



InnovaTea

Conversations on Innovation Policy

Event Report

Why Social Media-Based Businesses Fail to Scale?

Opportunities to support the growth of women entrepreneurs in Bangladesh

Online, 29 June 2021

The **United Nations Economic and Social Commission for Asia and the Pacific, Dnet Bangladesh** and **ARTNETonSTI Policy** co-hosted the second InnovaTea webinar. This session shared the initial findings of the ESCAP-Dnet joint report on women online entrepreneurs in Bangladesh and explored how to support women entrepreneurs scale-up their online businesses.

Our panellists answered three questions:

First, **what is the profile of women e-entrepreneurs in Bangladesh?** Ms. Lamiyah Daraksha, Deputy Manager, Technology, Dnet Bangladesh, and Ms. Alokanda Datta, Assistant Manager, Dnet Bangladesh, highlighted that most online women entrepreneurs were young, married and graduate and their online income contributes to the household family income. Their industry sectors mostly consist of clothing, jewellery and food supply and started with a small initial capital size, often provided by their family.

Secondly, **what are the challenges these women face when doing business online?** The report states that women entrepreneurs face issues related to customer relations, delivery efficiency, technology usage, online abuse and family support. Ms. Afsana Zarin, Chief of Staff, ShopUp Bangladesh, advocated for the need to better inform and train women entrepreneurs to handle customer-related issues and to provide the right information to delivery services. Ms. Zarin further added that a general awareness campaign directed to customers to explain how to shop online is essential.

Thirdly, **what type of support do women e-entrepreneurs need?** The report found that only 8 per cent of interviewed women sourced capital from financial institutions and only 19 per cent had a valid trade license. Mr. Nazeem Satter, General Manager, Small and Medium Enterprise Foundation Bangladesh, observed that the current complex registration procedure makes it hard for women to get a license and ultimately to apply for loans. He further added that the government was currently reflecting on alternatives to trade licenses to improve access to finance. Mr. Md. Ashrafal Alam, General Manager, Bangladesh Bank, also pointed out that informal businesses without license face particular complications when applying for credit. He explained that traditional financial institutions in their current state lacked the tools to adequately support these informal businesses and that innovative financial products and providers, such as fintech, could be a solution to explore further.

You can watch the video of the event [here](#).