

Operations Management of Pathao Courier

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This report is submitted to the School of Business and Economics, United International University, as a partial requirement for the degree of Bachelor of Business Administration

Operations Management of Pathao Courier

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School of Business and Economics

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Letter of Transmittal

27th July, 2025

Mimnun Sultana

Assistant Professor,

School of Business and Economics

United International University

Subject: Submission of Operations Management of Pathao Courier

Dear Ma'am,

I am pleased to submit my report titled Operations Management of Pathao Courier, which has been prepared as a partial requirement of my internship at Pathao Ltd.

This report contains a comprehensive analysis of the courier operations and logistics system at Pathao Ltd and reflects the knowledge and experience I have gained during the period of my time there. Every effort has been made to ensure the report is accurate, informative, and presented in a professional manner.

I am grateful for the valuable support and guidance received from you and others throughout the process. I sincerely hope that this report meets your expectations and provides meaningful insights.

Please feel free to contact me should you require any further information or clarification. Thank you for your time and consideration.

Sincerely yours,

Syeda Anika Ferdose

ID: 111 201 183

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Declaration of the Student

I hereby declare that the research and findings presented in this project report titled '*Operations Management of Pathao Courier*' represent my independent effort, research, and analysis. This report has been carried out under the valuable supervision of **Assistant Professor Mimnum Sultana, School of Business & Economics, United International University.**

I confirm that the findings, interpretations, and conclusions presented in this report are entirely my own and have not been copied or reproduced from any unauthorised source. All external materials, data, or literature referenced during this study have been properly cited and acknowledged, in accordance with the university's academic integrity policies.

I also certify that this report has not been submitted to any other institution or organisations for the fulfilment of any academic qualification, including a degree, diploma, or certificate.

In preparing this work, I have fully complied with the ethical standards, formatting guidelines, and academic regulations prescribed by United International University. I affirm that it upholds the highest standards of academic honesty and professionalism.



Syeda Anika Ferdose

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United International University

Corporate Evidence



INTERNSHIP CERTIFICATE

PATHAO/HRD/RL/2025/008
July 13, 2025

TO WHOM IT MAY CONCERN

This is to certify that Ms. Syeda Anika Ferdose, a student of United International University with ID number 111201183, has successfully completed his internship at Pathao Limited from November 20, 2024 to February 19, 2025 in the Courier department.

During her internship, she has demonstrated a keen ability to learn, and exhibited professionalism and enthusiasm throughout the duration of the internship. We wish her all the best in her future endeavors.

Sincerely,

H. A. Sweety
Vice President
Human Resources & Culture
Pathao Limited

Acknowledgement

I would like to express my heartfelt gratitude to the Almighty for giving me the strength, patience, and determination to successfully complete my internship at Pathao Ltd under the Courier Operations, Inside Dhaka Operations Team.

First, I would like to express my gratitude to my internship coordinator, Mimmun Sultana, Assistant Professor at the School of Business and Economics (SOBE) at United International University. Her encouragement, help and advice were a great source while doing this piece.

I am especially thankful to my supervisor, Asif Ahmed, Senior Manager at Courier Operations at Pathao Ltd, for their continuous support, valuable guidance, and constructive feedback throughout the internship period. Their mentorship has played a key role in enhancing my analytical, operational, and problem-solving skills.

My appreciation also goes to all the members of the Inside Dhaka Operations team for their cooperation and encouragement, making my internship experience smooth and insightful. I have learnt to deal with their hands-on knowledge and day-to-day activities in logistics and delivery management.

Lastly, I would like to extend my sincere appreciation to Pathao Ltd for providing me with the opportunity to work in a dynamic and fast-paced logistics environment. This internship has been an excellent platform for me to gain practical experience and deepen my understanding of courier operations in Bangladesh.

Executive Summary

This report represents the operational framework and courier management process of Pathao Ltd, focusing on its courier operations. Pathao Courier process is a well-organised and technology-driven method used for the seamless movement of parcels across its extensive logistics network. Several key stages are involved, including parcel collection, hub sorting, agent allocation, last-mile delivery, and post-delivery tracking and feedback.

In Pathao Courier, compliance with service quality standards, operational efficiency, and customer satisfaction remain core priorities. Each operational step is executed with transparency and efficiency, where digital tools, route optimisation, and performance-based agent management help ensure timely and cost-effective delivery services.

In conclusion, Pathao Courier operations are well-structured and optimised, significantly supporting its daily service commitments. Through its strategic dispatch planning, real-time monitoring, and data-driven decision-making, the company continues to maintain service excellence while maximising value for both customers and stakeholders.

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List of Acronyms & Abbreviations

- SOP: Standard Operating Procedure
- FMH: First mile hub
- LMH: Last mile hub
- IB: Inbound
- OB: Outbound
- CISD: Central Inside Dhaka Sorting Hub
- COSD: Central Outside Dhaka Sorting Hub
- DA: Delivery Agent
- PA: Pickup Agent
- SLA: Service Level Agreement

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Chapter 1: Introduction

1.1 Introduction

This internship report provides a comprehensive study of Pathao Courier, one of Bangladesh's dominant logistics players since its launch in 2015. This report examines how Pathao Courier's operations, driven by technological & strategic solutions, evaluate performance, optimise resource deployment, and customer-centric service to achieve efficiency, reliability, and scalability in Bangladesh's dynamic e-commerce ecosystem.

1.2 Background of the Report

Pathao Courier, a branch of Bangladesh's leading Super App Pathao, has established itself as a logistics powerhouse. Today, it operates with 400,000 merchants, completes more than 21 million deliveries, and operates across all districts of Bangladesh. Operations management in courier services provides the foundational structure for fast, reliable, and swift deliveries. It reduces costs, improves the customer experience, and builds resilience, making it indispensable in a high-demand, competitive logistics environment.

1.3 Objectives of the Report

The objectives of the report are:

1.3.1 Primary Objective

To gain a comprehensive overview of Pathao Courier's operations management, including its core processes, established methods & technology, and governing policies.

1.3.2 Secondary Objective

To assess its last-mile challenges, strategic solutions and technological tools they use. To explore how the company orchestrates parcel pickup, processing, sorting, delivery, and return. Also, how they evaluate their resources and optimise them.

1.4 Methodology of the Study

The methodology of the report is provided here:

1.4.1 The Source of The Data

The report's objectives were supported by the collection of both primary and secondary data

1.4.2 Primary Sources

- **Direct Observations and Personal Insights:** Through day-to-day operations analysis, meetings, observations, cross-functional communication and sorting hub visits, which provided a practical understanding to understand the operational process.
- **Supervisor Consultations:** My line manager, Asif Ahmed, Senior Operations Manager, frequently held meetings and assigned tasks to engage in core operations to provide an in-depth knowledge of how operations deal with day-to-day challenges and their resolving approaches.
- **Discussions with Industry Professionals:** Interactions with Core Operations department employees as well as business department employees within Pathao Courier, to gain insights into business acumen, their diverse viewpoints and their existing practices.

1.4.3 Secondary Sources

- **Internal company records and reports:** Studying the SOP, the company's records and reports to gain an idea of their operational and business turning points and strategic approach.
- **Externally published materials:** academic publications, journals & blogs and industry data to identify their strengths and probable areas for improvement.

1.5 Scope and Limitations of the Report

The Scope & Limitations of the Report are provided here:

1.5.1 Scope of the Report:

- **Operational Policies and Procedures:** Learning about the courier operations SOP and procedure for their delivery service.
- **Merchant Selection Criteria and Acquisition:** Understanding the merchant selection criteria, policies and onboarding them accordingly
- **Performance Evaluations Metrics:** Analysing delivery rate, agent-to-delivery ratio, Return rate, cost per delivery, hub processing time, etc.
- **Issue Resolution:** Monitoring issues raised by merchants & customers and improving operational efficiency.
- **Merchant Relationship Management:** Maintaining merchant relationships to ensure long-term business value.

1.5.2 Limitation of the Report

- **Time Constraint:** The internship period was 3 months, which was insufficient to observe long-term trends, such as seasonal fluctuations or policy impacts.
- **Data Access Restriction:** Some internal data was confidential and inaccessible to interns.
- **Geographic Scope:** The internship was limited to inside Dhaka operations, excluding inter-city logistics.
- **Limited Access to Other Functional Areas:** Less exposure to other functions, such as marketing, customer service, or software development functions of the courier business.

1.6 Definition of Key Terms

Standard operating procedures (SOP): It is a set of step-by-step instructions compiled by an organisation to help employees carry out routine operations, ensuring consistency, efficiency, and quality. It is crucial for maintaining standards, minimising errors, and improving overall performance within an organisation.

First mile hub (FMH): It is the first sorting hub where pickup parcels are gathered in the same local area to be processed and sent to the central hub.

Last mile hub (LMH): It is the delivery sorting hub where delivery parcels of the local area arrive, and with the help of agents, they get delivered.

Central Inside Dhaka (CISD): As each parcel has different destinations, it is difficult to send multiple first-mile hubs directly to last-mile hubs. That's why all the parcels from first-mile hubs get consolidated in central hubs. The CISD is the central sorting hub for Inside Dhaka Parcels. Meaning parcels that are going to get delivered within Dhaka city are gathered here.

Central Outside Dhaka (COSD): It is similar to CISD, but here parcels are gathered to be delivered outside Dhaka City. Both CISD & COSD are located in Dhaka.

Delivery Agent (DA): Designated delivery agents who delivered parcels to customers's doorsteps.

Pickup Agent (PA): Designated Pickup Agents who pick up parcels from merchants.

Inbound Team (IB Team): Inbound teams work with parcel processing (labelling). Parcels that are picked up by the pickup agents are handed over to the inbound team to process them, giving each parcel a unique ID to identify.

Outbound Team (OB Team): The outbound team ensures that the delivery goes smoothly. They manage agents, delivery parcels, backlogs, etc. In the morning parcels that are going to be delivered are handed over to the last-mile hub's outbound team.

Service Level Agreement Time (SLA Time): The timeframes established for responding to and resolving customer issues or requests. It defines the agreed-upon response and resolution speed between a service provider and their customer.

1.7 Internship Position, Duties and Responsibilities

An internship programme provides an invaluable gateway to acquire practical experience, cultivate essential professional skills, and explore diverse career trajectories within a real-world environment. It seamlessly bridges the divide between academic theory and industry demands, immersing participants in the daily operations, complex projects, and practical challenges that are seldom encountered in a classroom setting. I have embarked on such a journey, undertaking an internship at **Pathao Limited** within their **Courier** vertical. This opportunity perfectly aligns with my academic foundation. Over the past three months, my time with Pathao Courier has been exceptionally enriching, allowing me to directly apply the theoretical knowledge I've gained in supply chain principles, logistics, and operational efficiency to a fast-paced and evolving courier service. Working hands-on in operations has provided me with profound insights into the intricacies of how a business truly functions, navigates growth, and confronts real-world obstacles. Beyond the operational learning, this experience has been instrumental in helping me identify both my inherent strengths and areas ripe for development. It has underscored the critical importance of dedication, specialised skills, and unwavering perseverance in professional life. Ultimately, this internship has served as an indispensable training ground, equipping me with practical wisdom and preparing me robustly for my future professional career.

1.7.1 Position

Department: Inside Dhaka Operations (ISD), Core Operations, Courier, Pathao Ltd.

Locations: Pathao Head Office (Dhaka)

Durations: 3 months, as per the contract.

1.7.2 Duties and Responsibilities

As an intern in Inside Dhaka Operations, I was engaged in a wide range of operational, analytical, and coordination tasks. The responsibilities were designed to provide hands-on experience with the functioning of courier logistics in Dhaka.

- **Routing Error and Zone Change Resolution:** Investigating and resolving routing discrepancies and zone change issues, including subsequent follow-ups with hubs. So that the wrong routing/address parcels get delivered as soon as possible to reduce delivery ageing.
- **Agent Performance Analysis:** Generating comprehensive monthly performance reports for delivery agents to assess, as well as boost their productivity and identify areas for improvement. Using performance metrics such as their delivery success rate, agent-to-parcels ratio, attendance rate, and monthly delivery quantity to identify agents who are getting super-commission and who need improvement.
- **New Dispatch Plan Implementation:** Launching and contributing to the development of a new pilot dispatch plan for delivery agents, aimed at enhancing delivery efficiency and agent productivity. Dispatching parcels according to agents tenure and performance to maximise order delivery ratio and to improve hub performance as well.
- **Operational Backlog Management:** Implementing strategies for effective backlog management to streamline courier operations. In this task, I subsequently follow up with hub to reduce long-ageing parcels in the hub, such as parcels that are on hold , need to be returned, missing, etc.
- **Issue Ticket Management:** Analysing issue categories and follow-ups with the hubs on issues raised by merchants & customers to resolve within the SLA timeline to ensure smooth operational efficiency.

1.7.3 Training & Development

At the beginning of my internship, my supervisor taught me the courier operations standard operating procedures and technology that has been used to operate such a large-scale logistics system all over Bangladesh. Also provide an idea of how each function works with the core operations team. After a week of learning general courier operations work, I was sent to get hub-level training. In hub-level training, I visited two prominent hubs inside Dhaka, which are the Banani hub & Mohammadpur hub. These two hubs deliver and pick up a large number of parcels every day. I was assigned to the hub lead of the designated hubs to get a real scenario of how each team works, their daily challenges, ad hoc planning, agent management, parcel management, backlog management, time management, etc.

The hub works in 3 shifts (morning, evening & night), with multiple teams involved, such as the outbound team, pickup team, inbound team, cash collection team, QC team, data entry team, etc. From my hub training days, I got to learn how to run a logistics system despite everyday challenges and issues and resolve them.

Through my internship, I have developed professional skills which I believe will help me in my career ahead. I have improved my technical skills as I worked as a courier operations intern. I have developed my interpersonal skills, which have helped me to be more confident, patient and a responsible individual. Through this internship, my analytical and problem-solving competencies have improved significantly. I used my time in my internship for networking and building cross-functional communication to learn from the industry professionals.

Chapter 2: Organizational Overview

2.1 Overview of Pathao Limited

Pathao Limited is a pioneering digital network in Bangladesh that offers solutions in ride-sharing, food delivery, logistics, and e-commerce. It was founded in 2015, initially as a logistics and courier company. Pathao has experienced significant growth over the years. It expanded rapidly by introducing ride-sharing services in 2016 and food delivery in 2018. After the massive success of these services, the company recently launched end-to-end digital payment solutions through Pathao Pay. It is headquartered in Gulshan 2, Dhaka.

Pathao has become a key player in Bangladesh's technology ecosystem. The company has achieved significant success in regional expansion, entering Nepal in September 2018 and establishing a strong presence in urban areas such as Kathmandu, Pokhara, and Chitwan.

2.2 Key Features of Pathao Limited

- **Unified Mobile App:** This is the core of the platform's user experience. Instead of needing separate apps for different services, users interact with a single, intuitive application. This significantly enhances convenience and reduces app clutter on a user's device. This cohesive approach not only streamlines the user journey but also powerfully enhances engagement across its diverse offerings, captivating users at every turn.
- **Real-Time Tracking:** This feature addresses a fundamental user need for transparency and control. Whether it's a ride-share, a food delivery, or a package being couriered, users can see the exact location and progress of their service in real time on a map. This eliminates uncertainty, provides peace of mind, and allows users to plan accordingly.
- **Extensive Coverage:** The platform's operational reach is highlighted, indicating its presence in major cities in Bangladesh and a strong presence in Nepal. This broad geographical coverage signifies a well-established network and a significant user base.

For users, extensive coverage means reliability and accessibility – they can depend on the service being available in key urban areas and even across borders in a neighbouring country.

- **SME Empowerment:** They point to the platform's strategic role in supporting small and medium-sized enterprises. By offering robust logistics solutions, the platform provides SMEs with access to efficient delivery and transportation infrastructure that they might not be able to build or afford independently. This could include last-mile delivery services, warehousing solutions, and even payment processing. By leveraging the platform's established network, SMEs can expand their reach, streamline their operations, and compete more effectively, thereby contributing to economic growth and job creation.
- **Data-Driven Optimisation:** They emphasise their commitment to continuous improvement through technology. By collecting and analysing vast amounts of data on user behaviour, traffic patterns, delivery routes, service performance, etc., the platform can identify inefficiencies, anticipate demand, and personalise services. Ultimately, this leads to more efficient operations, reduced costs, and a consistently enhanced customer experience through better service quality and personalisation.

2.3 Mission, Vision, Slogan and Values of Pathao Limited

Mission

Pathao's mission is to empower people and businesses by leveraging technology to simplify their lives and make services more accessible. The company aims to create an ecosystem that fosters growth, connectivity, and convenience for individuals and enterprises across Bangladesh and beyond.

Vision

Pathao envisions becoming a leading platform for transportation, logistics, and digital services in South Asia. It aspires to revolutionise the way people move, connect, and transact by providing reliable and innovative solutions.

Slogan

Its current official slogan is 'Pathao-Here with You'. This slogan was unveiled in October 2023 along with a new brand identity. It emphasises its role as a constant companion in users' daily lives, providing convenience, reliability, and access to endless possibilities through its various services (ride-sharing, food delivery, courier, payments, etc.).

Values

- **Customer-Centricity:** They prioritise the needs and satisfaction of their customers, striving to provide exceptional service and value.
- **Innovation:** Pathao embraces innovation, constantly seeking new ways to improve its services and offerings and challenging the status quo.
- **Integrity:** They operate with the highest level of integrity and honesty, emphasising transparency, accountability, and ethical behaviour.
- **Collaboration (One Pathao):** They believe in teamwork and collective effort, where "nothing at Pathao is someone else's problem" and everyone works together towards a shared mission.
- **Ownership / Accountability ("Own everything"):** Employees are encouraged to take ownership of initiatives and responsibilities.
- **Think Slow, Act Fast:** This refers to a balance of critical thinking and creative problem-solving with decisive and quick execution.
- **Be Better:** A commitment to continuously improve, where the best idea and execution win.

- **Social Responsibility:** Pathao is committed to making a positive impact on society, empowering individuals, creating employment opportunities, and contributing to the vision of a Digital Bangladesh.

2.3 Core Services of Pathao Limited

2.3.1 Logistics (Pathao Courier)

Pathao's foundational business, its courier service, remains a cornerstone of its operations. It offers fast and reliable door-to-door parcel delivery nationwide for individuals and businesses. Crucially, it serves as the last-mile delivery backbone for the burgeoning e-commerce sector and small to medium enterprises, providing essential convenience to both customers and merchants.

2.3.2 Ride-sharing (Pathao Bike, Pathao Car)

It launched in 2016, becoming one of the major ride-sharing services in the country. Connecting users with motorbikes and cars in major Bangladeshi cities, including Dhaka, Chittagong, and Sylhet. It offers affordable and convenient transportation, notably helping commuters navigate urban traffic.

2.3.3 Car Rental (Pathao Rentals)

Expanding on its ride-sharing success, Pathao recently introduced its dedicated car rental service. Designed for more flexible and longer-duration transportation needs, Pathao Rentals provides solutions for short trips to multi-day hires, always with a professional chauffeur, catering to various travel requirements.

2.3.4 Food Delivery (Pathao Food)

Launched in 2018, Pathao Food has grown to become one of Bangladesh's leading food delivery services. It enables users to order meals from a wide selection of restaurants for doorstep delivery, enhanced by real-time tracking for a seamless experience.

2.3.5 E-Commerce Support (Pathao Shop)

Beyond being a vital logistics partner for e-commerce, Pathao also ventured into direct e-commerce with 'Pathao Shop'. This in-app marketplace allows users to directly purchase various curated products, completing the online shopping experience from discovery to delivery.

2.3.6 Fintech Services (Pathao Pay & Pay Later)

Pathao has made strategic inroads into financial technology. Its digital wallet service, Pathao Pay, enables seamless and secure cashless payments for Pathao's services and partner merchants, actively reshaping the country's fintech landscape. Furthermore, Pathao launched 'Pay Later', which is a 'Buy Now Pay Later service', Bangladesh's first and largest such solution. This service provides loyal and active users with flexible spending limits, allowing them to make purchases and pay in instalments. Pathao views this fintech expansion as a critical way to integrate its services and cater to digital natives and tech-savvy small businesses, which are often facing barriers with traditional financial institutions.

2.4 Achievements & Expansion

Pathao has achieved remarkable success by evolving from a delivery service into Bangladesh's leading super app, now encompassing ride-sharing, food delivery, e-commerce, and digital payments. This diversification has secured its market leadership across key verticals, serving over 10 million users through a vast network of Pathao Heroes and merchants. A highlight of its expansion is its pioneering launch in Nepal in 2018, establishing courier and ride-sharing services there. Financially, Pathao is a top Asian tech startup, having raised over \$50 million and achieving a valuation exceeding \$100 million by 2018. It also gained crucial regulatory recognition in Bangladesh and leverages advanced technological acumen (for example, MongoDB Atlas on Google Cloud) to ensure reliability and agility, all while significantly contributing to the nation's digital economy and earning widespread trust.

2.5 SWOT Analysis of Pathao Courier

2.5.1 Strengths

1. **Strong Brand Recognition & Trust:** Pathao is a household name in Bangladesh, particularly in urban centres, built on its successful ride-hailing, food delivery and courier services. This strong brand recognition instils trust in its courier service, making it a preferred choice for individuals and businesses.
2. **Extensive Network & Coverage:** Pathao Courier has a robust presence in Nepal and a broad reach, delivering to all 64 districts in Bangladesh. For e-commerce companies that require distribution across the country, this vast network is essential.
3. **Unified Super App Ecosystem:** Being part of the larger Pathao super app provides significant advantages. It allows for cross-promotion, efficient utilisation of delivery riders, and a seamless user experience for merchants and customers.
4. **Technologies-Driven Strategy & User-Friendly Platform:** Pathao makes use of cutting-edge technologies, such as real-time parcel tracking and an intuitive merchant interface. Both individual users and merchants are drawn to this transparency and convenience of use.
5. **Competitive Pricing & Value:** Pathao Courier offers affordable delivery charges with clear pricing plans and options like cash on delivery (COD), as well as seamless & cashless transactions with Pathao Pay across Bangladesh, appealing to a broad customer base.
6. **SME Empowerment Focus:** Pathao Courier's robust logistics solutions are specifically designed to support the growth of SMEs, offering services like express and standard delivery, fulfilment solutions, corporate services, and reverse logistics (parcel return/exchange).

7. **Large Merchant & Delivery Agent Base:** With over 400,000 registered businesses and a vast network of 300,000+ Pathao "Heroes" (riders/delivery agents), Pathao Courier can handle a high volume of deliveries.
8. **24/7 Customer Support:** The availability of a 24/7 call centre support and dedicated relationship managers for merchants enhances customer satisfaction and problem resolution.
9. **Profitability in Logistics:** Pathao has explicitly stated that its logistics vertical is profitable, indicating a sustainable business model in this segment.

2.5.2 Weakness

1. **Problems with Service Consistency:** Especially during busy hours, users occasionally report problems such as delivery delays, ride cancellations, and technical difficulties. Customer loyalty and experience may suffer from inconsistencies.
2. **Challenges in Scaling Operational Efficiency:** Rapid growth in user demand, particularly in logistics, can lead to increased delivery times and higher operational costs if not managed effectively. Maintaining efficiency during expansion is a continuous challenge.
3. **Limitations on Accepted Items:** Pathao Courier has specific restrictions on the size, weight, and type of items it transports (e.g., no precious metals, large electronics, or hazardous materials), which might limit its appeal for certain businesses or high-value goods.
4. **Liability Limitations:** Pathao's terms and conditions often have limitations on liability for high-value items, which could be a concern for merchants sending expensive products.
5. **Dependence on Rider Availability & Performance:** The quality and consistency of service heavily rely on the availability, training, and professionalism of its rider fleet, which can be challenging to manage at scale.

6. **Dependence on Technology Infrastructure & Vendors:** While a strength, a high reliance on technology infrastructure means potential vulnerabilities to technical glitches or cyber threats. Dependence on local specialised services could also impact operational costs.

2.5.3 Opportunity

1. **Booming E-commerce Market:** The rapid growth of the e-commerce sector in Bangladesh and Nepal presents a massive opportunity for Pathao Courier to expand its merchant base and delivery volume.
2. **Expansion into Tier-2 and Rural Areas:** While strong in major cities, there's significant untapped potential in smaller cities and rural areas of Bangladesh, where efficient logistics solutions are still nascent.
3. **Value-Added Logistics Services:** Expanding into more sophisticated logistics solutions like warehousing, inventory management, and fulfilment services for larger businesses could create new revenue streams and strengthen its market position.
4. **Integration with Fintech (Pathao Pay):** Leveraging its existing Pathao Pay digital wallet and "Buy Now Pay Later" (BNPL) solutions can enhance payment convenience for merchants and customers, further integrating courier services with financial transactions.
5. **Strategic Partnerships:** Collaborating with large retail chains, manufacturing companies, and other businesses (like the partnership with Apex Footwear) can secure large-volume contracts and diversify its client base.
6. **Technological Advancement:** Continued investment in AI and data analytics can further optimise delivery routes, predict demand, and enhance overall operational efficiency and customer satisfaction.

7. **Sustainable Delivery Solutions:** Exploring and implementing eco-friendly delivery methods (such as electric bikes, cycle delivery for short distances) can appeal to environmentally conscious customers and align with global trends.
8. **International Logistics:** While currently focused on Bangladesh and Nepal, long-term opportunities might exist in cross-border e-commerce logistics within the region.

2.5.4 Threats

1. **Intense Competition:** With both local competitors and the possibility of foreign behemoths entering the market, Bangladesh's logistics and delivery sector is extremely competitive. Rivals for market share include Shohoz, inDrive, and other regional courier providers.
2. **Pricing Pressure:** High competition can lead to price wars, impacting Pathao Courier's profit margins if it's forced to lower delivery charges.
3. **Regulatory Changes:** Evolving government regulations regarding ride-hailing, logistics, and gig economy workers (such as taxation, worker rights) could impact operational costs and business models.
4. **Economic Instability & Inflation:** High inflation rates and fluctuating fuel prices directly impact operational costs for a logistics company, potentially forcing price increases that could deter customers.
5. **Infrastructure Limitations:** Despite improvements, infrastructure challenges (including traffic congestion and road quality in some areas) can hinder delivery efficiency and increase operational costs.
6. **Security Concerns & Theft:** The risk of theft or damage to parcels is an inherent threat in the logistics industry, which can lead to financial losses and reputational damage.

Chapter 3: Operations Management of Pathao

Courier

3.1 Introduction of Courier

A courier service is a company or individual specialising in the rapid, reliable, and secure delivery of packages, documents, and parcels from a sender to a recipient. Unlike traditional postal services, couriers often offer expedited delivery times, door-to-door service, advanced tracking capabilities, and specialised handling for various types of goods. They operate through extensive logistical networks, utilising various modes of transport—from bicycles and vans for local deliveries to aircraft and large trucks for national and international shipments—to ensure the timely and efficient movement of items across diverse geographical areas. Essential for modern commerce, couriers play a vital role in connecting businesses and individuals globally, facilitating trade, e-commerce, and personal communication.

3.2 History of Courier

3.2.1 History Of Global Courier Service

The concept of couriers dates back to ancient times, with the earliest recorded instances in Ancient Egypt around 2400 BC, where runners delivered stone documents and building materials. The word "courier" itself derives from the Latin word '*currere*', meaning 'to run'. Ancient civilisations like the Persians and Greeks also utilised couriers, often on foot or horseback, to relay important messages and news of victories. Over centuries, animals like horses, pigeons, camels, and dogs were employed for deliveries across vast distances.

The modern courier industry began to take shape in the 19th century, with companies like Wells Fargo in 1852 and the Pony Express in 1860 in the United States, followed by the establishment of major global players like UPS, TNT, and DHL, evolving with technological advancements like trains, automobiles, and eventually air travel, to offer faster and more efficient delivery services worldwide.

Companies like Wells Fargo and the Pony Express were a direct response to the escalating demands of an increasingly interconnected world. Wells Fargo's success in securely

transporting valuables across the American West, coupled with the Pony Express's demonstration of ultra-fast long-distance communication, proved the viability and necessity of expedited delivery networks. These early ventures, however, were largely regional and reliant on rudimentary transport. The true global expansion began in the 20th century with companies like UPS (1907), TNT (1946), and DHL (1969). Their ascent was fuelled by key innovations: the widespread adoption of automobiles for ground networks, the transformative power of air freight for international reach, and the development of sophisticated logistical systems like hub-and-spoke models. This allowed them to offer rapid, reliable, door-to-door delivery across continents, becoming indispensable enablers of global trade and e-commerce by efficiently connecting businesses and consumers worldwide.

3.2.1 History of Courier Service In Bangladesh

The history of courier services in Bangladesh, distinct from the ancient postal systems that existed in the Bengal region, largely began with the emergence of private companies in the late 1970s and early 1980s. While the Bangladesh Post Office has a long history dating back to pre-independence eras, it was private players who truly catalysed the modern courier industry.

One of the most significant early players, and indeed a pioneer in establishing the concept of comprehensive private courier services, was Sundarban Courier Service (Pvt.) Ltd., founded in 1983 by Imamul Kabir Shanto. At a time when Bangladesh had limited air express services and nascent road infrastructure for parcel delivery, Sundarban aimed to reach doorsteps across the country. Their initial focus on ground-based delivery, even with a small fleet, helped popularise and establish the sector. Shanto's leadership was crucial in creating awareness and eventually in forming the Courier Services Association of Bangladesh, solidifying the industry's presence.

Around the same period, or shortly after, international courier giants like DHL Express also began establishing their presence in Bangladesh. DHL's operations in Bangladesh started in

1979, playing a vital role in connecting the country to global logistics networks. Their early introduction of air express handling units at Dhaka Airport and pioneering door-to-door import services, particularly for the burgeoning ready-made garment (RMG) sector, significantly shaped the landscape of international express delivery in Bangladesh.

Beyond these two, the early 1980s also saw the emergence of other significant local players who collectively defined the nascent private courier market. Companies like Continental Courier Service and Dreamland Courier Service, both also established in 1983, were part of the initial trio that navigated the challenges of a new industry. Pioneer Courier Service (1983) and Janani Express Parcel Service (stemming from a group founded in 1980) further contributed to this early growth, expanding specialised delivery services, including for medical samples and broader freight. These foundational companies laid the groundwork for the diverse and robust courier industry seen in Bangladesh today, which has since been further transformed by the rise of e-commerce and new players like SA Paribahan, Pathao Courier, RedX, and eCourier.

3.3 Size, Trend, and Maturity of the Courier Industry

The courier industry in Bangladesh has experienced significant evolution, particularly driven by the rise of e-commerce. It's a dynamic sector that showcases both rapid growth and ongoing development. The courier industry in Bangladesh is substantial and continues to expand. As of 2021, the market size was estimated to be around BDT 70 billion (approximately USD 600-700 million), a figure that has undoubtedly increased since. Daily, an average of 7.5 lakh (750,000) parcels are delivered nationwide. The overall freight and logistics market in Bangladesh, which includes courier services, is valued at USD 31.97 billion in 2025 and is projected to reach USD 37.3 billion by 2030, indicating consistent growth.

Bangladesh's courier industry is booming, fuelled by the rise of e-commerce and f-commerce, which has shifted focus from documents to a high volume of consumer parcel deliveries. This

growth is heavily supported by increasing technological integration, including app-based booking, real-time tracking, GPS for route optimisation, and digital proof of delivery, all aimed at enhancing efficiency and transparency. To overcome severe urban traffic congestion, the industry has seen remarkable last-mile innovation, with companies like Pathao heavily utilising motorbike and bicycle riders for faster, agile deliveries. The sector is also expanding into specialised services, catering to specific needs like perishable goods or bulky items, though challenges in cold chain logistics for perishables persist, leading to issues like spoilage and lack of accountability. The market is experiencing increased competition with the entry of new local players and international startups, which in turn fosters a stronger focus on customer experience, emphasising speed, reliability, and efficient complaint handling. Finally, to sustain this growth, there's a recognised need for substantial investment in infrastructure and capacity building, as courier companies expand their networks, sorting facilities, and vehicle fleets.

The courier industry in Bangladesh is in a rapid growth phase, transitioning towards maturity. While private services date back to 1983, the recent e-commerce boom significantly fuelled their modern expansion. Technological advancements are evident, though smaller players need further digital integration. The market remains somewhat fragmented, leading to inconsistent service, and infrastructure gaps persist, especially in rural areas. Despite its economic importance, the sector still seeks official industry recognition. As it matures, there's a push for higher service standards and more specialised solutions.

3.4 Operational Activities of Pathao Courier Service

The process begins with merchant engagement, where businesses register to utilise Pathao's delivery services. This often involves online registration and, for larger clients, potential integration with their e-commerce platforms like Shopify and Daraz, streamlining order placement. Merchants then book individual or bulk parcel deliveries through their merchant

panel, providing essential details such as the receiver's information, product type, and pickup store locations. Merchants have to put in a pickup request by 4 pm to get pickup that day.

Following order placement, Pathao then dispatches a nearby pickup agent to the merchant's location for parcel collection. The agent verifies the parcel's condition and obtains a signed receipt from the merchant, adhering to strict guidelines on acceptable items. Collected parcels are then transported to their local sorting hubs (first-mile hub). The inbound team then acknowledges the parcels from the pickup agent and sends the parcels for processing. The most important part here is that the parcel gets a unique Parcel POD label, which is essential for tracking the parcel's journey. After the initial sorting at first-mile hubs, all parcels from all hubs are moved to a larger, central warehouse. This is the main sorting facility where parcels from all over are consolidated and prepared for last-mile hub travel.

Pathao leverages a comprehensive nationwide network for transportation, delivering to all districts of Bangladesh. This involves a diverse fleet of motorcycles, bicycles, small pickup vans for shorter distances and covered pickup vans for larger volumes. For the final stage, parcels from the central warehouse are sent out to different parts of Bangladesh. The next morning/next day, parcels arrive at a last-mile delivery hub. From there, a local delivery agent is assigned the parcel and takes it directly to the customer's doorstep, completing the final leg of the journey. In cases of failed delivery, meaning return, exchange, partial delivery, etc., alternative arrangements are made, or the parcel is returned to a designated merchant using the reverse delivery process.

Pathao offers a crucial Cash on Delivery (COD) service, where delivery agents collect payment from the recipient on behalf of the merchant. These funds are then swiftly settled with the merchant, typically within 24 hours, after deducting Pathao's service fees, via bank transfers or Mobile Financial Services (MFS).

3.4.1 Operational Process Flowchart

In this flowchart, a basic operational process starts from the merchant pickup request to delivery. The process starts through the evening shift with pickup of FMH, then from evening to night with inbound operations of FMH.

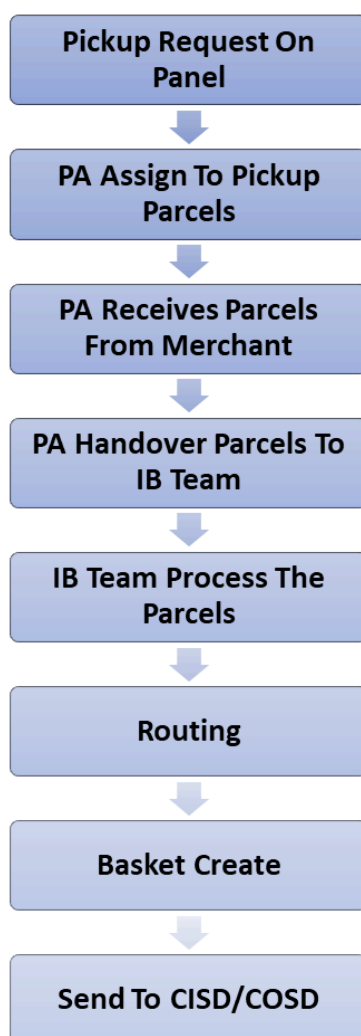


Figure 1: Parcel First Mile Hub Process.

Here's the process after parcels are sent to the central sorting hubs at midnight. All first-mile hubs send parcels to central sorting, and though the central sorting hub parcels go to last-mile hubs.

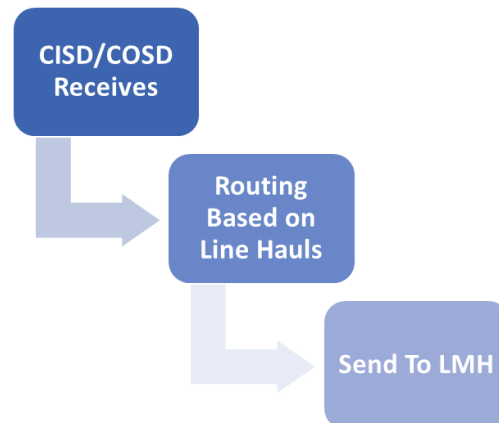


Figure 2: Central Sorting Hub Process

Here's the process of last-mile hubs, the outbound teams that are responsible for ensuring the delivery process, which starts from early in the morning.

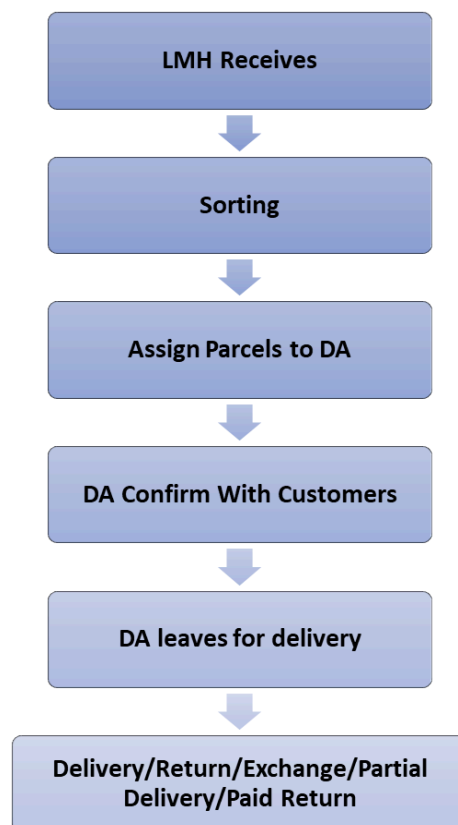


Figure 3: Last Mile Hub Process

3.5 Coverage of Pathao Courier

Pathao Courier has nationwide coverage across Bangladesh. They are providing home delivery service in 64 districts, currently with 21 hubs inside Dhaka & 234 hubs outside Dhaka. This extensive network is a key differentiator, as it allows Pathao to fulfil its commitment to 100% Safety Coverage across the entire country, reaching areas that might be less accessible for other courier services. This commitment to broad coverage is a testament to their role in revolutionising e-commerce delivery and logistics within the country.

Their presence is particularly strong in major metropolitan hubs like Dhaka, Chittagong, Sylhet, Khulna, and Rajshahi, where they handle a high volume of parcels and offer faster delivery options. However, their strategic expansion beyond these cities into smaller towns and rural areas has been instrumental in supporting the growth of e-commerce throughout Bangladesh. This widespread coverage empowers online businesses, regardless of their location, to reach customers nationwide, facilitating economic activity and providing essential delivery services to a diverse customer base. While their coverage is indeed impressive, it's important to note the few exceptions. Currently, they do not offer delivery services to the geographically challenging areas of Bhasanchar, St. Martin, and Chheradeep. For all other locations, however, Pathao continuously strives to enhance its delivery infrastructure and optimise its routes to maintain efficient and reliable service across the entire Bangladeshi landscape.

3.6 Logistics Systems of Pathao Courier

Pathao Courier operates a sophisticated logistics system that integrates technology, a vast network of delivery agents, and strategic operational processes to ensure efficient and reliable parcel delivery across Bangladesh. This system is designed to support various types of deliveries, from on-demand small parcels to large-scale e-commerce fulfilment.

Pathao's logistics model is fundamentally built upon its extensive and adaptable network of delivery agents, who are crucial for both first-mile pickup and last-mile delivery operations. The pickup agents are strategically dispatched to collect parcels directly from merchants.

locations using bicycles, motorcycles & mini pickup/covered vans, significantly reducing the time and effort required for businesses to initiate shipments. This initial pickup phase, often referred to as the ‘first mile’, sets the efficiency tone for the entire delivery process.

The true strength of Pathao's network, however, lies in its last-mile delivery capabilities. Initially, after parcels arrive at each designated delivery hub, the delivery agents primarily use bicycles & motorcycles to expertly navigate local areas, ensuring that parcels reach the customer's doorstep promptly, even amidst the challenges of congested urban environments or the complexities of less accessible rural regions. This decentralised network is also inherently scalable, allowing Pathao to rapidly adjust its operational capacity to meet fluctuating demand, a vital capability, particularly during peak e-commerce seasons and promotional periods.

3.7 Service Charge of Pathao Courier

Service charges vary within the same city and inter cities. The charge is determined through the parcel's weight and the distance to the delivery point.

3.7.1 Same City Delivery Charge

This price plan is exclusive of any vat/tax. More than 2 Kg weight parcels get an additional 15tk per KG.

Table 1: Same City Delivery Charge

Weight of Parcel	Delivery Charge	Delivery Time
Up to 500 grams	60-70 TK	24 hours
500 grams to 1 kg	80 TK	24 hours
1 kg to 2 kg	90 TK	24 hours
2 kg to 3 kg	105 TK	24 hours

3.7. 2 Intercity Delivery Charge

This price plan is exclusive of any VAT/tax. More than 2 Kg weight parcels get an additional 25tk per KG.

Table 2: Intercity Delivery Charge

Weight of Parcel	Delivery Charge	Delivery Time
Up to 500 grams	110-120 TK	24 hours
500 grams to 1 kg	140 TK	24 hours
1 kg to 2 kg	160 TK	24 hours
2 kg to 3 kg	185 TK	24 hours

3.8 Quality Assurance of Pathao Courier

Pathao Courier places significant emphasis on quality assurance to maintain its reputation for reliable and efficient delivery services. Their approach to quality involves a multi-faceted strategy that combines technological oversight, standardised protocols, robust customer support, and continuous feedback mechanisms.

They establish clear protocols for parcel handling and delivery to minimise errors and damages. This includes guidelines for packaging, weight limits, and prohibited items to ensure parcels are handled appropriately throughout their journey. For instance, a transparent polybag is often used for e-commerce parcels to allow for visual verification of contents. While they aim for 100% safety coverage, they also have disclaimers regarding liability for damaged or lost items, encouraging proper packaging from senders, especially for fragile

goods. Delivery agents are expected to adhere to specific procedures for pick-up, transit, and delivery, including obtaining appropriate receipts as conclusive evidence of delivery.

Technology plays a pivotal role in Pathao's quality assurance. Their advanced tracking features allow both merchants and customers to live track parcels in real-time, providing transparency and reducing anxiety about shipment status. This real-time visibility helps in identifying potential delays or issues promptly. The Pathao agent app, used by delivery personnel, facilitates efficient operations, and its integrated features likely contribute to data collection that can be analysed for performance monitoring and identifying areas for improvement. Pathao also invests in tech upgrades to enhance user satisfaction and operational efficiency, which indirectly contributes to service quality.

Pathao invests in training its delivery agents to ensure they are well-equipped to handle parcels and interact professionally with customers. Effective agent training is crucial for reducing delivery errors, improving customer interactions, and maintaining the integrity of parcels.

Pathao focuses on maintaining a high delivery success rate, which is a key indicator of quality. Reports of managing over 250,000 orders daily and maintaining a delivery success rate of over 95% suggest robust internal monitoring. They likely use data analytics from their platform to track key performance indicators (KPIs) such as delivery times, successful deliveries, and return rates. This data-driven approach helps them identify trends, pinpoint inefficiencies, and implement targeted improvements. Their commitment to "reliable delivery" and enabling "the growth of e-commerce through its reliable courier service" indicates an ongoing pursuit of higher quality standards.

3.9 Technologies of Pathao Courier

At the core of Pathao's logistics system is a robust technological platform. This includes their merchant panel and dedicated mobile applications for both merchants and delivery agents. Merchants can seamlessly place and manage orders, track shipments in real-time using consignment IDs, and access payment details. The platform allows for both one-click parcel

booking for individual orders and bulk parcel sending for higher-volume businesses. GPS integration within the system enables real-time tracking of drivers and deliveries, offering transparency to customers and enhancing trust.

Pathao continuously invests in tech upgrades, allocating a significant portion of its budget to improve user satisfaction and operational efficiency, including features like route planning and address validation.

Pathao Courier's operations are deeply embedded within Pathao's broader technology ecosystem, leveraging shared infrastructure and specialised applications to manage the end-to-end parcel delivery process. The company's focus on courier services since its inception means that its core technological investments directly support its logistics arm.

The Pathao Merchant App/Panel serves as the primary interface for businesses to manage their shipping needs. Through this platform, merchants can efficiently place and manage orders, including both individual and bulk parcel bookings. For e-commerce businesses utilising platforms like Shopify, Pathao offers seamless integrations (via the Pathao Courier App for Shopify) that automatically synchronise order and shipping details, significantly minimising manual data entry and potential errors. Furthermore, the merchant interface provides real-time shipment tracking using consignment IDs, offering complete transparency over parcels in transit, and allows for the comprehensive management of payment information, particularly regarding Cash on Delivery (COD) remittances.

The Pathao Agent App, often referred to by Pathao Heroes, is the essential tool for delivery agents. This application allows them to efficiently receive and accept delivery requests based on their current location, optimising their workflow. With integrated GPS navigation, agents benefit from precise route planning, ensuring timely and efficient deliveries. Crucially, the app facilitates proof of delivery through features like OTP verification or digital signatures, ensuring accountability. Furthermore, the Pathao Agent App empowers these heroes to effectively manage their daily tasks and track their earnings, providing them with the necessary tools for independent operation within the Pathao network.

Behind the user-facing applications, Pathao Courier employs a sophisticated logistics management system. This includes features designed to optimise delivery operations. While specific algorithms are proprietary, Pathao's system incorporates tools for efficient route planning to minimise travel time and fuel consumption for its agents, especially for multi-stop deliveries. To reduce delivery failures due to incorrect addresses, the system includes address validation features at the time of order creation. Automated SMS notifications are used to update customers about their parcel status, keeping them informed without needing to constantly check the app. For e-commerce platforms, Pathao offers webhook integration for status updates, allowing businesses to receive automated notifications about their delivery events directly into their systems.

Pathao's courier operations generate a vast amount of data daily. This data is leveraged for analytics and performance monitoring. By tracking metrics such as delivery success rates, delivery times, and agent performance, Pathao can identify bottlenecks, optimise processes, and continuously improve the efficiency and quality of its courier services. The insights derived from this data inform strategic decisions, from agent deployment to service area expansion.

3.10 Conclusions

Pathao Courier has established itself as a market leader in Bangladesh's rapidly expanding logistics and e-commerce delivery sector through consistent growth, reliable service quality, and extensive nationwide coverage. The company has built a well-structured logistics system that combines technology, hub networks, and real-time tracking to ensure efficient parcel movement and minimal service disruption. Its focus on quality assurance through systematic performance monitoring and return handling has strengthened customer and merchant trust. Pathao's competitive pricing and flexible delivery options offer significant cost benefits to small and large businesses alike, making it a preferred logistics partner. As the courier and e-commerce logistics industry in Bangladesh continues to grow, driven by increasing online



shopping trends and rising parcel volumes, Pathao Courier is strategically positioned to scale further by leveraging its operational expertise, technology-driven solutions, and commitment to service excellence.

Chapter 4: Strategies of The Courier Industry

4.1 Strategies of Pathao Courier

Pathao's success is rooted in its early mover advantage and strategic response to Bangladesh's burgeoning e-commerce and f-commerce markets. It filled a critical gap by offering tech-enabled, reliable delivery services where traditional couriers fell short, quickly becoming indispensable to online merchants nationwide. This was significantly enhanced by its technology integration and transparency, and both merchants and customers gained peace of mind with real-time parcel tracking via the Pathao app. Furthermore, Pathao's data-driven approach optimised routes and rider assignments, boosting overall operational efficiency. Critically, Pathao addressed Bangladesh's notorious last-mile challenges, particularly in congested urban areas like Dhaka. By deploying a vast network of motorbike and cyclist riders, Pathao revolutionised urban logistics, enabling significantly faster deliveries by expertly navigating dense traffic where larger vehicles struggle.

Pathao Courier's supply chain management strategies have undergone a significant evolution, shifting from an initial focus on leveraging a nascent market opportunity to a more sophisticated, technology-driven approach aimed at efficiency, widespread coverage, and value-added services. This evolution reflects both the growth of Bangladesh's e-commerce landscape and Pathao's maturation into a dominant logistics player.

4.1.1 Initial Strategies

In its early days, Pathao Courier's supply chain strategy was largely characterised by:

Market Penetration & First-Mover Advantage (Cost Leadership/Differentiation)

Pathao began as a logistics solution primarily for small e-commerce businesses, particularly those operating via Facebook. Their key strategy was to capitalise on the severe traffic congestion in Dhaka by using motorbikes and bicycles for delivery. This offered a significantly faster alternative compared to traditional courier services. This was a form of differentiation through speed and also allowed for cost leadership by utilising readily available, low-cost individual riders rather than a large, capital-intensive vehicle fleet. The

focus was on getting things delivered quickly and affordably, even if the underlying technology was simpler.

Asset-Light Model (Outsourcing/Third-Party Logistics)

Initially, Pathao operated with a very asset-light model, relying heavily on freelance motorbike riders. This allowed them to scale rapidly without heavy upfront investment in vehicles and large numbers of permanent delivery staff. This is a classic 3PL strategy where the core competency is managing the network and technology, rather than owning all physical assets.

Focus on Urban Areas

The initial strategy was concentrated on high-demand urban centers, particularly Dhaka, where traffic congestion made their two-wheeler solution most impactful and where the majority of e-commerce activity was concentrated. Supply chain density was prioritized in these key zones.

Basic Digital Interface

While digital from the start, the initial merchant and rider interfaces were more rudimentary, focusing on basic order placement, assignment, and tracking. The emphasis was on functionality to core delivery service.

4.1.2 Current Strategies

Nationwide E-commerce Logistics & Technology Focus

Pathao Courier has taken a technology-driven approach to expand its logistics network nationwide. With a strong base of over 400,000 merchants, the company handles around 200,000 parcels daily, capturing nearly half of the third-party logistics e-commerce market in the country. A key strategic focus has been the development of merchant-friendly digital infrastructure, including a comprehensive dashboard, real-time tracking systems, cost

estimation tools, and performance analytics. These tools not only improve transparency but also empower merchants to manage their deliveries with greater control and insight.

Merchant Engagement through Rewards & Incentives

To build long-term relationships with sellers, Pathao recently introduced a quarterly merchant reward programme that incentivises high-performing partners. Under this programme, top merchants ranked by parcel volume, return ratio, delivery success rate, and consistency receive rewards such as air travel packages to destinations like Kathmandu or Cox's Bazar. This initiative is designed to boost merchant engagement and loyalty while also encouraging performance consistency across the network.

Strategic Partnerships for Vertical-Specific

Pathao has also been forming strategic alliances with large businesses to strengthen sector-specific last-mile logistics. One notable partnership is with Apex Footwear Ltd., under which Pathao serves as the primary delivery partner for Apex products. This collaboration is tailored to improve delivery speed, reduce damage rates, and enhance customer satisfaction within the footwear sector. Such partnerships reflect Pathao's shift toward offering customised logistics solutions to meet the distinct needs of different industries.

Operational Profitability & Cost Discipline

Financial sustainability remains a core priority for Pathao Courier. As of mid-2022, the company achieved operational profitability, an uncommon milestone for logistics startups in Bangladesh. Instead of rapid, unsustainable scaling, Pathao has focused on disciplined cost management and integrating fintech services such as Pathao Pay into its courier ecosystem. Operational profitability means that the revenue generated from the courier operations is sufficient to cover day-to-day expenses, without relying on external funding or subsidies to

stay afloat. This shift to profitability came despite broader economic slowdowns and increased competition in the logistics sector. While other delivery startups struggled with rising costs, inefficiencies, and market saturation, Pathao managed to streamline its operations, optimise delivery routes, control expenses, and scale only where it made financial sense. This reflects strong internal cost discipline and a focus on long-term stability rather than short-term expansion. These efforts aim to generate synergy across business verticals while ensuring stable financial performance.

Recognition & Morale Through Internal Performance Awards

Internally, Pathao emphasises employee motivation and operational excellence through structured reward programmes. For example, the Best Agent Award, held last year, 2024, recognised 228 outstanding performers across hubs, clusters, and regions. Winners received high-value rewards such as motorbikes, refrigerators, smartphones, and televisions. These awards not only boost morale among frontline staff but also promote a performance-driven culture that aligns with Pathao's service standards.

Localised Marketing & Incentive Campaigns

Finally, Pathao continues to strengthen its brand positioning through localised marketing campaigns. The company has launched targeted promotions in cities like Chattogram and seasonal campaigns such as 'Diamond for Maa' to drive engagement across its courier, food, ride, and fintech services. Cashback offers and referral incentives are also part of its integrated strategy to increase user acquisition and retention in a competitive market.

In summary, Pathao Courier's current strategies revolve around expanding delivery coverage with technology, engaging merchants with rewards, forging strategic partnerships, maintaining operational profitability, motivating internal teams, and strengthening its brand through

region-specific campaigns. These strategic pillars position Pathao as a leading and sustainable player in Bangladesh's rapidly evolving logistics sector.

4.2 COMPETITORS ANALYSIS

Pathao Courier operates in a highly competitive and dynamic logistics market in Bangladesh, driven by the rapid growth of e-commerce. Its competitors can be broadly categorised into several groups: established traditional couriers, modern tech-driven logistics startups, e-commerce platforms with in-house logistics, and international players.

- **Traditional Courier Services:** There are some long-standing players that have been in the market for decades, pioneering the courier industry in Bangladesh, building extensive physical networks and brand recognition, which are Sundarban Courier Service, SA Paribahan, Karatoa Courier Service, Janani Express Parcel Service, etc.
- **Modern Tech-Driven Logistics Startups (Direct Competitors):** This segment represents Pathao's most direct competitors, as they are all technology- & data-centric courier services. Which are Steadfast Courier, Redx, Paperfly, eCourier, Delivery Tiger, etc.
- **International Courier Services (Indirect Competitors):** Companies like DHL, FedEx, Aramex, etc., primarily focus on international express shipping and specialised corporate logistics rather than mass domestic e-commerce parcel delivery.

4.3 COMPETITORS STRATEGIES

4.3.1 Traditional Courier Services

Sundarban Courier Service (SCS)

One of the oldest and most widespread courier services in Bangladesh, with a vast network of branches across the country. SCS is known for its extensive reach, particularly in rural areas,

and handles a significant volume of documents and general parcels. While they have adopted some tech, their primary operational model is more traditional, often relying on a central sorting hub and branch-based pickups/deliveries.

SA Paribahan

Another well-established player known for its comprehensive nationwide network and quick delivery times. Similar to Sundarban, they have a strong physical presence and cater to a wide range of logistics needs.

The competitive edge of these traditional courier services is in deep-rooted physical infrastructure, high brand recall, established trust over decades, and often lower costs for bulk or less time-sensitive shipments. While Pathao offers a more modern experience, traditional players have immense reach and legacy relationships, especially outside major cities.

4.3.2 Modern Tech-Driven Logistics Startups (Direct Competitors)

This segment represents Pathao's most direct competitors, which are considered 4th-generation logistics systems, which have digital technology & data analytics across the entire supply chain. These companies, often emerging from the e-commerce boom, emphasise technology, speed, and tailored services for online businesses.

Steadfast Courier

Steadfast Courier, also known as the key competitor of Pathao Courier. They compete with Pathao Courier by employing a tech-driven, merchant-centric logistics strategy in Bangladesh. They focus on a dense, nationwide delivery network offering convenient doorstep pickup and efficient last-mile service. Leveraging robust IT for seamless booking, advanced tracking, and optimised logistics, Steadfast also prioritises competitive Cash on Delivery (COD) services and rapid merchant payment processing. Their operational management emphasises strong customer relationships and service quality through continuous feedback and staff training, solidifying their competitive edge.

REDX Courier

Another significant competitor of Pathao courier, especially given its association with ShopUp. REDX is known for its strong tech integration, nationwide coverage, competitive COD rates (0% inside Dhaka, 1% outside) with rapid merchant payment remittances, and fast merchant payments (next day). They highlight features like real-time tracking, free in-app calls, and fulfilment solutions.

There are other modern tech-driven logistics startups such as **Paperfly**, **eCourier**, **Delivery Tiger**, etc. With these competitors, Pathao has its challenges, which are often nimble, innovative, and focused solely on logistics, potentially offering more specialised features or aggressive pricing/payment terms.

Yet, Pathao's primary competitive edge over these couriers lies in its super-app ecosystem. Pathao Courier benefits significantly from being part of a larger platform with multiple other services. This allows for powerful cross-promotion and shared infrastructure, leading to operational efficiencies and broader brand recognition across various daily user interactions.

Also, Pathao's diversified services offer wider customer touchpoints and deeper data synergy, ultimately contributing to a more expansive and integrated competitive advantage.

4.3.3 International Courier Services (Indirect Competitors)

Companies like **DHL**, **FedEx**, and **Aramex** primarily focus on international express shipping and specialised corporate logistics rather than mass domestic e-commerce parcel delivery. While they operate in Bangladesh, their target market and pricing structure are different from Pathao Courier's.

Chapter 5: Conclusions and Recommendations

5.1 Recommendations

Based on my internship experience at Pathao Courier's Inside Dhaka Courier Operations team, several recommendations can be made to enhance operational efficiency, workforce productivity, and customer satisfaction.

Firstly, establishing a structured feedback system for delivery agents is essential. This would allow management to gain valuable insights from ground-level operations while also motivating agents through recognition and performance-based incentives. According to Gallup, organisations with high employee engagement see a 23% increase in profitability.

In addition to internal enhancements, Pathao should consider benchmarking its practices against leading local competitors such as Steadfast Courier, Paperfly, and RedX. These companies have adopted route optimisation algorithms and warehouse automation technologies to enhance delivery speed and accuracy. For instance, introducing smart sorting hubs equipped with automated parcel scanning and routing systems, which will significantly reduce manual errors. To stay competitive, Pathao could consider piloting similar automation in high-volume hubs such as Dhaka and Chattogram.

By adopting these recommendations, Pathao Courier can optimise its operational structure, better align with industry best practices, and strengthen its competitive position in the logistics sector of Bangladesh.

5.2 Key Understanding

Through my internship, I gained several important insights into how courier logistics functions in a fast-paced and service-driven environment. One of the most critical understandings was the significance of operational coordination; on-time parcel delivery relies heavily on smooth communication between the sorting hubs, delivery agents, customer service, and the tech team. Delays or miscommunication in any of these areas can disrupt the entire delivery chain.

I learnt how essential data-driven decision-making is in logistics. Every day, key performance indicators such as delivery success rate, agent attendance, parcel ageing, and return-to-merchant rates are closely monitored to optimise operations. For instance, parcel-to-agent ratios and parcel ageing reports are used to reallocate resources and maintain service level agreements.

Another major takeaway was understanding how delivery agent performance directly influences customer satisfaction. Factors such as agent availability, parcel pickup timing, delivery delays, and customer communication significantly impact both the brand reputation and operational success. I observed how incentive models, performance categorisation, and real-time tracking help improve agent efficiency.

The internship also gave me practical knowledge of hub-level challenges, such as congestion, space constraints, inefficient parcel sorting, and lack of manpower during peak times. I understood how manual and semi-automated processes affect turnaround time and how implementing smart sorting systems used by competitors like RedX can improve parcel flow and reduce error rates.

From an organisational management point of view, I recognised the importance of cross-departmental collaboration. Logistics, technology, operations planning, and customer support must work in alignment to ensure successful delivery operations. Any disconnect between these units can lead to unresolved customer complaints, delivery failures, or system inefficiencies.

Lastly, the experience highlighted the growing impact of e-commerce partnerships on courier logistics. Collaborations with platforms like Daraz or Bikroy contribute to high daily parcel volumes, requiring strong forecasting, flexible staffing, and efficient last-mile delivery planning. Understanding how competitors like Paperfly and Steadfast optimise such partnerships helped me identify how Pathao can further expand its market share.

Overall, this internship gave me a holistic view of courier operations, taught me the value of system efficiency, data analysis, and workforce management, and deepened my understanding of how strategic decisions at an organisational level impact ground-level execution.

5.3 Conclusion

Pathao Courier has emerged as one of the most influential and fast-growing logistics service providers in Bangladesh, achieving significant milestones in parcel volume, merchant coverage, and operational innovation. From its early days as a startup to becoming a nationwide courier leader. Its growth has been driven by well-planned strategies that prioritise technology, service quality, and cost-efficiency. The company's logistics system is powered by real-time tracking, digital dashboards, smart hub coordination, and data-driven dispatching, ensuring fast and accurate last-mile delivery. Their emphasis on quality assurance is reflected in their structured agent performance evaluations, customer satisfaction metrics, and merchant reward programmes that promote loyalty and operational excellence. Achieving operational profitability, the company has demonstrated strong financial discipline while maintaining service reliability. Strategic partnerships with major brands and the integration of value-added services have further strengthened its ecosystem. As Bangladesh's e-commerce and logistics sectors continue to expand, Pathao Courier is well-positioned to lead the industry with its scalable model, innovative solutions, and commitment to delivering value to both businesses and end customers.

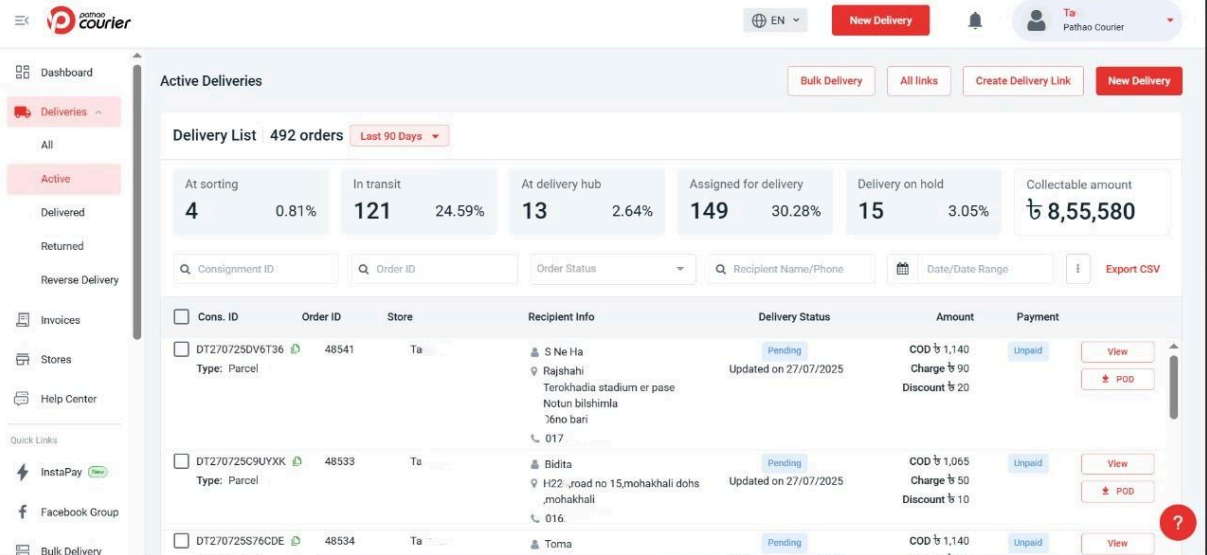
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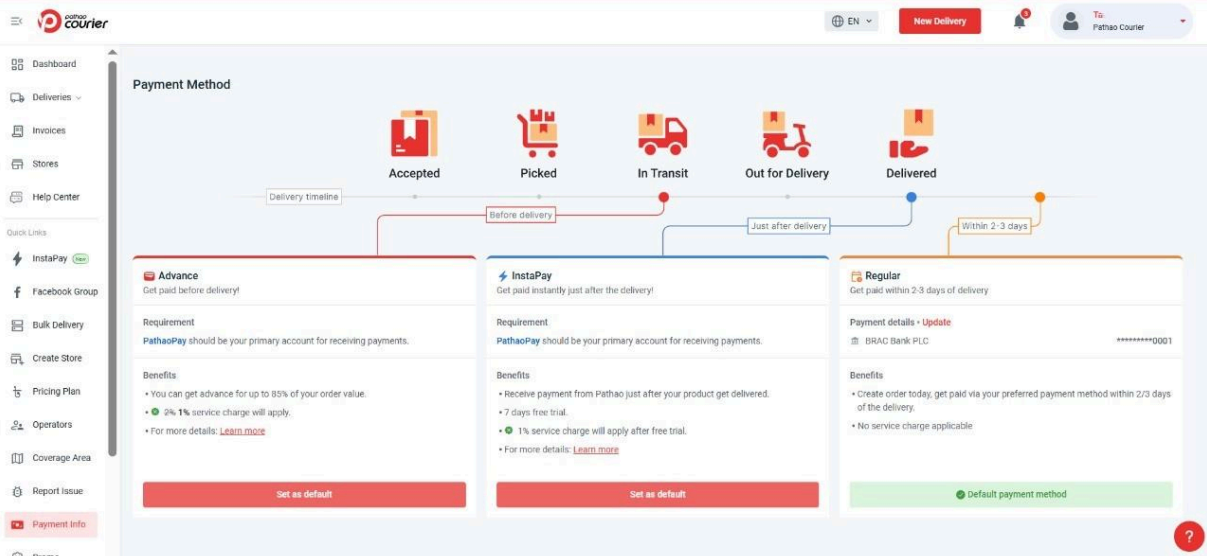
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Appendix

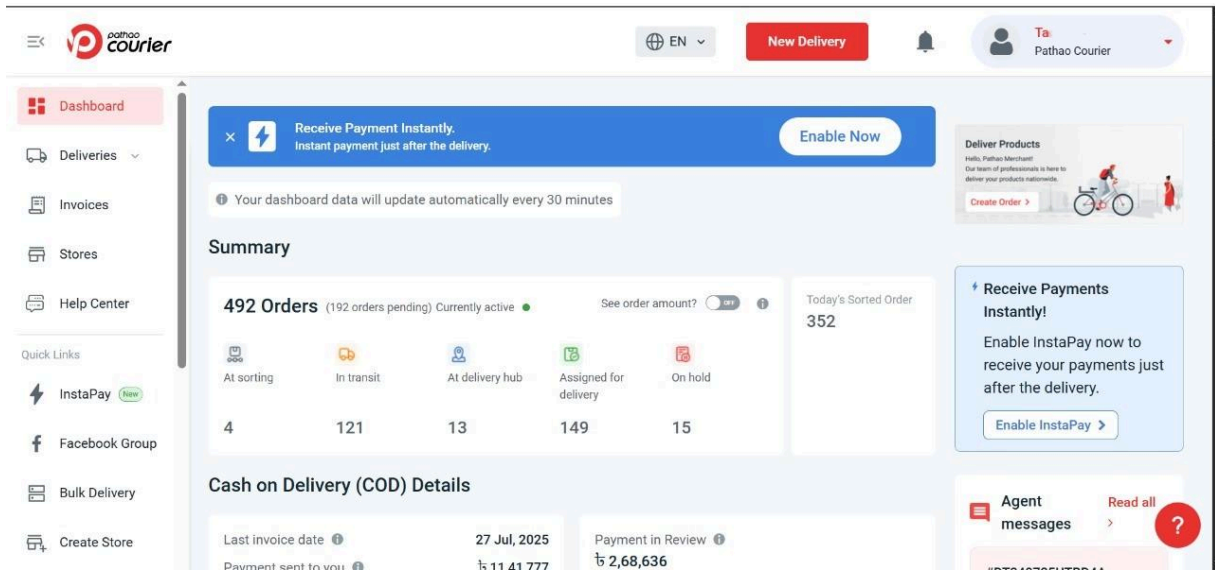
Merchant Panel Interface:



The screenshot shows the 'Active Deliveries' section of the Pathao Merchant Panel. The top navigation bar includes the Pathao Courier logo, language settings (EN), a 'New Delivery' button, a notification bell, and a user profile for 'Ta Pathao Courier'. The left sidebar contains links to Dashboard, Deliveries (selected), Invoices, Stores, Help Center, and Bulk Delivery. The main content area displays a summary of 492 orders with filters for 'Last 90 Days'. Below this, a table lists active deliveries with columns for Cons. ID, Order ID, Store, Recipient Info, Delivery Status, Amount, and Payment. The table shows three orders, all with a 'Pending' status. The first order (DT2/07/25DV6T36) is for a parcel to S Ne Ha at Terokhadia stadium, with a COD amount of 1,140 and a discount of 20. The second order (DT2/07/25C9UYXK) is for a parcel to Bidita at H22 road, with a COD amount of 1,065 and a discount of 10. The third order (DT2/07/25S76CDE) is for a parcel to Toma, with a COD amount of 1,140. Each order has a 'View' button and a 'POD' button.



The screenshot shows the 'Payment Method' section of the Pathao Merchant Panel. The top navigation bar is identical to the previous screenshot. The left sidebar contains links to Dashboard, Deliveries, Invoices, Stores, Help Center, and Bulk Delivery. The main content area displays a 'Delivery timeline' with five stages: Accepted, Picked, In Transit, Out for Delivery, and Delivered. Below the timeline, three payment methods are listed: Advance, InstaPay, and Regular. Each method has a description, requirements, and benefits. The 'Advance' method allows for payment before delivery, while 'InstaPay' and 'Regular' allow for payment after delivery. The 'Regular' method is marked as the 'Default payment method'.



The screenshot shows the Pathao Courier Agent Dashboard. At the top, there's a header with the Pathao Courier logo, a language selector (EN), a 'New Delivery' button, a notification bell, and a user profile for 'Ta Pathao Courier'. The left sidebar contains navigation links: Dashboard, Deliveries, Invoices, Stores, Help Center, and Quick Links (InstaPay, Facebook Group, Bulk Delivery, Create Store). The main content area features a blue banner for 'Receive Payment Instantly' with an 'Enable Now' button. Below this, a summary section shows '492 Orders' (192 pending, 300 active) and 'Today's Sorted Order' count of 352. A status bar displays order counts: At sorting (4), In transit (121), At delivery hub (13), Assigned for delivery (149), and On hold (15). The 'Cash on Delivery (COD) Details' section shows the last invoice date as 27 Jul, 2025, and a payment in review of ₹ 2,68,636. On the right, there's a 'Deliver Products' section and an 'Agent messages' section with a 'Read all' button and a red notification bubble.

Agent Panel:

6:43
1.27 KB/s
78%

Summary

Press end button to finish your shift

END SHIFT

Date
27 Jul 2025

CASH COLLECTION
58080 / 68828

DELIVERY TARGET
63 / 63
SEE DETAILS

PRICE CHANGE
1

RETURN
4

PARTIAL DELIVERY
0

ON HOLD
2

DELIVERED
50

DRTO
4

EXCHANGE
2

6:46
48%

Delivery Assignment

Khandaker Al Amin
Received 950

ayaat Islam
Received 1380

Abid Arifin
Received 999

Abid
Received 630

23#Kanon kanon
Received 5020

Munni Rahman
Received 2230

Nishat Alim
Received 1610

Morshed Alam

6:46


48%

← Delivery Details

ADDITIONAL INFO

Quantity : 1
Total Collectable : 1025
Order Description : N/A
Instruction : N/A

DELIVERED / EXCHANGE
PAID RETURN
PARTIAL
RETURN
ON-HOLD

6:45


48%

☰ Delivery Assignment

TODAY'S COLLECTION
45192 / 74585



DELIVERY LIST (17)
Sort Orders

1. Asir (WalkerGuru) ₹ 1660
019 
Consignment Id: DW250725GQ92DQ
📍 House building, utara
Call Chat

2. Pronoy (Adjective) ₹ 1150
013 
Consignment Id: DA240725P75BVA
📍 Add:Sec-7,road-34,house-34 Uttara Dhaka