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Assessing The Impact of Digital Marketing Strategies on E-Commerce Enterprises in Dhaka, Bangladesh

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ABSTRACT

The rapid growth of digital technologies has transformed the nature of commerce in developing countries, and Bangladesh is a key site of e-commerce activity. This research explores the influence of digital marketing strategies and delivery systems on the performance, customer engagement, and sustainability of e-commerce businesses in Dhaka, Bangladesh, particularly those owned by women. Through 10 detailed case studies of entrepreneurs in fashion, cosmetics, home-cooked food, handmade jewellery, accessories, and agri-products, the study examines how social media platforms such as Facebook, Instagram, and TikTok are used to promote brands, engage customers, and drive sales. This study illustrates that social media marketing, including live video, advertisements, product photos, and ratings and reviews, is perceived by entrepreneurs as a key driver of business expansion for micro and small enterprises in Dhaka. Online marketing has also allowed entrepreneurs to overcome geographical constraints, selling goods in rural Bangladesh and to the Bangladeshi diaspora overseas. Courier services like Pathao, RedX, and Steadfast Courier have been critical enablers, though there are significant differences between services within and outside Dhaka. Operational issues such as fake and cancelled orders, returns, delays, and a lack of professional digital marketing knowledge continue to plague entrepreneurs. These challenges notwithstanding, customer trust - driven by service quality, communication, and genuine reviews - is identified as the critical element for repeat transactions and sustainable growth. The research finds digital marketing is perceived to be a game-changing opportunity for economic empowerment, especially for women, and suggests measures to enhance digital skills, logistics, and online security to build on the momentum of Bangladesh's burgeoning e-commerce industry.

KEYWORDS: Digital Marketing, E-commerce Companies, Brand Awareness, Profitability, Companies

ARTICLE DETAILS

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INTRODUCTION:

The modern digital revolution has driven faster growth in e-commerce and online marketing, redefining the international business environment. Especially in developing economies such as Bangladesh, the adoption of digital technologies in business has opened new entrepreneurial opportunities, markets, and economic participation. As more people become internet-savvy, smartphone use becomes rampant, and the increasing use of social media sites, digital marketing has become a potent tool for increasing brand visibility, improving customer communication, and boosting business profitability.

The e-commerce market in Bangladesh has experienced phenomenal growth over the last 10 years, largely supported by a highly tech-savvy younger audience and changes in Government policies that have fostered the development of a so-called Digital Bangladesh. Facebook, Instagram, and other online marketplaces have been the primary hub for business marketing and customer communication, particularly for small and medium enterprises (SMEs) (Almtiri et al., 2023; Islam et al., 2021). The most notable of these has been the women-owned e-commerce business, which has gained considerable momentum, providing women with more opportunities for economic empowerment, financial self-sufficiency, and social mobility by allowing them to transcend conventional barriers to mobility, funding, and social conventions. Digital marketing strategies, such as social media marketing, search engine optimization (SEO), content development, and paid advertising, are essential for shaping consumer behavior and purchase decisions. Meanwhile, effective logistics management and efficient delivery systems will be required to satisfy customers and secure business growth. Nonetheless, despite the good prospects, there are still a fair share of challenges in the Bangladeshi environment, such as digital illiteracy, a weak logistics system, a lack of trust in e-commerce transactions, and inadequate payment systems and order security.

Against this background, this study will focus on understanding how digital marketing plans and delivery systems can improve the performance of women-owned e-commerce businesses in Dhaka, Bangladesh. The study aims to understand the effects of digital tools and logistical practices on business growth, customer interaction, and overall sustainability, using real-life case studies and literature. In its final form, the study can advance our understanding of the changing online entrepreneurial landscape in Bangladesh and underscore the opportunities and challenges encountered by women entrepreneurs in the rapidly growing e-commerce industry.

LITERATURE REVIEW:

The growing work on digital marketing and e-commerce in Bangladesh and how it fits within the global framework of small and medium enterprise (SME) development, women's economic empowerment, consumer trends, and digital infrastructure. Ranging from scholarly journal publications and empirical research to conceptual models and frameworks published largely between 2012 and 2025, the 21 sources converge on a key message: digital marketing is a critical enabler of business growth, consumer engagement, and economic inclusion in the burgeoning e-commerce landscape in Bangladesh, but reveals a series of structural, institutional, and capacity-related challenges that need to be tackled for sustainable growth.

A paper, titled "Digital Marketing Strategy in Enhancing Brand Awareness and Profitability of E-Commerce Companies," focuses on how digital marketing in the e-commerce sector increases brand awareness and overall financial development through implementing various methods, elaborately showing how social media, Search Engine Optimization, Pay-Per-Click, and Digital content work together to contribute to profitability efficiently.

A significant, positive path coefficient indicates that greater use of digital marketing is associated with higher levels of brand awareness and company profitability (Dhiyah Eloise Rose, 2024). However, it has a small sample size (100 respondents) and does not account for current market conditions or other players in the exact sector. Another work analyzes how platform active engagement, content formats, and behavioral drivers influence digital communication and sales promotion in Bangladesh. It shows in detail how online marketing, especially among younger users, is deeply rooted among well-informed social media users. The total number of respondents was 135, who were given a written questionnaire to fill out. A Questionnaire was developed in English and administered to an educated group of internet users (Yamin, 2025). Nevertheless, a poor payment system, high delivery charges, and a very low level of interactivity and conventional promotion restrict full adaptation.

A study emphasizes that a digital marketing strategy, especially online promotion via e-commerce platforms and social media, significantly increases purchase intent, sales figures, and profit margins for e-trailers (Dewi Wuisan, 2025). Furthermore, this study provides quantitative data on the direct, positive effect of digital marketing on buyer intent. A literature review (Sugiharto, 2024) indicates that e-commerce is an important tool for improving MSME competitiveness in Industry 4.0 by enhancing market access, operational efficiency, and practical digital marketing. It also helps MSMEs adapt to ever-changing consumer behavior, deepen customer relationships, and collaborate with digital platforms. On the whole, e-commerce is perceived as a strategic requirement for MSMEs to become more flexible, sustainable, and grow in a technologically oriented business environment.

A literature review (Almtiri et al., 2023) suggests that business analytics and decision support systems are important for enhancing the performance of e-commerce-based SMEs by facilitating data-driven decision-making. ICT and ERP systems integration promotes operational efficiency, strategic alignment, and customer satisfaction, as well as adaptability with analytics-based insights. Nevertheless, there is a gap in the literature on SMEs in developing economies and on the synergy between analytics, DSS, and e-commerce; as such, more empirical studies should be conducted. An analytical paper (Islam et al., 2021) shows that social enterprises in Bangladesh face a two-way challenge: balancing social goals with financial stability and addressing underdeveloped marketing practices. Although marketing is essential for increasing awareness, it is also necessary to create trust while maintaining competitiveness. Obstacles include a lack of funds, a poor ICT structure, and limited organizational size. By using the Technology-Organization-Environment (TOE) framework, we can show how perceptions and experiences over time shape marketing decisions. However, the paper lacks in sample size and scope. Overall, the literature emphasizes that marketing is important for SE sustainability and contextual barriers in developing hinder its adoption.

The literature (Rahman et al., 2018) on Consumer buying behavior towards online shopping: An empirical Study on Dhaka city, Bangladesh, highlights both its possibilities and contraventions. Researchers stand firmly on product diversity, time-saving, benefits, and aggressive pricing as key advantages; on the other hand, privacy issues, digital payment security concerns, and the lack of physical interactions are key barriers. Consumers' trust and benefits strongly affect how people feel about online shopping. Demographic characteristics, such as consumers' age, income, gender, and education, determine shopping behavior. Youth and educated consumers tend to prefer online shopping, with factors such as website design, digital payment methods, delivery time, reliability, and customer service affecting satisfaction levels and revisit rates. In Bangladesh, online shopping is still growing, driven by youth and an increasing number of internet users, but trust issues and a lack of digital shopping culture are slowing its growth. The literature highlights how e-commerce adoption (ECA) (Gao et al., 2023) has become a prominent tool for companies, especially

MSMEs, by reducing transaction costs, creating new market opportunities, strengthening supply chains, and building consumer relationships.

Furthermore, ECA enhances financial performance by increasing sales growth and efficiency, and by ensuring customer satisfaction. MSMEs have limited resources, but they can use an e-commerce platform to endure and grow during an epidemic like COVID-19. Digital Marketing adoption (DMA) is considered a vital tool for increasing brand awareness, consumer engagement, and market penetration. Most of the time, MSMEs fall behind due to limited resources and experience. Overall, the literature suggests e-commerce supports financial and stable performance; on the other hand, digital marketing is crucial for financial payoff. This study highlights these relationships in Bangladesh MSMEs during COVID-19.

The study is grounded in the Technology Acceptance Model (TAM) (Haque et al., 2024), focusing on perceived usefulness (PU) and perceived ease of use (PEOU) as vital factors in SMEs' adoption of e-commerce technologies and social marketing (SMM). PU emphasizes how SMM gained favor with finance and operations, while PEOU focuses on plainness and consumer friendliness as the key to adoption. E-business technology adoption (EBT) enhances efficiency in customer service, supply chain systems, and sustainability. Social media marketing (SMM) enhances brand awareness and customer loyalty through greater engagement. Overall, the literature suggests that PU and PEOU facilitate the adoption of both E-business technologies and SMM, thereby strengthening and sustaining SMEs.

Globally, digital marketing has transformed SMEs by offering cost-effective tools for consumer participation, brand awareness, and diversification. Studies show benefits such as personalized outreach, higher close rates, and greater competitiveness, despite challenges such as low digital proficiency and capital constraints (Mustaqeem & Sarder, 2024). Sub-continentally, shows funding gaps. India drives progress through focused initiatives like Digital India, while regional counterparts like Nepal and Sri Lanka face digital latency due to poor infrastructure and illiteracy. Nationwide, SMEs are transitioning toward digital marketing, especially digital engagement platforms like Facebook, enabled by low barriers to entry.

Nevertheless, bottlenecks such as internet constraints, competency deficit, and limited exposure impede comprehensive integration. Overall, the literature suggests that digital marketing gives SMEs a market edge, consumer adoption, and brand awareness. In Bangladesh, the adoption process is growing steadily but remains standard, with social media as the primary channel.

The literature shows that online marketing nowadays has become a vital part of modern business strategy, offering affordable ways to connect with customers, increase sales, and adopt sustainable approaches (Hassan et al., 2010). Research highlights that the internet marketing mix, including SEO, display ads, blogs, distribution, and email marketing, alters the traditional 4Ps (product, price, place, promotion) in an online context. Furthermore, D2C online marketing, aggressive pricing, and improved accessibility. However, challenges such as fragmented communication, asymmetry, and poor omnichannel alignment persist. Overall, the literature suggests that online marketing has given SMEs and click-and-mortar businesses in Bangladesh opportunities to reach international markets alongside multinational firms and to foster stronger consumer engagement. This literature stresses that e-commerce in Bangladesh has excellent growth potential owing to rising digitalization (Islam & Eva, 2019) and enabling regulatory conditions. However, it faces challenges such as inefficient distribution channels, payment diversity, fraud, and distribution conflicts between wholesalers and retailers. Earlier studies emphasize the need for a well-funded payment processing system, improved ICT infrastructure, and changes in fiscal and operating structures to achieve sustainable growth. In addition, previous research indicates that B2C e-commerce adoption is driven by trust consistency and lean logistics. Nevertheless, the number of studies that pinpoint issues and opportunities and offer minimal practical solutions is many. In general, the literature demonstrates that e-commerce is an important issue-stimulating agent of digital transformation and inclusive development in Bangladesh.

Digital marketing adoption among small businesses in Dhaka, the capital city, is booming, but it remains uneven (Islam, 2025). Studies emphasize that social media platforms (Instagram: 65%; Facebook: 90%) dominate usage due to their availability and affordability. In comparison, sophisticated platforms like SEO (28%) and Google Ads (20%) face significant barriers to entry, including non-technical users (60+%), time constraints (45%), Resource scarcity, and uncertain ROI. Many enterprises rely on upskilling (Social-media, peer networks) rather than formal training, revealing a pedagogical lag in business education. Although formal university-level education is theoretical, digital literacy remains weak. Studies show that Bangladesh faces barriers such as poor infrastructure, limited payment methods, and reliance on social media. Overall, the literature shows that digital marketing is increasing the reach, visibility, and consumer engagement of e-commerce enterprises in Dhaka city. A paper titled "The Rise of e-commerce in Bangladesh and its expansion" highlights that E-commerce in Bangladesh began in the late 1990s (Rahman, 2023). However, it witnessed rapid growth with better internet service, affordable mobile access, and the expansion of the middle class. E-commerce platforms like Daraz, Chaldal, Bikroy, and Rokomari expanded swiftly, while social media-based marketing became dominant because it is low-cost and easy to access (Rahman, 2023). It delivers opportunities such as market position, women's entrepreneurship, and employment generation, with revenue estimates reaching the billions.

Nevertheless, challenges remain in logistics, low teacher fluency, accounting irregularities, systematic vulnerabilities, and an insignificant payment system. Government policies (Digital Commerce Policy 2018, updated Guidelines 2021) aim to increase transparency and protect customer rights, but face regulatory gaps and weak infrastructure. Overall, e-commerce is expanding rapidly, but sustainable returns rely on enhanced distribution, compliance, ICT security, and rural inclusion.

Bangladesh's e-commerce adoption has grown rapidly since 2012, when online payments were legalized, supported by Smartphone accessibility, rapid internet growth, and a youth demographic. However, compared to countries like India, Vietnam, and Malaysia, Bangladesh still falls behind in infrastructure and readiness level. Nationwide comparisons using the UNCTAD B2C index (Khan et al., 2024), the ICT development index, and the network readiness index show that Bangladesh ranks in the low tier, narrowly leading Pakistan and Nigeria across most parameters. Vulnerabilities include minimal digital adoption (13%), cash-based transactions (95%), substandard digital infrastructure, and a limited number of secure servers, which damage trust and scalability. Regardless of Bangladesh's e-commerce CAGR (16.6%), it has promising growth potential. Overall, existing research suggests that Bangladesh's e-commerce sector is booming but remains developing, and that long-term growth requires improved ICT infrastructure, secure payments, consumer trust, and connectivity in rural areas to realize its full potential.

Overall, social media marketing most effectively influences consumer behavior when it builds trust and alignment.
Another study shows that E-commerce adoption in Bangladesh's SMEs is still at a primary stage but signals significant potential for improved supply chain efficiency, cost savings, and consumer satisfaction. SMEs contribute profoundly to GDP and employment but face barriers such as a lack of capital, poor infrastructure, limited technical skills, and resistance to change (Abtahi et al., 2023). Researcher emphasizes that e-commerce can simplify purchasing, supply monitoring, and joint effort, mitigating transaction costs and improving delivery speed. However, adoption relies on technological maturity, institutional frameworks, and market dynamics, such as current market conditions and rules. Overall, e-commerce adoption increases competition and profit margins for SMEs, but long-term integration requires proper training, cybersecurity upskilling, and aligned policies. The literature titled "Adoption of B2B e-commerce (Al Noor and Arif (2011)) by SMEs in Bangladesh" highlights that Bangladesh's SMEs' contribution to GDP is substantial, including exports and employment; nevertheless, B2B adoption in e-commerce remains slow. Although state initiatives such as ICT policies, taxes, and infrastructure development still face challenges, including a lack of capital, small firm size, and limited IT skills. The literature uses innovation diffusion theory and Organizational characteristics to explain adoption. Key drivers include visibility, comparability, internet usage, and competent IT staff, which strongly influence adoption. Instead, complexity and uncertainty mitigate willingness to adopt. Overall, Bangladesh's SMEs' adoption in B2B e-commerce is hampered by a lack of capital and skill gaps. Sustainable growth needs technical proficiency, well-equipped infrastructure, and Professional development.
A literature emphasizes that AI, IoT, robotics, 3D printing, VR/AR, and blockchain are among the newest technologies transforming SMEs in the global market part of the Fourth Industrial Revolution (4IR) (Ahammed et al., 2024). In Bangladesh, SMEs, which are already very significant to GDP and employment, pose both opportunities and challenges in integrating such technologies.

- Opportunities***:*** Customer experience, accelerated production, improved product quality, data-driven decision-making, and new business models can also be enabled by 4IR adoption, which can create new jobs and increase productivity.
- Issues***:*** Low technical expertise, limited funding, poor infrastructure, unskilled labor, and privacy concerns.
- ***Employment effects:*** Automation can replace jobs in some industries, such as garments and furniture; however, 4IR also creates new jobs in the technological sector, potentially creating more jobs than it destroys.

Altogether, 4IR provides SMEs in Bangladesh with an opportunity to modernize and compete with the rest of the world, yet this can be achieved through training, infrastructure investment, favorable policies, and cooperation between the state, colleges, and businesses.
The paper (Laisuzzaman et al., 2010) notes that, although e-commerce is a universal need, Bangladesh is far behind in mainstream adoption due to poor infrastructure, outdated legislation, and low trust between businesses and consumers. It describes e-commerce as comprising customer attraction, order handling, and after-sales services, and that it may take various forms, such as B2C, B2B, and B2G. B2B has seen some improvement in areas such as ready-made clothing, while B2C use is limited due to low-income levels, the absence of international credit cards, and regulations. That article highlights the importance of effective banking and telecommunications support for successful implementation. Banks are a key part of online transactions, but they impose restrictions, including regulations that prevent online transfers between banks. To get around them, the authors suggest a settlement bank scheme, emphasize the role of telecom operators as alternative payment gateways, and propose using mobile phone balances for payments. Telecom offers a convenient solution to banking constraints because it has a wide coverage area and access. In general, the literature indicates that an integrated framework of banking reforms, telecom integration, a revised legal framework, and government-private sector collaboration can enable e-commerce to thrive in Bangladesh.
The reviewed literature in this research provides a holistic view of digital marketing and e-commerce in Bangladesh and how they fit within the global framework of small and medium enterprise (SME) development, women's economic empowerment, consumer trends, and digital infrastructure. Ranging from scholarly journal publications and empirical research to conceptual models and frameworks published largely between 2012 and 2025, the 21 sources converge on a key message: digital marketing is a critical enabler of business growth, consumer engagement and economic inclusion in the burgeoning ecommerce landscape in Bangladesh, but reveals a series of structural, institutional and capacity-related challenges that need to be tackled for sustainable growth.

OBJECTIVES OF THE STUDY:

The primary objective of this study is to explore how digital marketing strategies and delivery management strategies influence the growth, customer engagement and sustainability of e-commerce businesses in Dhaka, Bangladesh, especially those owned by women. To achieve this goal, this study has the following objectives:

1. To explore the digital marketing strategies adopted by women-led e-commerce enterprises in Dhaka.
2. To examine the delivery mechanisms and logistical approaches utilized by these enterprises.
3. To understand how digital marketing and delivery strategies influence business growth and customer engagement in women-led e-commerce ventures.

METHODOLOGY OF THE STUDY:

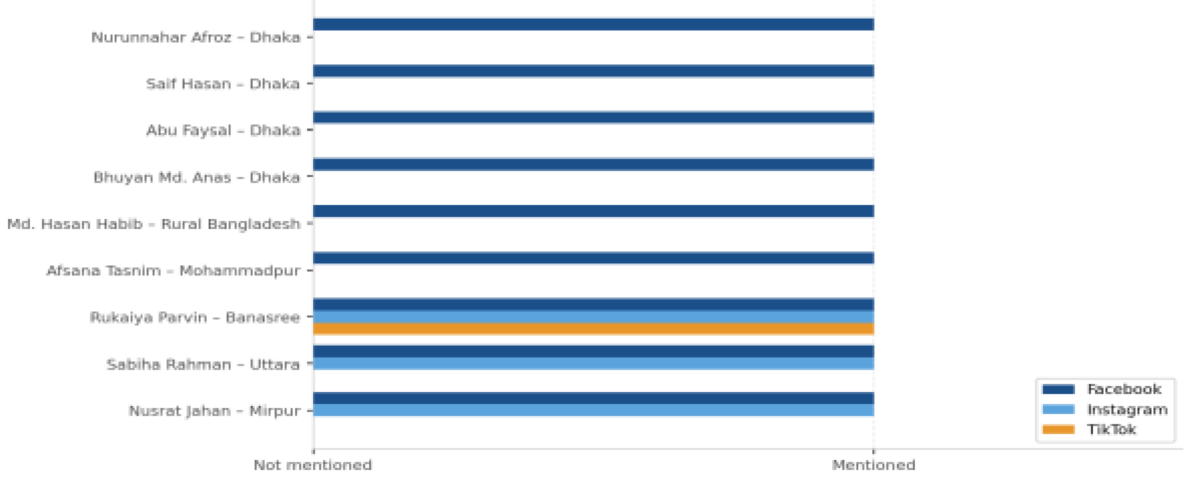
The study adopted a qualitative research design grounded in an interpretive approach to explore how digital marketing strategies and delivery mechanisms are perceived to influence the growth, customer engagement, and sustainability of e-commerce enterprises in Dhaka, Bangladesh. Given the exploratory nature of the research and its focus on understanding lived experiences, a multiple case study method was employed. A purposive sampling technique was used to select ten e-commerce entrepreneurs, primarily women, operating in diverse sectors including fashion, cosmetics, home-cooked food, handmade jewellery, accessories, and agricultural products. These participants were chosen based on their active engagement in digital marketing practices and their reliance on online platforms for business operations. Data were collected through in-depth, semi-structured interviews, allowing respondents to articulate their experiences, strategies, and challenges in their own terms while ensuring consistency across key thematic areas such as marketing practices, customer interaction, logistics, and business performance. The interviews were conducted primarily through face-to-face and online communication channels, depending on accessibility and convenience, ensuring flexibility in data collection. In addition to interviews, observational insights from participants' social media activities, including Facebook pages, Instagram profiles, and TikTok content, were incorporated to triangulate findings and enhance the validity of the study. The collected data were analyzed using thematic analysis, where responses were systematically coded, categorized, and interpreted to identify recurring patterns and relationships among variables. This analytical process enabled the identification of key themes such as the dominance of social media marketing, the role of customer trust and reviews, logistical constraints, and the prevalence of informal business practices. The study was guided by theoretical insights from the Technology Acceptance Model (TAM), particularly focusing on perceived usefulness and perceived ease of use in the adoption of digital marketing tools. Ethical considerations were strictly maintained throughout the research process, including informed consent, confidentiality of respondents' identities, and voluntary participation. To ensure reliability and credibility, data triangulation, respondent validation, and careful documentation of the research process were employed. Although the study provides rich, context-specific insights into the e-commerce landscape of Dhaka, it is limited by its small sample size and qualitative scope, which may restrict the generalizability of findings.

MAJOR FINDINGS OF THE STUDY:

Our research into the e-commerce sector in Dhaka, focusing on 10 case studies of primarily women entrepreneurs operating from home, yields a wealth of findings that confirm and expand on previous research on digital marketing and e-commerce in Bangladesh. The following key findings are organized thematically, based on the accounts and experiences of our case study participants.

Social-Media is the Most Popular and Effective Marketing Platform:

Figure 1: Digital Platforms Used by Each Entrepreneur



Source: Fieldwork, April 2026.

Facebook and Instagram are the key channels for promotional and engagement activities that lead to orders. This is true across a wide range of product categories (clothing, cosmetics, jewellery, food products, watches, agriculture, among others), supporting the platform-neutral importance of social media as the mainstay of digital marketing for small businesses in Dhaka. TikTok has proven particularly valuable when the product is well-suited to short-form videos, especially when the manufacturing process is visually appealing.

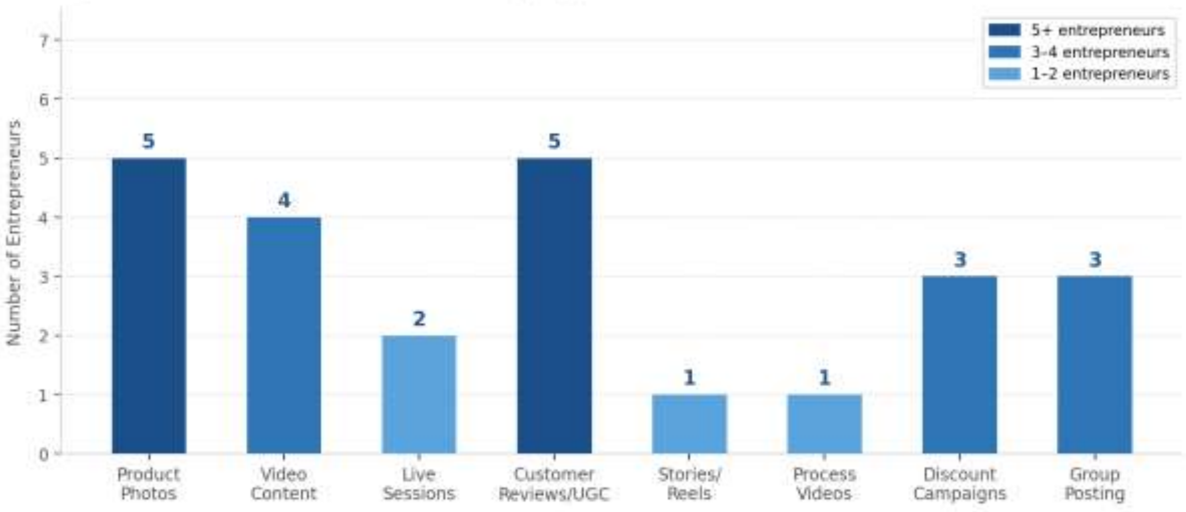
Nusrat Jahan, an online fashion retailer in Mirpur, shares how she has strategically evolved her content marketing strategy from static product images to a mix of video content, live sessions, and reviews, noting that this diverse, interactive approach has led to higher engagement and conversion rates. Her live broadcasting sessions - where she gives demonstrations of new products - have become a focal point of her marketing campaign, directly contributing to a growth in orders from 4-5 a day in the beginning to over 20 during the study. She uses Facebook Boost Posts and Instagram Sponsored Ads in addition to organic promotion, which she attributes to acquiring new customers - especially outside Dhaka - who found her page through advertising.

Sabiha Rahman, a cosmetics business owner in Uttara, uses Instagram as her primary promotional channel because it is the preferred platform of her target audience: women aged 18 to 30. She spends about 6 hours a day managing the page and posting 2-3 times per day on Instagram Stories and Reels, which she recognizes as particularly effective at generating quick awareness of her products. Rukaiya Parvin, a home jewellery maker in Banasree, has leveraged TikTok's virality features to reach an audience beyond Bangladesh: her process videos, showing how she makes individual pieces of jewellery, have gained viewers and customers from Malaysia and other countries with a strong Bangladeshi diaspora. She uses Instagram for product photography and Facebook for longer promotional videos, crafting a multifaceted marketing approach that leverages different audience segments across platforms.

Afsana Tasnim, a homemade food shop in Mohammadpur, primarily uses Facebook Groups: popular groups like Foodies of Bangladesh, as well as her business Page and Messenger-based direct marketing. She reports a strategy focused on attractive food photography and cooking videos, which she claims are effective at capturing quick attention and prompting instant ordering inquiries. Mohammad Hasan Habib, a producer and retailer of mango and honey products in Bangladesh, also uses Facebook for promotion, both to draw buyers to his products through images and videos and to complement the platform's reach by personally delivering products to his neighborhood to ensure product quality.

Reviews and Trust are the Most Critical Factors in Driving Business Growth:

Figure 2: Content and Promotional Strategy Types Used Across Case Studies



Source: Fieldwork, April 2026.

Across all of the cases, the issue of developing customer trust - and actively managing reviews as a mechanism for generating trust - is the most critical element in terms of driving repeat purchases, and thereby long-term growth. In the words of entrepreneurs, a virtuous cycle emerges: positive interactions with customers lead to genuine reviews, which in turn attract more customers who are more easily converted by the social proof of previous customers' endorsements. This process is nicely illustrated in the experience of Sabiha Rahman where, after an Instagram live session, a happy customer spontaneously recorded a video review of her cosmetics order. This piece of user-generated content generated a flood of new sales, highlighting the disproportionate value of authentic, visible customer endorsements in a business environment where prospective buyers cannot physically examine products before buying. She offers an insight that has become a central plank of her business model: that developing customer trust through fair business practice, effective customer communication and reliable product quality is the most potent form of online marketing for small businesses.

Afsana Tasnim makes a similar point in the context of her food business, with customer reviews emerging as her most powerful marketing technique, surpassing paid advertising, she believes, because they are based on firsthand knowledge. A review posted by an overseas visiting family from Bangladesh led to a steady stream of enquiries from new customers, highlighting the power of reviews from perceived independent and credible sources. Rukaiya Parvin describes a similar episode: a TikTok review posted by a buyer in Malaysia prompted later enquiries from other overseas Bangladeshi buyers, suggesting that trust signals on social media can spread across geographical and demographic distances.

Bhuyan Md. Anas stresses the importance of proactive communication and honesty in building trust, recounting a practice of informing customers of any delivery issues, offering free replacements or refunds when products are damaged, and ensuring all interactions with customers are honest and friendly. Nurunnahar Afroz also prioritizes regular outreach and an open returns policy as key to her customer retention efforts, noting that customers who have a seamless experience with quick, easy problem-solving become some of her strongest advocates.

Digital Marketing opens up geographic markets:

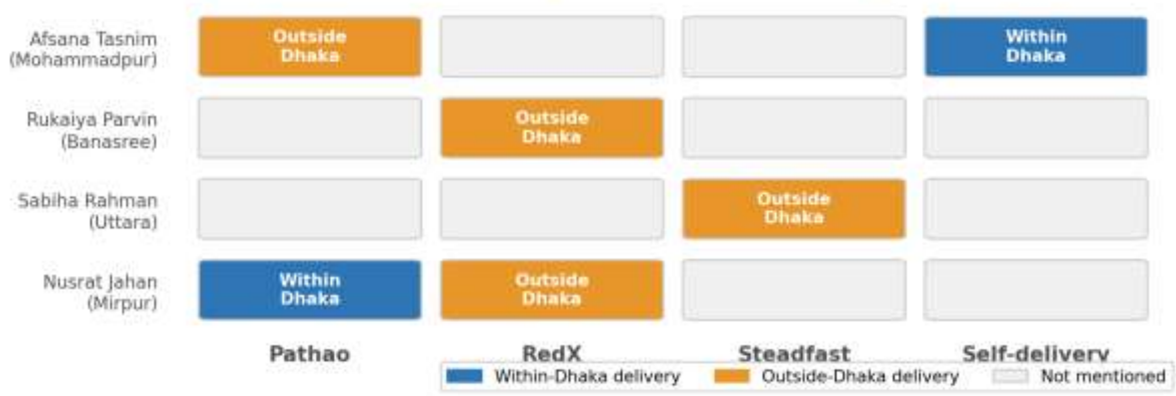
A key transformative influence of digital marketing noted in this study is the ability it provides for small-scale, home-based entrepreneurs to expand the geographic spread of their customer base beyond their immediate neighborhood to customers across Bangladesh and overseas. Before embracing social media marketing, the majority of respondents sold their goods only to family, friends and neighbors; digital marketing has provided them with a national - and in some cases, an international - market.

Sabiha Rahman who started her cosmetics business selling only to her personal contacts, now receives orders from Chittagong, Sylhet, Rajshahi and rural Bangladesh - a geographic expansion of her customer base that she credits to her aggressive use of Instagram and the organic, algorithm-driven reach that the platform offers. Nusrat Jahan also reports receiving her first international order from an expatriate Bangladeshi woman who found her Facebook page through a paid ad and then shared it with friends in her expatriate social circle. Rukaiya Parvin also describes an “informal” international customer base through TikTok, with international customers in Malaysia and other locations with large Bangladeshi communities placing orders for her handmade jewellery. She is in the process of creating a website to formalize and expand her capacity to take international orders.

This geographic diversification is both a business opportunity and a revolution in the business model of small entrepreneurs in Dhaka, who previously have been limited by the cost and logistics of selling products to non-local buyers through retail or wholesale outlets. Online marketing removes these barriers at marginal cost and allows entrepreneurs to rapidly expand their market without corresponding increases in marketing costs.

Third-Party Courier Services Are Operationally Essential but Geographically Uneven:

Figure 3: Courier Service Use by Entrepreneur and Delivery Zone



Source: Fieldwork, April 2026.

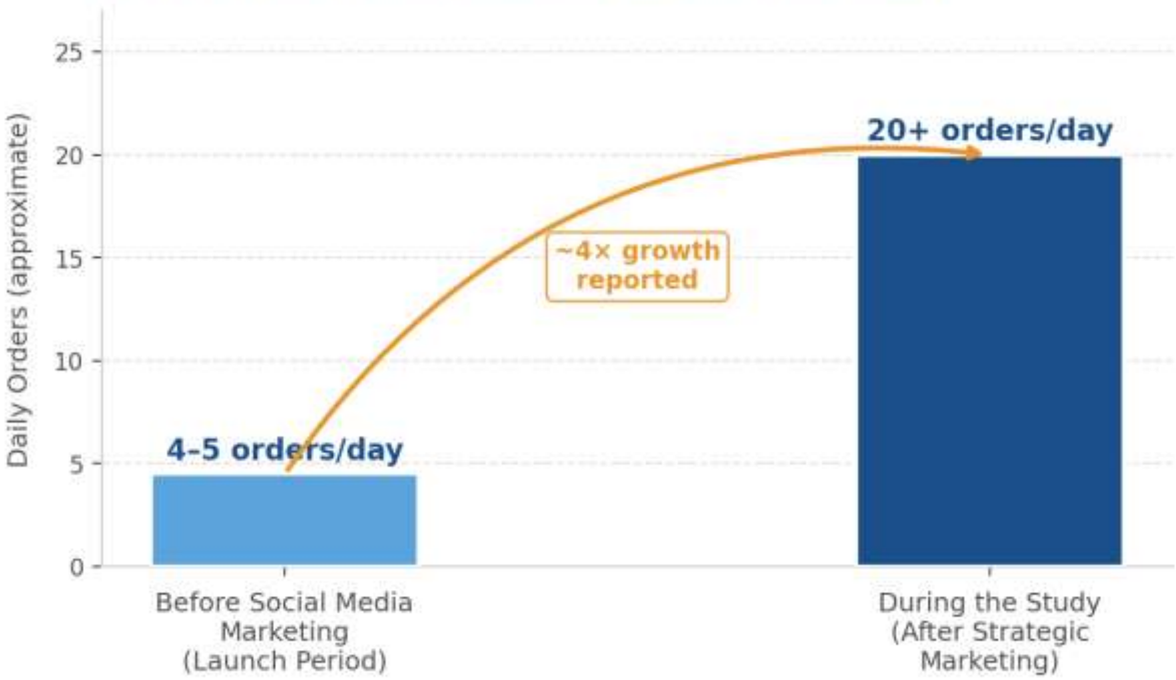
Third-party courier services - primarily Pathao, RedX and Steadfast Courier - are the primary fulfilment channel for all respondents. In Dhaka, these services are generally reliable: same-day and next-day delivery is typically possible, costs are low, and they offer tracking for entrepreneurs to monitor shipments. This intra-city logistical capacity has been crucial for the growth of e-commerce firms in Dhaka: it provides a robust order fulfilment system for entrepreneurs to meet the demands of an expanding customer base without necessarily building their own delivery capabilities.

Yet, a recurring issue across cases is the substantially compromised quality of service - in terms of both delivery time and reliability - for Outside-Dhaka shipments. For Sabiha Rahman, orders outside Dhaka are often delayed by several days when shipped via Steadfast Courier, and delivery costs are higher than for local sales, making her products less price-competitive. Nusrat Jahan has a two-courier strategy (Pathao for Dhaka and RedX for Outside-Dhaka) to maximize delivery speed and quality across markets. Rukaiya Parvin also states that orders outside Dhaka via RedX often take 3-4 days, creating a disparity in customer satisfaction between the Dhaka and regional markets.

The problem is most pronounced for Afsana Tasnim, whose home-cooked foods are more vulnerable to time constraints than fashion and cosmetics products are. She reports a mixed-sourcing model, in which she delivers her own orders to local customers to ensure food quality and safety, while using Pathao couriers for longer-distance orders, which will experience a trade-off in quality. This case highlights that logistics challenges differ across products and that sellers need to devise product-specific logistics strategies that account for each product's perishability, sensitivity, and value.

Fake and Cancelled Orders are a Major and Unrecognized Operational Risk:

Figure 4: Order Volume - Before and During the Study



Source: Fieldwork, April 2026.

Something that stands out across several cases is the incidence and cost of fake or cancelled orders - orders in which customers confirm deals on social media or Messenger but fail to answer the phone when the delivery person arrives. This seems to be a systemic problem in the informal, social media-based retail environment in Bangladesh rather than a one-off event, and it creates tangible, ongoing costs for entrepreneurs in the form of lost courier charges, returned stock that is difficult to resell and lost time that could be invested in production or marketing activities.

Nusrat Jahan describes it as one of her most vexing operational challenges, noting that many customers place orders and then refuse to answer their phones when the courier attempts delivery, resulting in her having to absorb the courier’s round-trip costs without generating a sale. Rukaiya Parvin also reports that fake IDs (trading accounts set up to place fraudulent orders) are a consistent source of both revenue loss and time wastage, as she is forced to undertake order verification and follow-up activities that could better be spent on production or promotion. The issue is compounded by the lack of advance payment options in much of the social media-based e-commerce space: since most transactions in Bangladesh are cash-on-delivery, there is no financial incentive for buyers to fulfil confirmed orders, and the full cost of order failure falls on the entrepreneur.

This finding suggests a systemic weakness in the current social media-based e-commerce model in Bangladesh that cannot be resolved by individual entrepreneurs alone. However, it requires collective action by business groups, platforms, and other industry stakeholders to address, including greater use of prepayment or deposits, integration of tools for buyer verification by social media platforms, and the establishment of norms around order confirmation.

Promotional Offers and Discounting are the Best Ways to Acquire Customers:

Both within the sample of women-owned businesses and across the entire set of cases, discount strategies and promotional offers are the most commonly cited tool for acquiring new customers and encouraging purchases from dormant customers in both the short and long term. Bhuyan Md. Anas, working with a range of watch brands for upper-middle- to upper-income consumers, describes using seasonal discounts and cashback promotions as the key means of driving peak sales. Abu Faysal, which caters to university students and sports fans with jerseys, reports that free shipping and low prices are especially effective in converting interest into sales in his price-sensitive market. Saif Hasan cites discounts as his most effective mechanism to re-activate customer interest in the absence of organic sales opportunities, stating that customers who have expressed interest in a product but have not yet purchased will often complete a sale if offered a time-limited discount promotion. Several entrepreneurs report a flexible approach to promotional campaigns, strategically using discount campaigns based on sales patterns and stock levels.

The Vast Majority of Entrepreneurs Operate Without Formal Marketing Expertise or Dedicated Teams:

Across all case studies, the entrepreneur plans and implements the marketing strategy without the assistance of marketing employees, external agencies, or structured processes. While this can be beneficial in terms of responsiveness, authenticity, and cost-effectiveness - enabling entrepreneurs to react quickly to market cues and to communicate with customers in their own personal voice - it also means that marketing activity is highly constrained in terms of complexity and scale.

Saif Hasan is explicit in stating that he is solely responsible for all marketing decisions, without access to specialist advice or a team, and that he adopts an intuitive approach to strategy adaptation. Nurunnahar Afroz also does all her own marketing. Abu Faysal outlines a typical marketing strategy adaptation process: starting with a focus on his own Facebook page, he gradually began sharing content in relevant Facebook groups and community networks - a response to learning through experience. This is symptomatic of a lack of formal education and mentorship arrangements in digital marketing for small and micro entrepreneurs in Dhaka, where there is a critical need for more affordable skills development in content, advertising, audience analysis, and brand building.

Digital Commerce is a Route to Women's Empowerment:

For the women entrepreneurs who make up the bulk of the case studies in this research, digital commerce is not just a business model but a means to economic empowerment and social advancement. The capacity to run a burgeoning commerce from home - via a mobile phone and an Instagram account without facing the constraints of physical mobility, employment discrimination, or the social stigma potentially attached to the presence of women in commercial public life, is singled out by respondents as a key element in their entrepreneurial journey.

Rukaiya Parvin , who launched her handmade jewellery business during the COVID-19 lockdown period while juggling household work as a married mother of two, calls the lockdown ”unusually favourable”: released from the ”pressure of physical presence” for commercial transactions, she was able to establish her customer base via TikTok and Instagram without any prior business experience or formal training, drawing upon her studies in Fine Arts and her creative practices to stand out in the digital marketplace. Her goal of establishing a website that can receive orders from around the world is a tangible realisation of the business potential that digital commerce has afforded her. Nusrat Jahan also emphasizes the importance of digital commerce as a means of expanding her business without confronting the mobility, financial, and social constraints she would face in conventional retail. Similarly, Sabiha Rahman and Afsana Tasnim locate their digital commerce businesses as sources of economic, professional and personal fulfilment that are denied them in formal employment or traditional retail.

Business Performance Indicators: A Framework for Future Research

A key limitation of this qualitative study is the absence of quantitative business performance data. Entrepreneurs frequently reported growth in terms of order volume, yet more orders do not automatically translate into higher profitability. Rising delivery costs, courier return fees from fake or cancelled orders, advertising spend, and the time cost of managing customer communication can erode margins significantly. Future research should seek to collect basic financial and operational indicators from participating businesses. The following indicators would most strengthen the evidence base for understanding the relationship between digital marketing and sustainable business performance in this context:

- Order volume growth: tracks whether digital marketing is generating more sales, not just engagement. Nusrat Jahan reported growth from 4–5 to 20+ daily orders; other cases cited growth anecdotally.
- Advertising cost per order: determines whether paid ads (Facebook Boost, Instagram Ads) are cost-efficient relative to returns. Nusrat Jahan and Sabiha Rahman use paid ads; cost data was not captured.
- Delivery cost as a percentage of revenue: courier fees, especially for outside-Dhaka orders, are a significant cost that can make products less price-competitive. Sabiha Rahman noted higher outside-Dhaka delivery costs as a competitive disadvantage.
- Order cancellation and fake order rate: quantifies a major hidden cost, as failed deliveries generate round-trip courier charges with no revenue. Identified as a systemic problem; no quantitative rate was collected across cases.

- Repeat customer rate: measures the trust-to-retention conversion; repeat customers reduce acquisition costs and improve profitability. Trust and reviews were highlighted as central to retention, but no repeat rate data was recorded.
- Net profit margin (estimated): the ultimate measure of business sustainability, as revenue growth without profit growth is not viable long term. This was not collected; entrepreneurs did not maintain formal accounts.

RECOMMENDATION:

This study offers a range of concrete recommendations based on empirical evidence to the various stakeholders who play a role in shaping the environment for e-commerce businesses in Bangladesh. These aim to overcome the barriers identified in the case studies, while leveraging the substantial entrepreneurial skills and business savvy demonstrated by the participants.

- Provide Affordable Digital Marketing Training for Small Entrepreneurs: Government, NGOs, academia, and digital platform providers should work together to create and deliver affordable, relevant digital marketing training for small and micro entrepreneurs, especially women home-based entrepreneurs. They should include content strategy, social media advertising, basic data analytics, customer management, and branding, in addition to basic social media skills. These should be offered in Bangla, in flexible delivery modes that fit into household schedules, and - if possible - at subsidised or no cost to ensure affordability for low-income entrepreneurs.
- Build and Improve Logistics Infrastructure for Outside-Dhaka Delivery: The government, working with the logistics sector, should support the expansion and improvement of the quality, reliability, and affordability of courier delivery services outside Dhaka, with a focus on last-mile services to rural and semi-urban areas. Minimum service-level standards for Outside-Dhaka delivery (including maximum delivery times and damage rates) should be set and reported to enable entrepreneurs and consumers to select logistics services.
- Create Mechanisms to Minimize Fake and Cancelled Orders: Online retailers, courier companies, and mobile financial service providers should collaborate to develop and encourage the adoption of measures to minimize the occurrence and effects of fake and cancelled orders. These could include a partial-advance-payment policy for social media-based orders, buyer verification tools, and the establishment of industry-wide ratings of buyer credibility. Entrepreneurs should also be encouraged to adopt more informal advance payment or deposit policies for order confirmation.
- Provide a Secure Digital Space for Women Entrepreneurs: Law enforcement and digital platform providers should improve reporting and response to online fraud, cyberstalking, and account tampering, which disproportionately affect women entrepreneurs. An easy-to-access reporting system for e-commerce fraud, with clear investigation and response times, would help protect small entrepreneurs from malicious behavior.
- Facilitate the Use of Digital Payment Systems in the E-Commerce Value Chain: Banks, fintech startups and the Central Bank of Bangladesh (Bangladesh Bank) should prioritize the creation and promotion of accessible, affordable, and secure payment systems for small businesses. By lessening the reliance on cash-on-delivery as the preferred payment method, not only would the risk of fake and cancelled orders be minimized, but the formalization of Bangladesh's e-commerce economy would also be facilitated and consumer protection strengthened.
- Facilitate Diversification and Development of Small Business Websites: Government-funded initiatives should support and encourage small businesses (particularly those with consistent growth) to build their own websites or list products on existing multi-vendor platforms like Daraz. This would help diversify business operations, provide access to more advanced analytics and user data, and enable more formalized forms of international trade.
- Tap into Women's Policy Frameworks to Promote Digital Entrepreneurship: Policymakers should ensure that women's digital entrepreneurship is addressed in SME, e-commerce, and women's economic empowerment policy frameworks. This includes allocating specific funding for women's digital skills training, providing preferential access to microcredit for starting digital businesses, and gathering gender disaggregated data on women's e-commerce participation and performance to inform policy development.

DISCUSSION AND CONCLUSION:

This research, based on detailed qualitative evidence from the experiences of e-commerce entrepreneurs in Dhaka, shows that digital marketing is a critical and enabling phenomenon in Bangladesh's small business sector. Social media channels - particularly Facebook, Instagram, and TikTok - have enabled access to national and global markets which have historically been out of reach for small, home-based entrepreneurs, offering a cost-effective platform for promoting goods and services, engaging with customers, and generating orders which is unmatched in the physical retail sector. For female entrepreneurs, these platforms are not only avenues for business but also for personal autonomy, social empowerment, and emancipation, allowing them to build successful businesses from home while overcoming the structural barriers that have traditionally constrained their engagement with the formal economy.

This study confirms and extends previous research, revealing that the adoption of digital marketing is perceived by entrepreneurs to support business growth, market expansion, and improved customer engagement, but is also constrained by a range of structural and operational factors. The high incidence of fake and cancelled orders, the differential quality of logistics infrastructure in the markets of Dhaka and outside Dhaka, the lack of access of most entrepreneurs to formal digital marketing training and expertise, and the predominance of cash-on-delivery payment arrangements, are root vulnerabilities that individual entrepreneurs cannot address, and which call for concerted action by government, platform providers, financial institutions and logistics companies. Underlying the conclusions of this study is a consistent and compelling theme: that trust - based on genuine reviews, open communication, quality products and responsive service - is the critical factor that converts early digital marketing opportunities into long-term business outcomes. In a world where potential customers cannot touch or test products, where brand reputations are largely irrelevant, and where the threat of online scams looms large in customers' minds, trust is the lubricant that enables transactions. Businesses that prioritize strategies and tactics to build and sustain trust - in each interaction, in every review, in every complaint that is successfully resolved - outperform those who focus on marketing and reach alone.

The e-commerce economy in Bangladesh is poised for growth. The digital commerce infrastructure - social media, mobile internet, courier and mobile payment - is now well established to support rapid growth. The entrepreneurial spirit, innovation, and determination we observed among the respondents to this study confirm that human capital is in place. The key variable is the investment in the ecosystem - in digital skills, logistics efficiency, payment platforms, regulatory clarity and cybersecurity - that will allow Bangladesh’s e-commerce entrepreneurs, and especially its women entrepreneurs, to realize the huge commercial and social opportunities that digital technologies have opened up to them.

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