraint:** The internship lasted three months, which limited the depth of observation across all operational activities.
- **Confidentiality:** Access to detailed financial and strategic information of PriyoShop was restricted due to company policies.
- **Scope Limitation:** The report focused mainly on operational management, leaving out other functions such as marketing, HR, and IT in detail.
- **External Factors:** Operational efficiency observed during the internship might have been influenced by temporary conditions (e.g., seasonal demand, logistics delays) that do not reflect long-term trends.

Chapter-02

Literature Review

2.1 Literature Review on PriyoShop.com Ltd.

Operations management (OM) is the discipline concerned with designing, executing, and continuously improving systems that create and deliver value. A wide range of theories, models, and frameworks are relevant to understanding how companies like PriyoShop structure their operations**. Porter's Value Chain highlights how value is generated through both primary activities** (such as logistics and operations) and support functions (like HR and procurement), while the SCOR model standardizes supply-chain processes into categories such as Plan, Source, Make, Deliver, Return, and Enable, with metrics to evaluate reliability, responsiveness, agility, cost, and asset management. Lean management and Just-in-Time emphasize reducing waste and synchronizing inventory with demand, whereas Six Sigma focuses on minimizing variation through the DMAIC process. The Theory of Constraints prioritizes identifying and improving bottlenecks in a process, and agile supply chain models stress speed and flexibility in volatile markets. Concepts like the Bullwhip Effect warn of demand amplification up the chain, highlighting the importance of accurate forecasting and transparent information flow.

Logistics and distribution theories also provide critical insights. Network design decisions determine the cost–service balance through warehouse placement and hub capacities. Last-mile optimization addresses routing, time windows, and delivery density to minimize costs, while inventory placement strategies such as multi-echelon optimization balance working capital against service levels. Reverse logistics adds another dimension by considering returns and exchanges, which directly influence customer satisfaction and cost recovery.

Technology plays an increasingly important role in operations. Enterprise resource planning (ERP) and order management systems (OMS) integrate functions like order capture, inventory visibility, purchasing, and billing. Data analytics and machine learning enhance forecasting, pricing, and demand sensing, while automation, barcoding, and RFID reduce human error and latency. IoT sensors support real-time visibility in logistics, and digital payment systems simplify cash flow for retailers. Embedded finance enables MSMEs to access working capital, though it also introduces credit-risk considerations. Emerging technologies like blockchain offer transparency in traceability, though practical adoption remains limited.

Global B2B e-commerce models provide benchmarks for PriyoShop. Alibaba in China aggregates suppliers at scale and ensures trust through escrow payments and logistics partnerships, Amazon Business adapts a retail interface for B2B accounts with negotiated pricing and fulfillment integration, while India's Udaan demonstrates MSME-focused distribution with embedded credit and mobile-first workflows. These cases highlight practices relevant for PriyoShop, including mobile ordering, financial enablement, and scalable

logistics, though local adaptation is critical given Bangladesh's infrastructure, regulation, and payment norms.

Within Bangladesh**, e-commerce growth has been driven by urbanization, mobile penetration, and digital payment adoption.** Supporting enablers include growing third-party logistics services and rising merchant digitization. Constraints remain in the form of uneven rural coverage, cash-on-delivery dominance, and variable digital literacy among MSMEs. Policy initiatives such as Digital Bangladesh and Smart Bangladesh 2041 seek to promote a digitally enabled economy, providing an enabling backdrop for platforms like PriyoShop.

Academic and practitioner studies converge on several themes: digital B2B platforms reduce information asymmetry and procurement costs; demand forecasting and inventory visibility are essential to avoid stock-outs and surpluses; embedded finance can expand MSME purchasing power but requires careful risk management; and last-mile logistics often constitutes the most expensive supply chain stage, demanding efficiency improvements in routing and consolidation. These insights provide the theoretical foundation against which PriyoShop's practices can be analyzed in subsequent chapters.

PriyoShop.com Ltd. started as a consumer-focused e-commerce platform but transformed into a B2B marketplace in 2021, targeting micro, small, and medium enterprises (MSMEs) in Bangladesh. The company's main goal is to digitize last-mile retail by providing simplified procurement, streamlined distribution, and access to working capital. Several reports identify PriyoShop as one of the leading "smart distribution" platforms in Bangladesh, serving a wide network of small retailers across the country (PriyoShop, n.d.; The Business Standard, 2023).

The PriyoShop platform connects retailers with brands, wholesalers, and logistics partners. Key features include digital catalogues, efficient order management, last-mile delivery solutions, and embedded finance options. By digitizing the supply chain, PriyoShop reduces stock-outs, ensures better price discovery, and helps MSMEs increase their sales volume and profitability (PriyoShop, n.d.; The Business Standard, 2023).

One of PriyoShop's major innovations is the introduction of embedded finance for MSMEs. Through partnerships with banks and fintech firms, PriyoShop extends small-scale inventory financing to underserved retailers. These credit facilities are backed by digital transaction data and AI-based scoring models, enabling faster and more inclusive lending

without traditional collateral. This approach reflects a broader trend in emerging markets where B2B platforms use data to enhance financial inclusion (The Financial Express, 2025; Future Startup, 2025).

Since its B2B pivot, PriyoShop has experienced rapid growth in gross merchandise value (GMV) and revenue. Reports suggest that the company operates in over 800 distribution routes, covering both urban centers and rural areas. Although precise financial data is limited, multiple independent sources confirm strong growth momentum, positioning PriyoShop as a major player in Bangladesh's retail-tech sector (The Bangladesh Today, 2024).

PriyoShop secured USD 5 million in pre-Series A funding in 2024, led by Century Oak Ventures and supported by global investors. By 2025, total investments crossed USD 6 million. These investments highlight investor confidence in PriyoShop's ability to digitize MSME procurement and distribution, and place the company within the broader South Asian retail-tech ecosystem (Tech in Asia, 2024; The Daily Star, 2024; Retail Asia, 2024).

Bangladesh's e-commerce industry is valued at around USD 7.5 billion in 2024, with strong growth expected in the coming years. However, cash-on-delivery remains the dominant payment method, creating operational challenges for digital platforms. For PriyoShop, these conditions reinforce the importance of integrating digital procurement with practical last-mile logistics and financing solutions (PayNXT360, 2024; Payments CMI, 2024).

PriyoShop claims to reduce procurement inefficiencies, improve retailer profitability, and strengthen access to finance for MSMEs. While these claims are supported by case studies and qualitative reports, gaps remain in independently audited financial and impact data. Further research is needed on the company's long-term unit economics, credit performance, and broader effects on the retail supply chain (Future Startup, 2025).

Chapter: 03

Company Overview

3.1 History and Background

PriyoShop.com Ltd. was founded in **2013** by Asikul Alam Khan, Dipty Mandal, and S M Ashik Ahmed. Initially, it began its journey as a **B2C (Business-to-Consumer) e-commerce platform** under the umbrella of Splendor IT, an IT firm previously run by Khan. In its early days, the company was bootstrapped and focused on building a sustainable business by efficiently procuring and selling products at reasonable prices, thus achieving profitable margins. This initial phase saw PriyoShop offering a wide array of products, including clothing, fashion accessories, electronics, gadgets, home appliances, and daily necessities. The company was among the pioneering e-commerce platforms in Bangladesh to invest in its own warehousing and logistics services, setting it apart from many early competitors who primarily operated as deal sites or relied on third-party delivery.

A significant strategic shift occurred in **2018** when PriyoShop began transitioning its focus towards **rural e-commerce**, aiming to empower mom-and-pop shops by enabling them to sell a diverse range of products through digital catalogs. This move was a response to the observed challenges faced by small businesses and traditional distributors, particularly the fragmented supply chains and limited access to diverse inventory.

The full pivot to a **B2B (Business-to-Business) marketplace** was formally completed in **July 2021**. This transformation positioned PriyoShop as a full-stack technology solution connecting Micro, Small, and Medium Enterprises (MSMEs) with suppliers and brands. The core objective of this pivot was to address the inefficiencies in Bangladesh's traditional retail supply chain, offering MSMEs improved access to goods, consistent pricing, and reliable delivery services. By leveraging its existing strong connections with manufacturers and FMCG brands, PriyoShop created a platform that simplifies supply chains and fosters financial inclusion for underserved retailers. The company adopted an **asset-light model**, minimizing the need for large warehouses and utilizing third-party logistics partners for distribution.

3.2 Logo of the Company



3.3 Tagline of the Company

“Smart Distribution for MSMEs.” "One Platform, Better Business."

3.4 PriyoShop.com Ltd – Key Dates: A Journey at a Glance

PriyoShop.com Ltd. has achieved several significant milestones throughout its journey, marking its evolution and growth in the e-commerce and B2B sectors in Bangladesh.

- **2013:** Founded by Asikul Alam Khan, Dipty Mandal, and S M Ashik Ahmed, launching as a B2C e-commerce platform.
- **Early Years (2013-2018):** Operated as a B2C platform, pioneering in-house warehousing and logistics services in Bangladesh's nascent e-commerce market.
- **2018:** Began shifting focus from core B2C operations to rural e-commerce, aiming to empower mom-and-pop shops with digital catalogs.
- **July 2021:** Officially pivoted to a full-fledged **B2B marketplace**, connecting MSMEs with suppliers and brands to address supply chain fragmentation.
- **Early B2B Growth (Post-July 2021):** Experienced rapid growth, reporting a 337% business growth in just 5 months post-pivot and accumulating US $3.58 million in Gross Merchandise Value (GMV).
- **2024 (February 19):** Successfully closed a **$5 million Pre-Series A funding round**, led by Century Oak Ventures, with participation from Evolution Ventures, Iterative, SOSV (Orbit Startups), GFR Fund, BonBillo, Accelerating Asia, South Asia Tech Partners, and Voltity. This funding was earmarked for technology upgrades, market

expansion, and developing transformative retail supply chain solutions, including embedded finance.

- **2024 (July 30):** News reports confirm additional funds raised from Singapore.
- **2024 (Throughout):** Formed exclusive partnerships with over 200 major brands including Pusti, Rupchanda, Teer, New Zealand Dairy, Pepsico, and Coca-Cola. Expanded its merchant base to over 55,000.
- **2025 (February 08):** Meghna Bank inked a corporate agreement with PriyoShop.com Ltd., indicating strategic partnerships for financial services.
- **2025 (June 10-11):** Participated in Echelon 2025 in Singapore, a premier tech and startup event, showcasing its innovative solutions for small retailers in emerging markets and connecting with global investors and partners.
- **Current (2025):** Has onboarded over 116,000+ MSMEs and partners with 270+ brands. Operates with 28 hubs covering 1176 areas, aiming for 1-day delivery to MSMEs. Targets impacting over one million retailers in the coming year and reaching one million MSMEs by 2027.

3.5 Organizational Structure and Hierarchy

At the top, the company is led by its co-founders:

- **Asikul Alam Khan** serves as the **Co-Founder & CEO**, driving the strategic vision and overall growth of the company.
- **Dipty Mandal** is a **Co-Founder and Chief Marketing Officer (CMO)**, responsible for branding, marketing initiatives, and ensuring a customer-centric approach, particularly for MSMEs.
- **S M Ashik Ahmed** is also a **Co-Founder**.

The operational structure appears to be segmented to manage its multi-faceted platform which includes commerce, logistics, and financial services. Key functional areas would typically include:

- **Technology & Product Development:** A large tech team, including a CTO (Shahidullah All Mahmod, a Microsoft-certified programmer, was hired as CTO),

focuses on platform development, mobile app enhancements, and integrating advanced solutions like AI and fintech.

- **Sales & Business Development:** Teams dedicated to onboarding MSMEs, forging partnerships with brands and suppliers, and expanding market reach.
- **Logistics & Supply Chain Management:** Responsible for managing the distribution network, last-mile delivery, inventory management, and ensuring timely product delivery.
- **Marketing & Branding:** Led by the CMO, this team focuses on creating brand awareness, driving user engagement, and developing strategies to support MSMEs.
- **Finance & Operations:** Manages the company's financial health, funding, embedded finance solutions, and day-to-day operational efficiency.
- **Human Resources:** Oversees talent acquisition, employee development, and fostering a collaborative work environment.

3.6 Company's Objectives

- ✓ **Shorten procurement cycles** for MSME retailers through digital order placement and faster delivery.
- ✓ **Improve inventory access** for small stores by aggregating demand and optimizing supply routes.
- ✓ **Enable working-capital credit**, using platform transaction data to facilitate accessible financing.
- ✓ **Enhance operational efficiency** via technology, data analytics, and route optimization.
- ✓ **Scale national outreach**, bringing small retailers across Bangladesh under a unified B2B ecosystem.

3.7 Company's Vision, Mission, Goal & Core Values

3.7.1 Vision

PriyoShop's overarching vision is "To transform the retail industry by empowering MSMEs in the evolving digital landscape, supported by inclusive finance." This vision reflects their

ambition to not only digitize traditional retail but also to integrate financial services to enable sustainable growth for small businesses. Their vision extends beyond Bangladesh, aiming to cater to MSMEs across South Asia.

3.7.2 Mission

The company's mission is defined by several key pillars:

- **Customer Obsession:** Placing the MSME customer at the core of all solutions, working proactively to ensure their success with innovative offerings.
- **Make it Simple:** Striving for simplicity in platforms and processes, especially for retailers who may have limited digital literacy.
- **Be Humble:** Embracing continuous learning, adapting to feedback, and constantly improving solutions.
- **Empower businesses, encourage innovation, and build a dynamic platform that sets new standards for efficiency and collaboration in the B2B sector.**

3.7.3 Goal

While specific numerical goals are often proprietary, their public communications highlight several strategic objectives:

- To serve **one million MSMEs by 2027**, indicating a significant expansion target for their merchant base.
- To digitalize the distribution infrastructure for MSMEs.
- To integrate embedded finance solutions to provide credit and working capital.
- To expand market reach and add new regions monthly.
- To achieve sustainable growth by investing in people, technology, and ethical business practices.
- To contribute to a greener future by adopting eco-friendly practices (e.g., paddling vans, digital invoices) and aiming for zero-carbon emissions.

3.7.4 Core Values of PriyoShop

Priyoshop have their own seven values, which make them great in their work and also motivate them in their work. These are:

- ✓ **Customer Obsession** – Always put customers first, focusing on their needs and ensuring the best possible service experience.
- ✓ **Make it Simple** – Deliver simple and user-friendly solutions, eliminating complexity to make shopping effortless.
- ✓ **Be Respectful** – Show respect to customers, colleagues, and partners, valuing everyone's contribution.
- ✓ **Be Humble** – Stay grounded, acknowledge strengths and weaknesses, and remain open to learning and teamwork.
- ✓ **Integrity** – Uphold honesty, fairness, and strong ethical standards in every interaction.
- ✓ **Act Now** – Take timely action, stay proactive, and respond quickly to opportunities and challenges.
- ✓ **Sustainable Growth** – Focus on long-term progress that benefits the company, customers, and the environment.

3.8 Product and Services Offer

PriyoShop.com Ltd. offers a comprehensive suite of products and services primarily aimed at empowering Micro, Small, and Medium Enterprises (MSMEs) in Bangladesh. Its offerings can be broadly categorized into:

1. **B2B Marketplace Platform:**
    - **Multi-Category Product Sourcing:** Retailers can access a vast digital catalog of over 2,000+ SKUs across more than 21 categories, including electronics, fashion, beauty, stationery, groceries, and Fast-Moving Consumer Goods (FMCG) like food and beverages, personal care, and home care items. This allows small shops to stock a wider variety of products without needing large upfront inventory investments.

- **Direct Brand Relationships:** PriyoShop connects retailers directly with established brands and verified suppliers, ensuring access to authentic products and competitive, transparent pricing.
- **Wholesale & Bulk Purchasing:** Facilitates the bulk purchase of products for shops, hotels, and restaurants, streamlining the supply chain for businesses.

2. **Logistics & Distribution Services:**
    - **Next-Day Delivery:** A key offering, ensuring rapid and reliable delivery of orders to MSMEs, reducing stockouts and improving product availability.
    - **Optimized Supply Chain:** Utilizes an asset-light model with third-party logistics partners and its own fleet in Dhaka, enhancing efficiency and cost-effectiveness.
    - **Extensive Network:** With 28 hubs and coverage across 1176 areas, including urban and hard-to-reach rural regions, PriyoShop ensures broad market penetration for brands.
    - **Inventory Management Support:** While not holding large inventories itself, the platform supports brands and retailers in managing stock levels more efficiently.

3. **Financial Services (Embedded Finance):**
    - **Digital Credit Facilities:** Through partnerships with financial institutions like LankaBangla Financing, Mastercard, and BRAC Bank, PriyoShop provides MSMEs with access to credit lines and working capital solutions, addressing a critical barrier for small businesses.
    - **Payment Processing:** Offers seamless payment methods for both suppliers and MSMEs, ensuring timely transactions.

4. **Marketing & Data Solutions for Brands:**
    - **Sales Force Automation:** Provides real-time order tracking, route optimization, and performance monitoring tools for brands.

- **DOOH (Digital Out-of-Home) Marketing:** Helps brands boost visibility through smart retail media at mom-and-pop shops, in-store branding, and promotions, influencing buying decisions directly at the point of sale.
- **Data-Driven Insights:** Offers comprehensive analytics to brands on product performance, regional preferences, and emerging market trends, enabling informed strategic planning.

5. **Digital Tools & Empowerment for MSMEs:**
    - **User-Friendly Mobile App:** The core interface for retailers to place orders, track credit, and access customer support.
    - **Digital Invoices:** Part of its eco-friendly initiatives, streamlining the invoicing process and reducing paper waste.
    - **Skills Training & Support:** Aims to provide MSMEs with digital literacy and business management skills to thrive in the digital economy.

3.9 Market Coverage & Distribution

PriyoShop.com Ltd. has strategically expanded its market coverage and distribution network to efficiently serve the vast and often underserved MSME segment in Bangladesh.

3.9.1 Market Coverage:

- **Primary Focus: Bangladesh MSMEs:** The company's core market is the millions of Micros, Small, and Medium Enterprises (MSMEs) across Bangladesh, particularly mom-and-pop shops in both urban and rural areas.
- **Geographic Expansion:** Initially focusing on specific areas of Dhaka and Chittagong, PriyoShop has significantly expanded its reach to cover the entire Dhaka city and sub-Dhaka areas like Tongi, Gazipur, and Savar. The company has an ambitious plan to add two new regions each month to achieve nationwide coverage.
- **Retailer Network:** As of 2025, PriyoShop has onboarded over **116,000+ MSMEs**, demonstrating its substantial footprint in the traditional retail sector. Its goal is to reach one million MSMEs by 2027.
- **Brand Partnerships:** The platform partners with over **270+ brands**, ensuring a wide array of products are available to its retailer network.

3.9.2 Distribution Network:

- **Hub-and-Spoke Model:** PriyoShop operates with **28 physical hubs** strategically located to cater to retailers efficiently, facilitating faster order fulfillment and delivery.
- **Asset-Light Logistics:** The company employs an asset-light logistics model. While it has its own fleet for last-mile delivery in certain key areas like Dhaka, it also extensively partners with third-party logistics providers to cover broader regions, ensuring scalability and efficiency.
- **One-Day Delivery:** A critical aspect of its distribution strategy is the commitment to **1-day delivery** to MSMEs, addressing a significant pain point of traditional supply chains that often involve long delays (7-12 days).
- **Integrated Supply Chain:** PriyoShop's model aggregates supply (from brands and manufacturers) and demand (from MSMEs) through its platform, thereby optimizing the entire distribution chain from supplier to retailer's doorstep. This eliminates multiple intermediaries, reduces costs, and improves efficiency.
- **Rural Reach:** A key differentiator is its ability to reach previously underserved rural areas, enabling brands to expand their market presence without the heavy overheads of traditional distribution channels.

3.10 Financial Situation of PriyoShop.com Ltd.

A) Funding and Capital Highlights

- **Pre-Series A Round (2024):** PriyoShop raised **US $5 million** in a Pre-Series A round led by Century Oak Ventures, with participation from investors across San Francisco, Dubai, Indonesia, Africa, and India.

- **Total Funding to Date:** As of May 2025, the company has secured **over US $6 million** in total funding. This includes follow-up investments beyond the initial Pre-Series A round.

B) Revenue and Profitability

- **Revenue Estimate:** A corporate profile lists PriyoShop's annual revenue at approximately **US $1.3 million**, alongside a workforce of 210 employees.
- **Operational Profitability (2025):** As of **May 2025**, PriyoShop achieved **operational profitability**, signaling a major milestone in its path toward sustainable growth. This achievement reflects disciplined execution of its business model.

C) Financial Snapshot

Aspect	Details
Pre-Series A Funding	US $5 million (2024) led by Century Oak Ventures
Total Funding (2025)	Over US $6 million secured from global investors
Annual Revenue	Approximately US $1.3 million
Profitability	Achieved operational profitability by May 2025

CHAPTER: 04

Operational Management Analysis

4.1 Operations Management process

Operational management is the backbone of PriyoShop.com Ltd., ensuring that orders flow smoothly, products reach retailers on time, and the company sustains its rapid growth. As a B2B e-commerce platform focused on MSMEs, PriyoShop has designed its operations to balance **speed, efficiency, and scalability**. It involves managing people, equipment, technology, information, and many other resources. The following sections analyze its order management, supply chain, logistics, and technology.

4.2 Order Management System

PriyoShop's Order Management System (OMS) is meticulously designed to be intuitive and efficient, catering specifically to the needs of MSMEs who may have varying degrees of digital literacy. The system serves as the central nervous system for all transactions, ensuring a seamless flow from order initiation to fulfillment.

The process typically begins with the **retailer (MSME) placing an order** through the dedicated PriyoShop mobile application. This mobile-first approach ensures accessibility and convenience, allowing shop owners to order anytime, anywhere, directly from their smartphones. The app features a comprehensive digital catalog with over 2,000+ SKUs across more than 21 product categories, making product selection straightforward. Retailers can browse products, check prices, and add items to their cart with ease.

Once an order is submitted, the OMS immediately processes it. This involves several critical steps:

- **Order Validation:** The system verifies the order details, including product availability, pricing, and the retailer's credit status (if embedded finance options are utilized).
- **Supplier Notification:** The relevant brand or supplier receives immediate notification of the new order. PriyoShop's direct brand relationships ensure that suppliers are integrated into this system, allowing for prompt confirmation of product availability.
- **Order Confirmation:** Upon confirmation from the supplier, the retailer receives an update on their order status, including an estimated delivery time.

- **Inventory Allocation:** The system allocates the necessary products from the supplier's stock, preparing them for dispatch. PriyoShop's asset-light model means it doesn't hold extensive inventory itself, but rather facilitates the connection and flow of goods from suppliers to retailers.
- **Digital Invoicing:** As part of PriyoShop's sustainability initiatives, all invoices are generated digitally. This streamlines the administrative process, reduces paper waste, and provides retailers with immediate access to their transaction records.

The OMS also provides **real-time order tracking** for both retailers and internal logistics teams. Retailers can monitor the progress of their orders from placement through various stages of processing and delivery. This transparency is a key element in building trust and reliability among its MSME partners. The simplicity of the ordering process, coupled with robust backend processing, ensures that MSMEs can efficiently source goods, minimize stockouts, and maintain optimal inventory levels without significant operational complexity.

4.3 Supply Chain Procurement Process

PriyoShop's supply chain procurement process is a strategic blend of direct sourcing, technology integration, and a focus on transparency, designed to resolve the inherent inefficiencies of traditional retail supply chains in Bangladesh. The company acts as a vital intermediary, connecting MSMEs directly with established brands and verified suppliers.

The procurement process can be understood in the following stages:

- **Brand & Supplier Onboarding:** PriyoShop actively partners with a vast network of national and international brands and suppliers. This involves forging direct relationships to ensure the authenticity, quality, and consistent availability of products. These partnerships are crucial, as they allow PriyoShop to offer a wide array of products (over 270+ brands) and leverage bulk purchasing power to secure competitive pricing.

- **Digital Catalog Management:** Suppliers list their products on PriyoShop's platform, maintaining a dynamic digital catalog. This catalog is meticulously managed to reflect

real-time stock levels, pricing, and product specifications, ensuring that retailers have accurate information when placing orders.

- **Demand Aggregation:** The platform aggregates demand from thousands of MSMEs. By consolidating orders from numerous small retailers, PriyoShop creates significant purchasing volume, which strengthens its negotiation position with suppliers and ensures better terms.

- **Automated Order Routing:** Once an MSME places an order through the app, the system automatically routes it to the relevant supplier. This automation reduces manual errors and accelerates the order fulfillment cycle.

- **Quality Assurance & Compliance:** PriyoShop likely implements processes to ensure that products procured from suppliers meet quality standards. This is essential for building and maintaining trust with its retailer network. Transparency is a key principle, with suppliers having access to detailed information regarding deliveries and payments, fostering a fair and straightforward business environment.

- **Pricing & Payment Transparency:** PriyoShop focuses on offering consistent and competitive prices to MSMEs, eliminating the inconsistencies often found in multi-layered traditional distribution channels. For suppliers, prompt and seamless payment processing is a core offering, addressing a common challenge of delayed payments in traditional setups.

By streamlining the procurement process, PriyoShop enables MSMEs to access a diverse product range at fair prices, directly combating challenges like fragmented supply chains, inconsistent pricing, and limited access to goods that traditionally hinder small businesses.

4.4 Inventory & Warehouse Management

PriyoShop distinguishes itself through an innovative **asset-light model** for inventory and warehouse management. Unlike traditional e-commerce companies that invest heavily in large, centralized warehouses and hold significant inventory, PriyoShop primarily acts as a facilitator, minimizing its own inventory holding costs and risks.

Here's how their approach to inventory and warehouse management functions:

- **Minimized Direct Inventory Holding:** PriyoShop's core strategy is to connect demand (MSMEs) with supply (brands and suppliers) directly. This means the majority of the inventory remains with the brands and suppliers until an order is placed. This model significantly reduces PriyoShop's capital expenditure on warehousing and the operational complexities associated with managing large physical stock.

- **Strategic Hub Network:** To support its rapid delivery commitment and efficient distribution, PriyoShop operates a network of **28 physical hubs**. These hubs are not typically large-scale, long-term storage warehouses but rather serve as crucial **cross-docking or temporary sorting points**. Products from various suppliers are consolidated at these hubs for efficient last-mile delivery. This hub-and-spoke model allows for quick aggregation and dispatch of orders, optimizing the delivery routes.

- **Supplier-Managed Inventory (SMI) Principles:** While not explicitly stated, PriyoShop's model strongly aligns with Supplier-Managed Inventory principles. Suppliers are responsible for maintaining their own stock levels and making them available for orders placed through the PriyoShop platform. This shifts the inventory management burden to the suppliers, who are often better equipped to manage their specific product lines.

- **Data-Driven Inventory Insights:** Through its technology platform, PriyoShop gathers valuable data on purchasing patterns, demand fluctuations, and regional preferences. This data can be shared with brands and suppliers (anonymously or in aggregate) to help them optimize their own inventory management and forecasting, ensuring product availability on the platform.

- **Quality Control at Hubs (Potential):** While inventory is not held long-term, it's plausible that quality checks might occur at the hubs during consolidation to ensure products match order specifications and arrive in good condition before reaching the MSME.

This asset-light, hub-based strategy allows PriyoShop to scale rapidly without heavy infrastructure investments, remain agile in response to market demands, and focus its resources on technology development and last-mile logistics.

4.5 Logistics Management & Last-Mile Delivery

Logistics management and last-mile delivery are critical operational pillars for PriyoShop, directly impacting its value proposition of convenience and efficiency for MSMEs. The company has developed a hybrid and optimized approach to ensure rapid and reliable delivery across its extensive network.

4.5.1 Distribution Network and Strategy:

- **Extensive Network with Hubs:** PriyoShop leverages its **28 strategically located hubs** to facilitate efficient distribution. These hubs serve as regional consolidation and dispatch points, enabling faster sorting and routing of orders. The coverage spans **1176 areas**, encompassing both urban centers like Dhaka and its sub-areas (Tongi, Gazipur, Savar) and extending to hard-to-reach rural regions.

- **Hybrid Fleet Model:** PriyoShop employs a **hybrid logistics model**:
    - **Owned Fleet in Key Urban Areas:** In highly concentrated urban areas like Dhaka, PriyoShop maintains its own fleet of delivery vehicles and personnel. This allows for greater control over delivery speed, quality of service, and brand experience.

    - **Third-Party Logistics (3PL) Partnerships:** For broader reach and scalability, especially in areas beyond its immediate urban operational zones, PriyoShop partners with reputable third-party logistics providers. This asset-light approach allows the company to expand its geographic footprint without incurring massive fixed costs associated with a fully owned and operated national fleet.

- **One-Day Delivery Commitment:** A cornerstone of PriyoShop's service offering is its commitment to **1-day delivery** to MSMEs. This aggressive delivery timeline significantly reduces lead times for retailers, minimizes stockouts, and enables them to

serve their own customers better. This represents a substantial improvement over traditional supply chains, which can take 7-12 days for product replenishment.

4.5.2 Last-Mile Delivery Optimization:

- **Route Optimization Technology:** PriyoShop likely employs advanced **route optimization software** to plan the most efficient delivery paths for its fleet and 3PL partners. This technology considers factors such as traffic conditions, delivery locations, and order volume to minimize travel time and fuel consumption.
- **Real-Time Tracking & Communication:** Both the internal logistics team and the MSMEs can track deliveries in real time. This transparency allows for proactive communication in case of delays and provides MSMEs with accurate arrival estimations, enabling them to plan their shop operations accordingly.
- **MSME Empowerment:** The doorstep delivery service is highly valued by MSMEs, as it eliminates the need for them to travel to wholesale markets, saving time, money, and effort. This convenience directly translates into increased operational efficiency for the small businesses.
- **Rural Penetration:** PriyoShop's logistics infrastructure is designed to reach previously underserved rural markets. By providing reliable delivery to these areas, it enables brands to expand their market presence and MSMEs to access a wider range of products.

4.6 Technology Integration (AI, Digital Payments, Embedded Finance)

PriyoShop is a technology-first company, deeply embedding advanced solutions into its operational fabric to drive efficiency, enhance user experience, and create a competitive edge. Its focus extends beyond basic e-commerce functionalities to leverage cutting-edge technologies.

4.6.1 Artificial Intelligence (AI):

- **Data Analytics & Insights:** AI plays a crucial role in processing the vast amounts of transactional and behavioral data collected from MSMEs and suppliers. This enables PriyoShop to:
    - **Predict Demand:** AI algorithms analyze historical sales data, seasonal trends, and external factors to forecast demand for various products. This supports more accurate inventory planning for suppliers and helps MSMEs anticipate popular items.
    - **Personalized Recommendations:** Potentially, AI could be used to offer tailored product recommendations to individual MSMEs based on their purchasing history, location, and the buying patterns of similar shops.
    - **Route Optimization (Advanced):** Beyond basic algorithms, AI can continuously learn and adapt to real-time traffic, weather, and delivery constraints to dynamically optimize logistics routes, further enhancing delivery efficiency.
    - **Credit Scoring & Risk Assessment:** For its embedded finance offerings, AI models can be employed to analyze an MSME's transaction history, payment behavior, and other data points to provide more accurate and efficient credit scoring, thus extending financial inclusion responsibly.
- **Automated Customer Support (Potential):** While not explicitly stated, AI-powered chatbots or virtual assistants could be integrated to handle routine MSME queries, freeing up human agents for more complex issues.

4.6.2 Digital Payments & Embedded Finance:

- **Seamless Transactions:** PriyoShop facilitates a range of **digital payment options** for MSMEs and suppliers, ensuring quick, secure, and transparent transactions. This reduces reliance on cash, improves financial record-keeping, and enhances overall operational efficiency.

- **Embedded Credit Facilities:** A significant technological innovation is the integration of **embedded finance**. Through partnerships with major financial institutions like LankaBangla Financing, Mastercard, and BRAC Bank, PriyoShop offers **digital credit lines and working capital solutions** directly within its platform. This means:

  i) MSMEs can apply for and receive credit with ease, often without the extensive paperwork and delays of traditional banking.
  ii) The credit facilities are tailored to the needs of small businesses, helping them manage inventory, smooth out cash flow, and invest in growth.
  iii) The technology allows for streamlined application, assessment (potentially AI-driven), and disbursement processes, democratizing access to finance for underserved segments.

- **Digitalization for Operational Efficiency:**

  i. **Mobile Application:** The core of PriyoShop's technology stack is its user-friendly mobile application, which serves as the primary interface for MSMEs to manage their orders, access products, and engage with financial services.

  ii. **Digital Invoicing:** Moving away from paper-based invoices to digital formats streamlines administrative processes, reduces operational costs, and aligns with sustainability goals.

4.7 Positioning & Uniqueness of PriyoShop

PriyoShop's operational management is meticulously designed to create a unique and defensible market position in Bangladesh's e-commerce landscape. Its distinctiveness stems from its sharp focus on MSMEs and a comprehensive, technology-driven approach to solving their inherent challenges.

4.7.1 B2B Marketplace for Underserved MSMEs:

- **Target Audience Focus:** Unlike many e-commerce platforms that cater to B2C, PriyoShop specifically targets the vast network of small, traditional retailers (mom-

and-pop shops). This focused approach allows them to deeply understand and address the unique pain points of this segment.

- **Empowering the Backbone of Retail:** MSMEs represent the backbone of Bangladesh's retail economy, yet they often face fragmented supply chains, inconsistent pricing, and limited access to working capital. PriyoShop's entire model is built around empowering these businesses.

4.7.2 Full-Stack Digital Solution:

- **Beyond Just a Marketplace:** PriyoShop offers more than just a platform to buy and sell. It provides a **full-stack solution** encompassing:
    - **Commerce:** Access to a multi-category product catalog with competitive pricing.
    - **Logistics:** Efficient and rapid (1-day) delivery directly to the retailer's doorstep.
    - **Fintech:** Integrated digital credit and working capital solutions, which is a major differentiator.
- **"One Platform, Better Business"**: This tagline perfectly encapsulates its full-stack approach, providing a single, integrated ecosystem for MSMEs to manage all aspects of their sourcing and growth.

4.7.3 Asset-Light & Scalable Operational Model:

- **Minimized Inventory Risk:** By adopting an asset-light model and largely relying on supplier-managed inventory principles, PriyoShop minimizes its own capital expenditure and inventory holding risks.

- **Hub-Based Efficiency:** The network of 28 hubs facilitates efficient consolidation and last-mile delivery without the need for extensive, costly warehousing. This model enhances scalability and agility.

4.7.4 Embedded Finance for Financial Inclusion:

- **Addressing Capital Constraints:** A key uniqueness is the seamless integration of **digital credit facilities**. This directly addresses the chronic working capital constraints faced by MSMEs who often struggle to access formal credit. By embedding finance, PriyoShop not only facilitates transactions but also acts as a financial enabler.

- **Partnerships with Financial Institutions:** Collaborations with major banks and financial services providers underscore the legitimacy and robustness of its embedded finance offerings.

4.7.5 Data-Driven Insights & Technology Integration:

- **AI for Optimization:** The use of AI for demand forecasting, route optimization, and potentially credit scoring provides a sophisticated technological edge.
- **DOOH Marketing:** Innovative use of Digital Out-of-Home marketing at retailer locations offers unique value to brands seeking to influence purchasing decisions at the point of sale.

4.8 Planning, Forecasting & Budgeting

Effective operational management at PriyoShop heavily relies on robust planning, accurate forecasting, and strategic budgeting. These processes are increasingly data-driven, leveraging technology to make informed decisions that support the company's rapid growth and asset-light model.

4.8.1 Planning:

- **Strategic Planning:** PriyoShop's long-term strategic plans are guided by its vision to empower one million MSMEs by 2027 and expand across South Asia. This involves planning for geographic expansion, technology development roadmap, and scaling up partnerships with brands and financial institutions.

- **Operational Planning:** Daily and weekly operational plans focus on optimizing logistics routes, staffing for hubs and delivery, and ensuring sufficient capacity to meet the 1-day delivery commitment. This includes planning for supplier pickups, hub operations, and last-mile delivery schedules.

- **Sales & Marketing Campaigns:** Planning involves aligning sales targets with marketing strategies, including DOOH campaigns and retailer onboarding initiatives.

- **Sustainability Initiatives:** Planning for the adoption of green logistics (e.g., procurement of paddling vans) and the rollout of digital invoices are integrated into broader operational plans.

4.8.2 Forecasting:

- **Demand Forecasting:** This is a critical area, especially for an asset-light model. PriyoShop utilizes data analytics, likely powered by AI, to forecast demand for various product categories and specific SKUs. Factors considered include:

    i. **Historical Sales Data:** Analyzing past purchasing patterns of MSMEs.
    ii. **Seasonal Trends:** Identifying periods of high and low demand for specific products (e.g., FMCG items during festivals).
    iii. **Geographic-Specific Demand:** Understanding product popularity across different regions and tailoring inventory availability accordingly.
    iv. **Promotional Impacts:** Forecasting spikes in demand due to marketing campaigns or special offers.
    v. This forecasting data is then shared with partner brands and suppliers, enabling them to optimize their inventory levels and ensure sufficient stock is available on the platform, minimizing potential stockouts.

- **Logistics Forecasting:** Forecasting delivery volumes helps in planning fleet capacity (both owned and 3PL), hub resource allocation, and ensuring timely last-mile delivery.

- **Financial Forecasting:** Projecting revenue, expenses, and cash flow is crucial for managing the company's financial health, especially with embedded finance offerings. This includes forecasting loan disbursements, repayment rates, and associated risks.

4.8.3 Budgeting:

- **Operational Budgeting:** Allocating resources for logistics, technology development, marketing, and human resources. The asset-light model helps in managing operational costs efficiently.
- **Technology Investment Budget:** Prioritizing investments in platform upgrades, AI capabilities, and fintech integrations to maintain a competitive edge.
- **Expansion Budget:** Ring-fencing funds for geographic expansion, including setting up new hubs and expanding the delivery network.
- **Marketing & Sales Budget:** Allocating resources for brand partnerships, MSME onboarding, and digital marketing initiatives.
- **Financial Services Budget:** Managing the capital required for embedded credit offerings and associated risk management.
- **Sustainability Budget:** Allocating funds for green logistics initiatives, such as the acquisition and deployment of electric delivery vehicles.

4.9 Sustainability in Operations (Green Logistics, Electric Delivery Vehicles)

PriyoShop is dedicated to **sustainability in its operations**, actively integrating **eco-friendly practices** into its logistics and administrative functions. A notable initiative is the introduction of **paddling vans** (electric or pedal-powered cargo vehicles) for last-mile delivery, directly aimed at **reducing carbon emissions** and promoting green transportation. Additionally, the company is transitioning from paper-based invoices to **digital invoices**, which significantly **cuts down on paper waste** and streamlines processes. These efforts underscore PriyoShop's commitment to achieving **zero-carbon emissions** in the long term, blending business growth with environmental responsibility.

Chapter-5

SWOT, Competitors, and Growth Data Analysis

5.1 SWOT Analysis of PriyoShop

Understanding a **SWOT analysis** is crucial for strategic planning. It's a fundamental framework used to evaluate an organization's **S**trengths, **W**eaknesses, **O**pportunities, and **T**hreats. This analysis helps in gaining a comprehensive view of both the internal factors



(Strengths and Weaknesses) and external factors (Opportunities and Threats) that can impact a business. By identifying these elements, companies can leverage their strengths, address weaknesses, capitalize on opportunities, and mitigate threats to achieve their objectives more effectively. The SWOT of Priyoshop's is following:

- **Strengths**: PriyoShop's core strengths include its dedicated B2B focus empowering MSMEs, a full-stack solution integrating commerce, logistics, and embedded finance, and an asset-light model enabling rapid scalability. Strong brand partnerships, 1-day delivery, a hub network, and significant technology integration (AI, digital payments) further solidify its position.

- **Weaknesses:** Challenges include reliance on third-party logistics (3PL), potential geographic concentration, and addressing the digital literacy gap among some MSMEs. Expanding embedded finance and logistics, despite the asset-light model, can still be capital intensive.

- **Opportunities:** A vast, untapped MSME market in Bangladesh, increasing digital adoption, government support for digitalization, and the rising e-commerce and fintech sectors present significant growth avenues. Potential South Asia expansion and demand for sustainable practices also offer key opportunities.

- **Threats:** PriyoShop faces intense competition from existing B2B players and traditional distributors, alongside potential entry from large B2C platforms. Infrastructure challenges, economic volatility, evolving regulatory changes, and cybersecurity risks are ongoing external threats.

5.2 Micro Environment

These are internal and immediate external factors directly impacting PriyoShop. They include its customers (MSMEs), whose needs drive demand; suppliers (brands and distributors), crucial for product availability; competitors (other B2B platforms and traditional wholesalers); marketing intermediaries (3PL, financial partners); and internal stakeholders like employees.

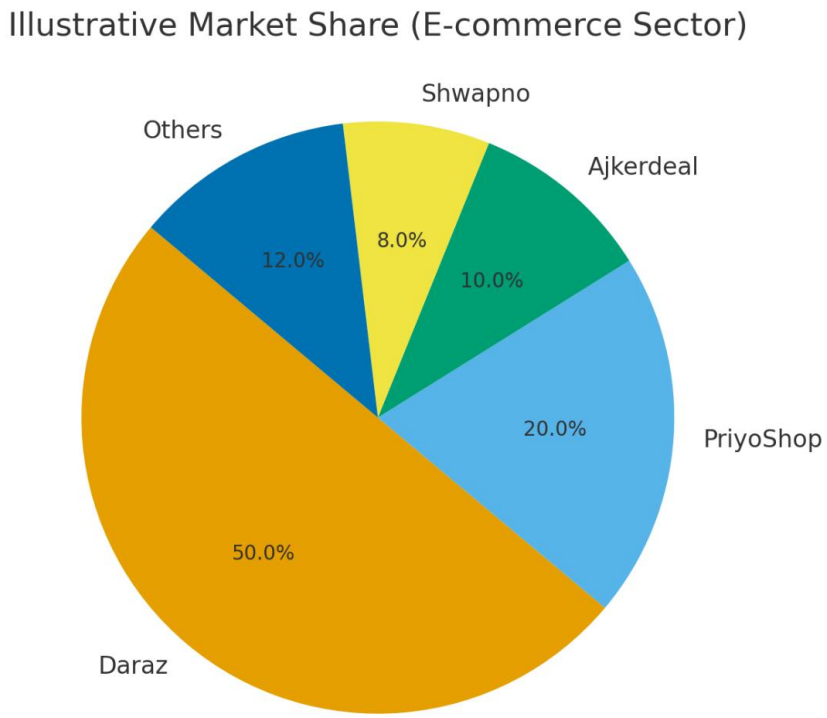
5.3 Macro Environment

These are broader external forces influencing the entire industry and economy. This includes demographic trends (population growth, digital literacy), economic conditions (inflation, GDP), technological advancements (AI, fintech), natural factors (sustainability concerns), political/legal frameworks (e-commerce regulations), and socio-cultural shifts (online adoption rates).

5.4 PriyoShop's Competitive Advantage

Priyoshop's competitive advantage stems from its hyper-focused B2B model for underserved MSMEs, offering a unique full-stack solution encompassing commerce, rapid logistics, and crucial embedded finance. Its asset-light, scalable operations and technology-driven excellence (including AI) foster efficiency. Strong network effects from its MSME base and brand/financial partnerships, coupled with a commitment to sustainability, create a robust and hard-to-replicate ecosystem.

5.5 Competitor Market Share



The pie chart titled "Illustrative Market Share (E-commerce Sector)" shows the distribution of market share among five key players and a category for "Others." The data indicates a significant concentration of market share with one dominant company, while the remaining market is fragmented among several smaller competitors.

- **Daraz** holds the largest portion of the market, accounting for **50.0%**. This makes it the leading company in the sector, with a market share equal to all other competitors combined.
- **PriyoShop** has the second-largest share at **20.0%**. It is the most significant competitor to the market leader.
- **Ajkerdeal** holds **10.0%** of the market share, placing it third among the named companies.
- The "Others" category represents a collection of smaller, unnamed e-commerce companies that collectively account for **12.0%** of the market.
- **Shwapno** has the smallest share among the named entities, at **8.0%**.

5.6 Growth of E-Commerce Business

As earlier, it already mentioned that, e-business started in Bangladesh in 1995. From that period, it was just the starting journey of e-business here. After that, in the mid-2000s of 2000-2008, e-business experienced a minimum growth. Around Taka 11 billion transactions happened in this sector in 2008. Information collected from the Bangladesh Bank. These changes spread this way when the Bangladesh Bank permitted online payment in this sector. After that, in the period of 2013, the Bangladesh Association of Software and Information Services and Bangladesh Bank first observed 'e-commerce week' in Bangladesh.

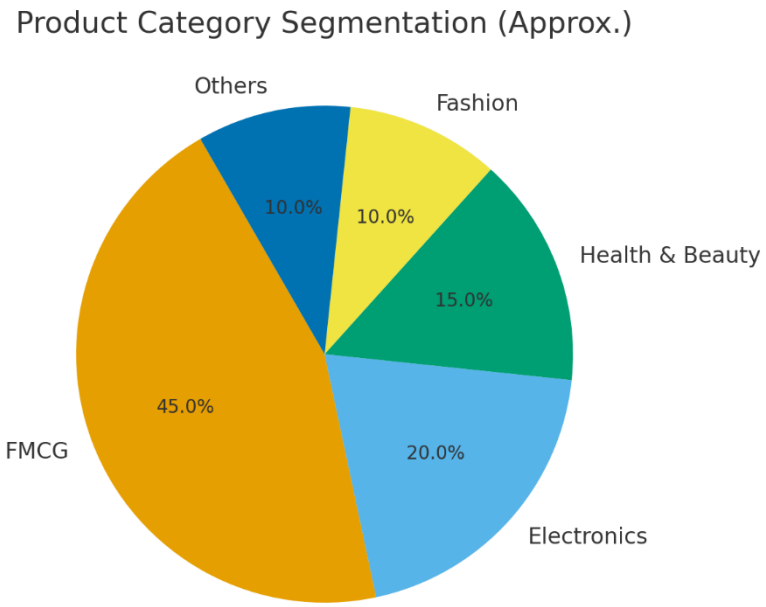
Growth or prospects of e-commerce are discussed below:

- The government is increasing its support to increase e-commerce. Developing infrastructure to expand internet connection is one way the government is supporting, and another major way.
- The expansion of the internet all over the country is supporting the growth of e-commerce.
- Through mobile internet, many people have come under the coverage of the internet. They can easily access any e-commerce website as Priyoshop.
- Mobile banking, like Bkash, UCash, and Rocket, etc. has added an advantage to the e-commerce payment system. This banking facility has made the payment system easier for customers. Moreover, there are some discounts offered that attract the customer to pay through this system.
- A few foreign big organizations are directly investing in this e-commerce-based payment system business. For example, PriyoShop has recently received an approval of investment approval from Microsoft. These investments are made to develop the structure of this kind of business.
- At first, there were few products when e-commerce was introduced in Bangladesh.
- At present, almost every type of product is found in e-commerce. From dresses to electronic products.
- In online-based shopping, it is easy to seek more options in a short time. Customers do not have to go shop to shop to compare products.

- Videos and details with specifications are provided on the e-commerce website as PriyoShop.
- To start an e-commerce-based business required capital is low.
- People with knowledge about e-commerce can easily start this kind of business with little effort.
- Nowadays, people are getting busy with their day-to-day tasks. Traffic jam kills most of the time of the day. In this situation, customers are switching to online shopping to save time.

5.7 Analysis of Product Categories in the E-commerce FMCG Sector

The bar chart visually represents the market share of different product categories within the e-commerce sector, specifically focusing on Fast-Moving Consumer Goods (FMCG). The data clearly shows that the **Health & Beauty** category is the most dominant, capturing a significant portion of online sales.

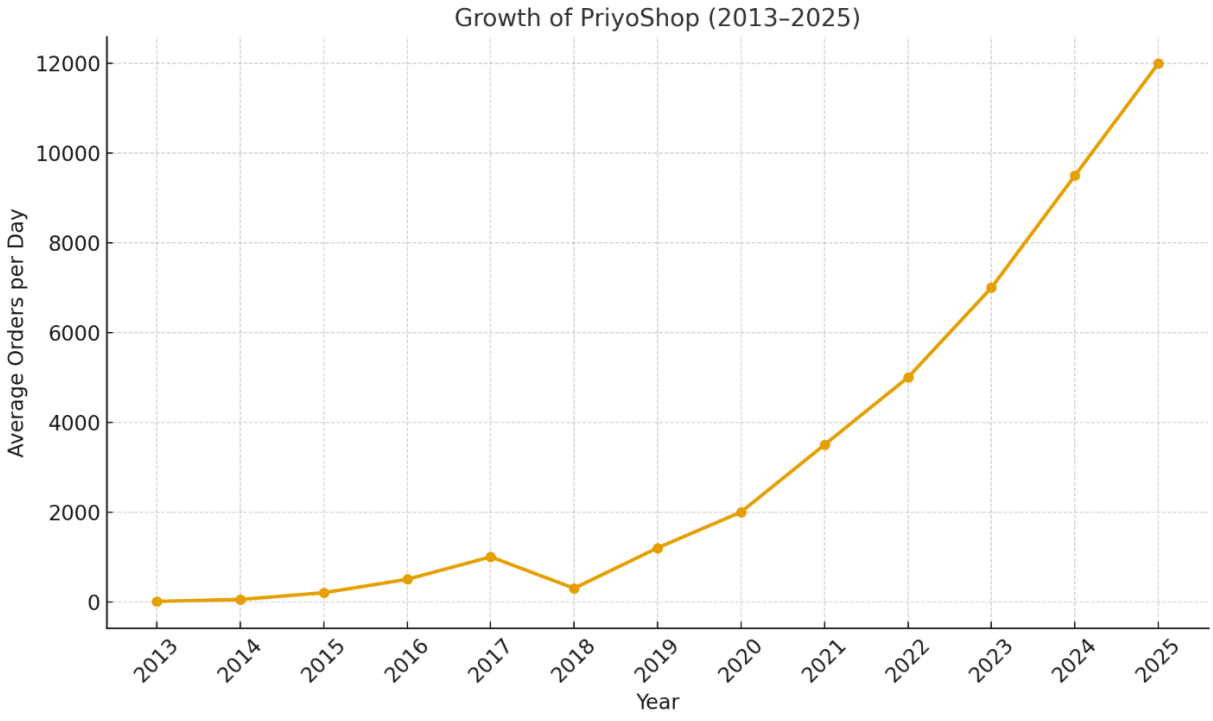


- **Health & Beauty** is the largest category, accounting for **38%** of the total market share in e-commerce FMCG. This indicates a high consumer demand for these products online, suggesting that consumers are comfortable purchasing personal care, cosmetic, and wellness items through digital channels.

- **Groceries**, with **25%** of the market share, is the second-largest category. This highlights the growing trend of online grocery shopping and its importance to the e-commerce market.
- The **Apparel & Lifestyle** category follows with a **15%** share. This segment includes clothing, accessories, and other lifestyle products.
- The **Electronics & Gadgets** category holds a **12%** share, showing that while often seen as a staple in e-commerce, it is not the leading category within the FMCG sector.
- Finally, the **Home & Living** category, which includes home goods and furnishings, has the smallest share at **10%**.

5.8 Growth of Priyoshop

PriyoShop.com Ltd. started its journey on **7 February 2013** as one of the first e-commerce ventures in Bangladesh. It began as a **B2C (Business-to-Consumer)** platform, focusing mainly on lifestyle, fashion, and electronics products. Over the years, it expanded its scope, diversified its offerings, and changed into a **B2B (Business-to-Business)** marketplace in 2021, which helped boost its growth.



2013 – Launched operations with a small team and received about 80 orders in the last 10 days of the year, mainly focused on Dhaka.

2014–2016 – Expanded product categories, introduced in-house logistics in Dhaka, and partnered with delivery services across the country.

2017 – Reached 1,000+ daily orders, driven by increasing smartphone usage and mobile payment acceptance (bKash, Rocket).

2018 – Average 300 orders per day nationwide. Sales distribution: Dhaka (48%), Chattogram (23%), Sylhet (12%), others (17%).

2019–2020 – Experienced rapid growth due to internet access and increased trust in e-commerce. The pandemic (COVID-19) boosted online grocery and essential item orders.

2021 – Transformed into a B2B marketplace, serving micro, small, and medium enterprises (MSMEs). Onboarded 10,000+ retailers in Dhaka and Chattogram.

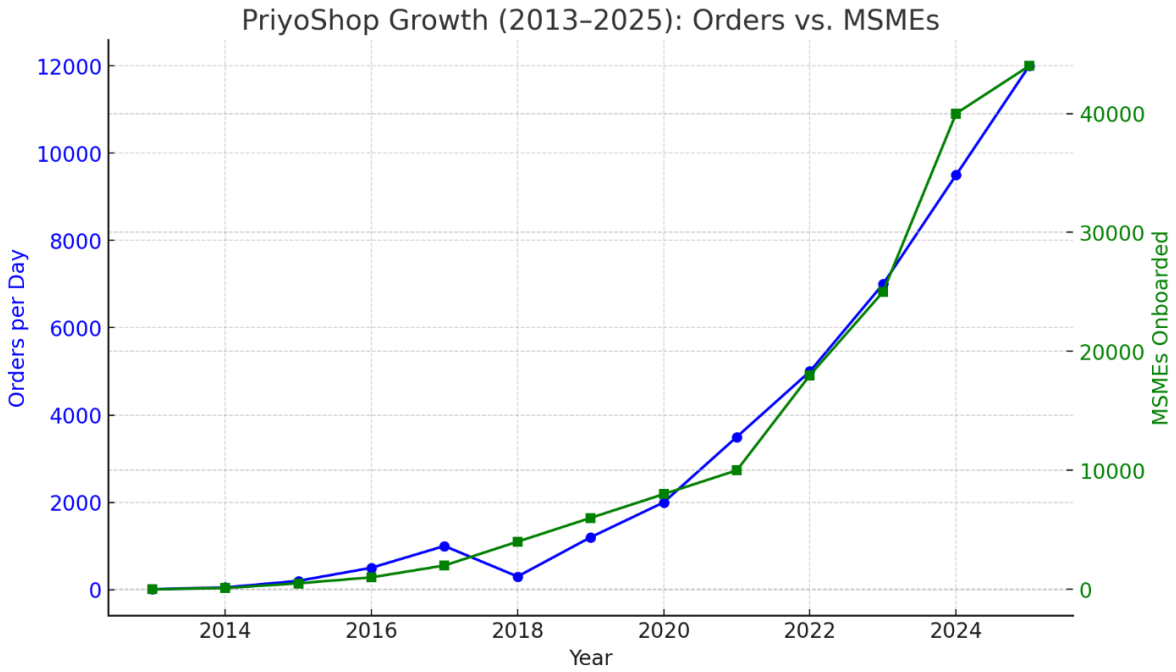
2022 – Increased warehouse capacity in Dhaka; launched partnerships with FMCG brands and SMEs. Daily transactions exceeded 5,000 orders.

2023 – PriyoShop became one of the largest B2B platforms in Bangladesh, with 25,000 MSMEs on board. Integrated AI-driven demand forecasting tools and fintech payment systems.

2024 – Customer base grew to 40,000+ MSMEs nationwide. Piloted green logistics initiatives (electric delivery vehicles). Increased focus on cross-border B2B trade (India, Nepal).

2025 – Currently serving over 44,000 MSMEs across Bangladesh. Testing drone-based last-mile delivery in rural areas, expanding BNPL (Buy Now, Pay Later) options, and implementing blockchain-based supply chain transparency.

5.9 PriyoShop Growth (2013-2025): Orders vs. MSMEs



The chart titled **"PriyoShop Growth (2013–2025): Orders vs. MSMEs"** shows how the platform has grown over twelve years in terms of daily customer orders and the number of micro, small, and medium enterprises (MSMEs) joined.

The blue line indicates the average number of daily orders. It started at just 8 in 2013 and increased steadily to about 12,000 by 2025. There were some small changes, including a drop in 2018, but the overall trend displays significant and steady growth, especially after 2020.

The green line tracks the number of MSMEs that joined the platform. Starting with 100 in 2014, the number grew quickly, reaching 44,000 by 2025. The onboarding of MSMEs accelerated sharply after 2021, showing that PriyoShop focused more on increasing its seller base.

Overall, the chart shows that PriyoShop's growth has been fueled by both rising customer demand and a quickly expanding network of MSME partners. This reinforces its position as a major e-commerce facilitator in Bangladesh.

5.10 Challenges of E-Commerce Business

These are the challenges of an E-Commerce business**:**

- Even though the industry has been around for a few years in Bangladesh, government support is not enough.
- As there is a lack of trusted B2C E-commerce sites in Bangladesh, and a major portion of customers do not rely on online shopping.
- A major portion of the population of Bangladesh thinks Facebook buying and selling is e-business.
- Fewer consumers with a credit card.
- Internet service throughout the country is not that strong. The price of internet packages is also high. Coverage of the internet and speed are not up to the mark to satisfy the needs of the country.
- Since most people use the traditional system for buying and selling. Still, people do not understand the process of payment process in e-commerce. People do not find online purchases reliable due to the payment process.
- In Bangladesh delivery chain in this kind of business depends on the courier service.
- Even though some private courier service organizations have spread their business still this is not enough to cover the country. Some arias have not been covered.

Chapter-06

Findings

6.1 Findings

1. **Operational Efficiency:** PriyoShop has adopted an asset-light model with hubs for distribution, which reduces warehousing costs. However, inefficiencies remain in last-mile delivery, particularly in rural areas, where ensuring 1-day delivery is still a challenge.

2. **Supply Chain Procurement:** Supplier-managed inventory helps minimize capital requirements, but dependency on external suppliers sometimes results in stockouts or delivery of substandard products, weakening customer confidence.

3. **Technology Integration:** AI-based tools for demand forecasting, logistics optimization, and credit scoring are major strengths. Still, digital literacy gaps among MSMEs limit the full utilization of PriyoShop's mobile app and digital solutions.

4. **Customer Trust and Relationship:** The absence of a structured return/refund policy and inadequate grievance redressal mechanisms create dissatisfaction and discourage repeat purchases.

5. **Pricing Strategy:** While bulk procurement provides competitive prices for many categories, some products are still priced higher than competitor platforms, affecting PriyoShop's price competitiveness.

6. **Marketing and Promotion:** PriyoShop's publicity campaigns are often irregular and delayed. Limited use of social media and traditional media compared to competitors reduces its visibility and market reach.

7. **Sustainability Efforts:** Initiatives such as digital invoicing and piloting electric/paddling vans for green logistics are promising. However, large-scale implementation across all hubs and regions is still limited.

8. **Competitive Position:** PriyoShop has captured around 20% of the B2B e-commerce market, positioning itself as a strong challenger. Yet, it faces intense competition from Daraz and other emerging retail-tech platforms.

9. **Future Growth Prospects:** With over 116,000 MSMEs onboarded, PriyoShop is progressing toward its goal of 1 million by 2027. To sustain this growth, the company

must strengthen marketing, improve customer service, and enhance operational resilience.

Chapter-07

Recommendations & Conclusion

7.1. Recommendations

These are some recommendations that have been included here:

- Promotional Offers should be included with a proper plan and time duration to encourage customers to shop more from PriyoShop, as the duration of the promotions is too low sometimes.
- Priyoshop needs to become more active on social media sites, especially YouTube, Facebook, and Instagram, and they need to bring out some TVCs on television as a part of publicity. They should increase newspaper advertising, and it should be done regularly.
- They should deliver the right product and verify the quality of the product before delivering. The expiration date, size, color, etc., are to be verified properly. It will play a big role in achieving customer trust and confidence.
- Price should be determined or fixed according to the prices of other websites. Low price attracts customers.
- Priyoshop should strike the right balance between providing a generous returns policy and managing the cost of returns. They should be revolving around the convenience of the buyers and low costs for the returns.
- As customers expect fast delivery of their orders, PriyoShop should try to choose carriers that can provide tracking service and notifications when the parcel is shipped, when it's on its way, arrives near the destination, and when it will be delivered. Real-time tracking gives complete peace of mind to the customers.

7.2 Conclusion

In spite of being a new company, Priyoshop.com Ltd has already established its base in the market. Perhaps, they have quite a systematic supply chain management, but there is room for improvement, as it's still new as a company. However, in the future, when their business grows even more, they will have to have a more effective supply chain management to ensure the best use of resources and long-term sustainability. Thus, the implementation of TQM, using supply chain software and a benchmarking tool, and implementing a few other techniques will help them to achieve their goals in the long run, and add to that.

The emergence of E-commerce marks the era of digitalization in Bangladesh. Digital marketing is one of the few sectors that have seen rapid growth in recent times. The potential of online marketing is huge as Bangladesh already has 65 million Internet Users, which is about 40 percent of the total population. ICT Minister Quoted," I am happy to say that from today we will speak about digital marketing as being an essential part of Digital Bangladesh." Before starting my internship report, I was not so inspired by the overall condition of the E-commerce in Bangladesh.

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