



Creating shared value through mobile financial services in Bangladesh

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Abstract

The paper is an attempt to generate reflective insights into the shared value creation of commercial banks through their Mobile Financial Services (MFSs). The study has adopted a cross-sectional survey design. It was selected three leading MFS operators namely bKash, Rocket, and UCash and collected opinions from a total of 442 users from the three oldest city corporations of Bangladesh viz., Dhaka, Rajshahi and Chittagong. The study reveals that the banks are creating shared value through their mobile financial services. The banks are creating value for themselves through incremental revenue earned from the services. Simultaneously, they are creating value for the society through fulfilling the banking needs of unbanked people; ensuring customer convenience, reliability, security, quick service, and low cost transaction; reimbursing remittance sent by the expatriates; growing savings mentality; and creating income opportunities for agents. The study has observed a number of problems—network overloads, negligence of sub-agents to perform token transaction, delay in account opening, and non-cooperation in account fill in by the sub-agents—that need to be addressed to scale up shared value creation. Moreover, MFS operators need to be pursued shared value effort as a core banking operation rather than as a sideline business.

Keywords: Creating Shared Value; Shared Value; Corporate Social Responsibility; Mobile Financial Services

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1. Introduction

Creating economic value through creating social value by addressing societal unmet or less addressed needs and challenges, this simultaneous value creation idea is popularly known as 'creating shared value (CSV)', which has evolved to further business and society relationships (Porter and Kramer, 2011, p.4). They explored the idea of CSV in a Harvard Business Review article, wherein the authors have identified three ways of CSV: reconceiving products and services; redefining productivity in the value chain; and enabling local clusters (Porter and Kramer, 2011).

The CSV concept argued that the more a company will address societal needs that are less addressed or not addressed, the more Shared Value (SV) will be created. To be more specific, SV will result when company will focus on needs of the bottom of the pyramid. This concept, however, argued that so called Corporate Social Responsibility (CSR) or philanthropic approach do not create shared value because CSR or philanthropy distract companies from earning direct profit and very few people are benefited from this practice. The CSV concept also holds that the total pool of socio-economic benefits will increase if companies take into account shared value creation as the core of their business choice (Porter and Kramer, 2011).

There has been a broad debate about the efficacy of peripheral CSR efforts. Some scholars argued these efforts are good for society, even though they don't really benefit the shareholders of the firm (Maltz et al., 2011). Others suggested that corporate social efforts can have positive impacts on the long-term profitability of the firm (Ibid). Still others proposed corporate social efforts do not actually generate positive returns for the firm or society as a whole (Ibid). CSR efforts are sometimes criticized as nothing more than 'window dressing', 'blue washing', 'green washing' or a 'giant public relations campaign' (Waddock, 2008). Corporate responsibility generally refers to 'CSR activities' and 'sustainable enterprising' (Carroll, 1999), which have been criticized because of the disconnection from firms' profit generating business (Hart and Milstein, 2003; Porter and Kramer, 2006 and 2011). Theories on value creation emphasize how value is perceived individually and should be created with regard to the recipient (Aru, and Waldenström, 2014). In addition, to create value a company must possess a competitive advantage over its competitors. Similarly, Porter and Kramer (2002) maintained that philanthropy should be used to improve a company's competitive context. Although, CSR efforts of business corporations have increased global interests, the response to this has not been productive much because government, social activists and media has pitted business against society although the two are interdependent. Moreover, the external pressures from the aforementioned bodies has made corporations bound to consider CSR in a generic way rather than customizing CSR according to a company's strategic needs (Porter and Kramer, 2006).

Aakhus and Bzdak (2012) argued that despite its persuasion in corporate and philanthropic circles, shared value approach do not adequately advances the conventional rhetoric that what is good for business is good for society (Aakhus and Bzdak, 2012,). The authors stated shared value is a problematic approach as a framework for addressing sustainability and development arguing that this approach narrows what counts as social value (Aakhus and Bzdak, 2012,). Similarly, Crane et al. (2014) maintained that the CSV concept is a derivative concept therefore it is unoriginal. The authors further argued that the CSV concept ignores the tensions inherent to responsible business practices, it address very little about business compliance, and it is

based on a superficial conception of the companies' role in society (Crane et al., 2014, p. 130). Dembek et al. (2015,) in their paper highlighted that although 'shared value' concept has spread into the language of multiple disciplines, it is indistinct because there are significant discrepancies in the way it is defined and operationalized.

Likewise, Beschorner (2013) argued that Porter and Kramer have criticized and rejected the corporate social responsibility depending on the straw man concept of CSR. The author further argued that Porter's and Kramer's reliance on economic arguments of reconnecting businesses with society is so normatively thin that it is difficult to reinvent capitalism. Also, Williams and Hayes (2013) in their paper maintained that the CSV concept has to develop further in order to establish linkage between pursuing core business model and the subsequent impact on both business and social indicators.

Lapiņa et al. (2012) maintained that "while there is no disagreement as to the role and importance of social responsibility in business, there is no unanimous opinion as to how these activities go together with the organizational goals and day-to-day activities, and how extensive they should be." The authors argued that CSV provides some insight into this because it strongly links the social activities to company goals and place social responsibility as internal function rather than external obligation to society (Lapiņa et al., 2012). CSV is a better way of integrating social goals within business practice because it does not divert a firm from its original goal of earning profit (Porter and Kramer, 2011). Moreover, this approach has integrated social and environmental benefits to the core business choices of firm as it is performed internally rather than external pressures. Furthermore, it changes the standpoint of business corporations as the CSV concept viewed social welfare is a prerequisite for doing well in business (Porter and Kramer, 2011).

The CSV concept has gained popularity in the corporate world as a new way of doing business and formed the core of recent business practices and research. The concept is now embraced by many of the world's leading corporations like Nestle, Intel, Unilever, Coca-Cola and Western Union (Moore, 2014). Bank and financial institutions around the world are also implementing the CSV concept. They include, but are not limited to Banco de Credito e Inversiones, Bank of America, Merrill Lynch, Barclays, Bendigo Bank, Citigroup, Credit Suisse, Dhaka Bank, Goldman Sachs, ING, Itaú Unibanco, JPMorgan Chase, National Australia Bank, Rabobank, Standard Bank, and Vancity (Bockstette, et al., n.d.).

Knowingly or unknowingly, many corporations in Bangladesh are also creating shared value. Bangladesh is the 8th largest populated country in the world with hardly any natural resources. The total population of the country is 144.04 million (currently approx 160.5 million) of which 76.7 percent live in rural areas and 23.3 percent live in urban areas (Bangladesh Population Census, 2011). Of the total population 14 percent have bank accounts where as 90 percent have cell phones (bKash Limited, 2016). The rural people has almost no access to the formal banking because commercial banks in Bangladesh have mostly expanded their operations in the urban areas, where the prospects for profit is higher, therefore, rural people remained isolated from the commercial banking services for so long due to lower token size and high cost transaction. Besides, these banks seem to have built in maximizing profit in the short run by providing loans to superfluous areas. Moreover, the banks strive to address societal issues through 'philanthropic approach' what they termed as 'CSR' rather than integrating societal issues into their core business choices. The

philanthropic approach of addressing societal issues is getting huge media coverage and government attention. However, scandals are not uncommon in performing this type of corporate social responsibility (Vogel, 1992, in Campbell, 2007).

The above information suggests that balanced economic growth and prosperity of a developing country like Bangladesh largely depend on active participation of banks in reducing rural-urban disparity through satisfying unmet social needs. It is also necessary to bring the huge number of unbanked people (both in the rural and urban areas) into the banking network to accelerate economic growth and development.

Recently, commercial banks of Bangladesh are reconceiving their products and services to cater to the financial needs of the bottom of the pyramid through mobile financial service (MFS), the most innovative product. But the question is whether MFS of commercial banks are creating customer shared value in real terms? The present study, thus, aimed to generate reflective insights into shared value creation of commercial banks through opinion survey of the MFS users.

The remainder of the paper is organized as follows: Section-2 provides an overview of MFS, Section-3 deals with the methodology of the study, Section-4 presents perception of MFS Users, Section-5 provides concluding remarks and Section 6 provides direction for future research.

2. Overview of MFS in Bangladesh

Mobile financial service is a kind of banking service provided by banks that allows their customers to perform financial transactions using cell phone. Bangladesh Bank (BB), the central bank, has permitted to operate MFS to a total of 28 commercial banks of them 20 banks has started operations as of July 2016. All the MFS operators are currently offering almost similar services such as: Free customer registration or account opening, cash deposit, cash withdrawal, foreign remittance, salary/allowance disbursement, mobile balance recharge, person to person fund transfer, bill payment, merchant payment, ATM withdrawal, linkage between core banking and mobile banking, balance inquiry, statement inquiry, sending money from mobile account to any bank account, and payment through e-commerce etc.

Total registered MFS customer account is 28.64 million; total number of agent is 0.53 million, and average transaction per day is BDT 4.32 billion (BB Annual Report, 2014-15). Although a good number of banks are operating MFS, a significant market share (number of customer) is captured by bKash of BRAC Bank Limited (58%), followed by Rocket of Dutch-Bangla Bank Limited (16.6%), UCash of United Commercial bank Limited (7.7%) (Parvez, et al., 2015, p.14). As explained in the methodology section, the present study has purposively selected the aforementioned three leading mobile financial service providers. The following subsection gives details.

2.1. bKash

BRAC Bank Limited (BBL) embarked on providing mobile financial services in July 2011 by establishing a subsidiary company namely bKash limited in a joint venture between BRAC Bank Limited, Bangladesh and

Money in Motion, USA. Afterward, International Finance Corporation (IFC) and Bill and Melinda Gates Foundation became an equity partner of bKash limited in April 2013 and April 2014 respectively. The major purpose of establishing bKash was to ensure access to a broad range of financial services through cell phone for the huge number of unbanked rural people of Bangladesh.

bKash has been appeared number one MFS provider in Bangladesh having current market share in terms of transaction volume is 77 percent and in terms of transaction counts is 89 percent (BB Annual Report, 2014-15). Launched in 2011, bKash grew its customer base to 2 million by the end of 2012, shot up to 10 million by the end of 2013, 11 million by the end of 2014, and reached to 20 million (10 times in 5 years) by the end of 2015. bKash has also increased its agent points over time and reached to 0.135 million at the end of 2015. The factors that have facilitated the speedy growth of bKash are- a specialized organization built to deliver mobile financial services; a shared vision for scale among a diverse investor group; and an enabling and flexible regulatory environment (Chen and Rasmussen, 2014).

2.2. Rocket

Dutch-Bangla Bank Limited (DBBL) renamed its mobile financial services as 'Rocket' which offers its customers banking services through cell phone. DBBL launched this service on March 31, 2011 with the aim of bringing unbanked rural people into the commercial banking network. Mobile financial services are part of main operation of the bank. Since its inception, Rocket was achieved a remarkable growth in number of agents, number of customers and volume of transaction compare to previous years as shown in the table 2.1. During the last five years (2011-15), Rocket registered uninterrupted growth in customer accounts, which was 63,141 in 2011 reached to 6,755,128 in 2015, a 107 times increased in just five years. Hence, it is worth mentioning that the number of customer accounts was 3,690,269 in 2014 and increased to 6,755,128 in 2015, doubled in just one year. As of December 31, 2015 the bank reported a total of 216 corporate clients are using the mobile financial services as a medium for payment of salaries to their employees. To address the untapped and unprivileged market, the bank has also been expanding its agent points. The bank started its mobile financial services with only 1194 agents in 2011 and that was increased to 129,198 agent points in 2015, a 108 times growth in just five years. The agent expansion was increased simultaneously as customer growth took place. As of 2015, a total number of 662 field staffs, 77 mobile banking offices, 155 DBBL branches, 4000 merchants and 3,588 ATM units and partner's bank branches were also working as mobile banking access channel for the customers.

2.3. UCash

United Commercial Bank Limited (UCBL) launched mobile financial services on November 23, 2013 with the brand name of UCash, which offers customers from all walks of life to send and receive money with other services using the cell phone. During just two years period the MFS of UCBL has grown significantly in terms of total number of customer accounts and total number of agents. As is evident from the following table that total number of customer accounts has increased from 1.32 million in 2014 to 1.66 million (1.26 times) in

2015. The total number of agent points, which has created income opportunity to the 41,152 agents from different parts of Bangladesh, has also increased between 2014 and 2015.

Table 1. Year-wise performance of Rocket

Sources	Year wise data				
	2011	2012	2013	2014	2015
Total Number of Mobile Bank accounts	63,141	843,116	2,010,283	3,690,269	6,755,128
Total Number of Mobile Bank Agent points	1194	20571	62572	110866	129198
No of corporate clients for salary payment	0	40	83	173	216
Field Staff	418	998	849	751	662
ATM Units	1,940	2,366	2,454	2,705	3,588
Mobile Bank Offices	151	368	302	77	77
Merchant Payment Stations (Shops)	-	-	2,900	4,000	4,000
DBBL Branches	111	126	136	145	155

Source: Compiled by the researchers from Annual Reports of DBBL 2011-15

Table 2. Year-wise performance of UCBL mobile banking

Sources	Year wise data	
	2014	2015
Total number of mobile bank accounts (million)	1.32	1.66
Total number of mobile bank agent points	39,694	41,152
Percent of customer accounts increased	-	25.75
Percent of agent points increased	-	3.67

Source: Compiled by the researchers from Annual Reports of UCBL 2014-15

3. Methodology of the study

3.1. Data collection tools and techniques

The research has used both qualitative and quantitative information mainly related to MFS, the innovative banking product that is creating shared value. Information has been collected from both the primary and the

secondary sources. However, the primary information played important role in conducting the study. Primary data has mainly been collected through questionnaire survey with MFS users. In addition to primary data, secondary data has also been collected from secondary sources such as relevant articles, corporate annual reports and official websites of sample banks.

A pilot survey was conducted to pre-test the questionnaires. A total of eleven respondents from Rajshahi metropolitan city were interviewed to have appropriate wording, format, length and sequencing of the questions. The questionnaires were revised in line with the feedback from the pilot survey and then administered to the target respondents. In order to get appropriate response, the questionnaire was translated into the respondents' mother language (Bengali).

In the questionnaire, some questions were included to measure the opinions of selected respondents using a 5-point Likert type scale. The reason behind the use of the five-point Likert scale is its simplicity, where a numerical value is attributed to the respondent's opinion. Respondents were asked to indicate the strength of their agreement or disagreement with the statements. Responses were coded from 1 (strongly disagree) to 5 (strongly agree) with 2 signaling disagreement, 3 signaling neutral, and 4 signaling agreement in between 1 and 5.

Besides, some questions were yes/no type and others were open ended for those respondents who were free to answer. The respondents were requested to provide their demographic details in the first part of the semi-structured questionnaire. The nominal or categorical data, such as gender, age, income levels, and occupations provided basic information on the survey respondents.

The data has been analyzed by using Statistical Package for Social Science (SPSS) version 22. In course of descriptive analysis, frequency, mean, standard deviation, range, ranking etc. have been adopted where appropriate.

3.2. Area-wise sample distribution

The study has purposively selected three leading MFS operators namely bKash by BBL, Rocket by DBBL, and UCash by UCBL and collected opinions of users from the three oldest city corporations in Bangladesh viz., Dhaka, Rajshahi and Chittagong. According to the following table, opinions were collected from a total of 442 MFS users of which 211 from Dhaka (bKash 117, Rocket 59, and Ucash 35), 113 from Rajshahi (bKash 55, Rocket 34, and Ucash 24), and 118 from Chittagong (bKash 61, Rocket 35, and Ucash 22).

MFS users and operators were selected on a best judgment basis. Most of the respondents were selected from bKash followed by Rocket and Ucash because bKash users are much higher than that of the Rocket and Ucash combined. Similarly, most of the respondents were selected from Dhaka City Corporation followed by Chittagong and Rajshahi considering the density of populations and commercial importance. The male female ratio of the respondent MFS users was 70:30 (details of male female ratios are shown in Appendix Table A 1 to A 2).

3.3. Demographic characteristics of the respondents

Different professional groups were taken into account to collect opinions from MFS users. The main professional groups were service holders, small business persons, housewives, students, and day laborer among others. According to the Appendix Table A3, a total of 112 (25.3%) service holders, 117 (26.5%) small business persons, 34 (7.7%) housewives, 133 (30.1%) students, 29 (6.6%) day laborer, and 17 (3.8%) other professionals were selected for the survey.

Table 3. Breakdown of MFS customers

City	User of MFS			Total
	bKash	Rocket	Ucash	
Dhaka	117	59	35	211
Rajshahi	55	34	24	113
Chittagong	61	35	22	118
Total	233	128	81	442

Source: Field survey data

The responses were collected mainly from the low income group of people. The monthly income of majority respondents' (40.0 %) was less than BDT 10,000, followed by (34.6 %) BDT 10,001 to 20,000, (17.4 %) BDT 20,001 to 30,000 and (5.9 %) BDT 30,001 to 40,000 (Appendix Table A4 shows details).

3.4. Limitations of the study

The study has covered 3 leading mobile financial service providers out of a total of 28 banks that have obtained license from the central bank of Bangladesh. Moreover, it has collected user's perceptions from 3 largest city corporations out of 12. Therefore users' perceptions from other newly advent service providers as well as from other cities may differ significantly.

4. Perception of MFS users

This section goes on to evaluate the perception of MFS users about creating shared value. The users' perception about shared value reflects their collection of values, beliefs, and general satisfaction on mobile financial services. In practice, this means to what extent MFS customers are benefiting in the following manner: increasing access to banking; growing savings mentality; furthering prosperity through low cost transactions; reducing customer time and cost; enhancing customer safety, reliability, and convenience. The following sub-sections focuses on MFS using patterns then goes on to evaluate attitude and perception of users regarding benefits received through MFS.

4.1. MFS using patterns

The study was conducted among the 442 MFS users of which 71.7 percent users had MFS account and the rest 28.3 percent had no MFS account (Appendix Table A5 shows details). The survey statistics shows that all the respondents were using MFS regularly or occasionally with or without having MFS account. As the following table shows that out of 71.7 percent MFS accounts, 40.0 percent were using it regularly followed by 28.1 percent were using it occasionally. However, 3.4 percent respondents opined that they had MFS account but never used it and 0.2 percent had MFS account but no intention to use it. Contrarily, the respondents those who had no MFS account were also using it either regularly or occasionally. As the following table shows, 15.8 percent out of 28.3 percent having no MFS account were using it regularly and the remaining 12.5 percent were using it occasionally. The survey results indicate that MFS customers those who had MFS account were not regular in receiving the service, where as MFS customers those who had no MFS account were somewhat regular in receiving the service. It is a matter of concern that there remains a chance to misuse of the service if it is used over the counter. Therefore, transaction through customers account is highly desirable.

Table 4. Uses of MFS Accounts

Areas of Evaluation	Users of MFS			Total	Percent
	bKash	Rocket	Ucash		
Have MFS account and use it regularly	100	51	26	177	40.0
Have MFS account but use it occasionally	56	42	26	124	28.1
Have MFS account but never used it	9	6	0	15	3.4
Have MFS account but no intention to use it	1	0	0	1	0.2
Don't have MFS account but use it regularly	33	20	17	70	15.8
Don't have MFS account but use it occasionally	34	9	12	55	12.5
Total	233	128	81	442	100.0

Source: Calculated using field survey data

4.1.1. Frequency of use

Regarding how often the users had used MFS per month is represented in the Appendix Table A6. The table shows that on an average 42.5 percent users had used MFS 1 - 2 times per month, followed by 23.6 percent used 3-4 times, 13.4 percent used 5-6 times, 10.7 percent used 7-8 times, 4.86 percent used 9-10 times and the rest 5.0 percent used more than 10 times per month.

4.1.2. Usage of ATM for cash out

Banks that offer Mobile Financial Services also allow their MFS users to use their ATM facility for cash out purpose. An attempt was made to investigate the use of bank's ATM services for the said purpose. It is evident from the following table that 89.8 percent of the respondents do not use ATM for cash out as they use agent network for the same. The results indicate that only 10.2 percent of respondents use ATMs for this purpose as it requires a little more charges than the charges to be paid to the agents and there is a minimum amount withdrawing requirement.

Table 5. Usage of ATMs for cash out

Opinions	Frequency	Percent
Yes	45	10.2
No	397	89.8
Total	442	100.0

Source: Calculated using field survey data

4.2. Analysis and outcome regarding shared value perceptions of MFS users

The following table summarizes the perceptions of MFS users regarding shared value. Seven shared value indicators (SVI) were used to apprehend to what extent banks were creating customer value. The indicators are cost, time, convenience, reliability, safety, hassle free, and usefulness. The analysis and outcomes of each indicator is summarized below followed by a thorough discussion.

SVI-1: Bank provides MFS at low cost: It is apparent from table 7.2.4 above and from Appendix Table B1 that 80.1 percent (64.0% + 16.1%) of the respondents were either strongly agreed or agreed with this statement as against 15.8 percent (10.6% + 5.2%) of the respondents were either disagreed or strongly disagreed with this statement with an average score of 4.2 (grand mean 4.5) in the scale of 5.0. The outcomes indicate that banks are providing MFS at low cost. This indicator is ranked 7 out of 7. Our findings is differing from the previous empirical study, where 91 percent of the MFS users ranked 'low transaction costs' at the top (Parvez et al., 2015, p.3).

SVI-2: MFS takes short transaction time: It is evident from table 7.2.4 above and from Appendix Table B2 that 97.7 percent (75.8% + 21.9%) of the respondents were either strongly agreed or agreed with this statement as against only 0.7 percent (0.2% + 0.5%) of the respondents were either disagreed or strongly disagreed with this statement with an average score of 4.7 (grand mean 4.5) in the scale of 5.0. The results indicate that the transaction time for MFS customers is too short. This indicator is ranked 1 out of 7.

SVI-3: MFS is convenient: It is obvious from table 7.2.4 above and from Appendix Table B3 that 88.5 percent (67.2% + 21.3%) of the respondents were either strongly agreed or agreed with this statement as against

only 4.8 percent (3.2% + 1.6%) of the respondents were either disagreed or strongly disagreed with this statement with an average score of 4.4 (grand mean 4.5) in the scale of 5.0. The outcomes indicate that MFS is convenient to its users. This indicator is ranked 4 out of 7. Customer convenience is also supported by Appendix Table A7 that nearby MFS agent is just walking distance of the customers from their residence. The table shows 80.5 percent of the respondents opined that it takes them less than ten minutes to reach the nearby MFS agent, followed by 14.0 percent takes 10-20 minutes, 2.9 percent takes 21-30 minutes, and only 2.5 percent takes more than 30 minutes.

Table 6. Shared value perceptions of MFS customers at a glance

Shared Value Indicators (SVIs)	Areas of Evaluation	Mean	Std. Deviation	Rank
SVI-1	Bank provides MFS at low cost	4.2308	1.23485	7
SVI-2	MFS takes short transaction time	4.7240	0.54778	1
SVI-3	MFS is convenient	4.4932	0.87609	4
SVI-4	MFS is reliable	4.6856	0.66545	2
SVI-5	MFS is secured and safe	4.4751	0.86796	5
SVI-6	Bank provides hassle free E-commerce facilities through MFS	4.2670	0.86044	6
SVI-7	MFS is useful	4.6855	0.59340	3
	Grand Mean	4.5087		

Source: Calculated using field survey data

SVI-4: MFS is reliable: It is evident from table 7.2.4 above and from Appendix Table B4 that 96.2 percent (75.8% + 20.4%) of the respondents were either strongly agreed or agreed with this statement as against 2.7 percent (2.0% + 0.7%) of the respondents were either disagreed or strongly disagreed with this statement with an average score of 4.6 (grand mean 4.5) in the scale of 5.0. The outcomes reveal that MFS is highly reliable to its users. This indicator is ranked 2 out of 7.

SVI-5: MFS is secured and safe: It is apparent from table 7.2.4 above and from Appendix Table B5 that 88.3 percent (65.2% + 23.1%) of the respondents were either strongly agreed or agreed with this statement as against 4.3 percent (2.7% + 1.6%) of the respondents were either disagreed or strongly disagreed with this statement with an average score of 4.4 (grand mean 4.5) in the scale of 5.0. The outcomes signify that MFS users feel secured and safe while transacting money with the agents. This indicator is ranked 5 out of 7.

SVI-6: Bank provides hassle free E-commerce facilities through MFS: It is evident from table 7.2.4 above and from Appendix Table B6 that 76.5 percent (51.8% + 24.7%) of the respondents were either strongly agreed or agreed with this statement as against 1.2 percent (0.7% + 0.5%) of the respondents were either disagreed or strongly disagreed with this statement with an average score of 4.2 (grand mean 4.5) in the scale of 5.0. The results indicate that E-commerce facilities through MFS are hassle free. This indicator is ranked 6 out of 7.

SVI-7: MFS is useful: It is evident from table 7.2.4 above and from Appendix Table B7 that 96.2 percent (70.4% + 25.8%) of the respondents were either strongly agreed or agreed with this statement as against 1.1 percent (0.9% + 0.2%) of the respondents were either disagreed or strongly disagreed with this statement with an average score of 4.6 (grand mean 4.5) in the scale of 5.0. The outcomes indicate that MFS has been appeared as a very useful medium for money transaction. This indicator is ranked 3 out of 7.

The analysis and outcomes of the SVIs from 1 to 7 presented above indicate that commercial banks in Bangladesh have been creating shared value through MFS because majority of the respondents were either strongly agreed or agreed with all the SVIs that average scores range from 4.2 to 4.7 and with a grand mean of 4.5 in the scale of 5.0. This statement is also supported by the results of the following table and Appendix Table B8, which shows customers' commitment about future use of MFS. It is evident from table 4.4 below and from Appendix Table B8 that 96.2 percent (74.2% + 22.6%) of the respondents were either strongly agreed or agreed with this statement as against only 0.9 percent (0.2% + 0.7%) of the respondents were either disagreed or strongly disagreed with this statement with an average score of 4.69 in the scale of 5.0.

Table 7. Customers' commitment about future use of MFS

Area of Evaluation	Mean	Std. Deviation
Wish to continue with MFS	4.6946	0.59432

Source: Calculated using field survey data

4.2.1. Savings mentality

The MFS customers can use their cell phone as a mobile wallet, which act as a substitute of carrying cash in pocket. Banks provide 1 to 4 percent interest daily on the remaining balance upon fulfilling certain conditions such as certain minimum number of transactions and amount of cash in/cash out. The mobile money transfer facility is creating shared value because people from all walks of life can avail this facility. Furthermore, opportunity to earn interest on savings propels savings mentality thus accelerate shared value for the customers. The following table shows that while majority of the respondents (69.5%) did not obtained interest on their savings as against 30.5 percent got interest.

Table 8. Earning interest on savings

Opinions	Frequency	Percent
Yes	135	30.5
No	307	69.5
Total	442	100.0

Source: Calculated using field survey data

5. Conclusion

From the results and discussion in the previous sections it is obvious that the commercial banks in Bangladesh are creating shared value through MFS. As the money transfer is done on the basis of commission which is distributed between the respective banks and their agents. Thus, MFS is creating business value for the banks. It is simultaneously creating value for the society in several ways: Firstly, it is fulfilling banking needs of a huge number of unbanked or under-banked people, who can transfer money for fulfilling various essential needs, the most mentionable ones are utility bill pay, education, business, purchase of goods and services, airtime top up, and family expenditure among others. Previous empirical study has found that a majority of respondents were interested in using MFS for bill payments (77%), savings (76%), airtime top-ups (70%), education fee payments (60%), and merchant payments (55%) (Parvez et al., 2015, p.3). Secondly, MFS is convenient, reliable, secured, useful, and requires low service charge and transaction time. Thirdly, it is collecting remittance/ transfer of funds by the expatriates through international money transfer agencies and facilitating receiving foreign currency by the rural people at their home comfort. Fourthly, it is creating savings mentality among the users as the MFS provides 1.5 to 4.0 percent interest on daily balance upon fulfilling certain conditions. Fifthly, the MFS is creating income opportunities for the agents. Finally, MFS money transfer is environment friendly as it performs digital transactions and provides customer service at the doorstep of the agent's shop, which discourages people going long distance boarding on bus, private car or other mechanized vehicles. Moreover, the agent shops do not consume more electric power as their shops are not air conditioned. These have positive impact on reducing carbon footprint as well as traffic congestions, which are also a global concern.

The findings of the study suggest that commercial banks are fairly treating their MFS users in many but not all aspects of evaluation. However, it is the fact that some customers despite having their own cell phone do not open MFS account and use account of nearby or acquainted MFS account holder, who is not even an agent/sub agent. Some subagents keep several personal numbers to help those who do not have accounts as well as to help those who want to send more than the limit amount. Some problems are also identified in the opening of new account such as delay in getting approval, errors in national identity card, return of the application forms for not duly filled in, non-cooperation of subagents to fill in account opening form etc. In addition, huge customer accounts overnight is also causing network problem. As is identified from the

questionnaire survey that network overload ceasing some customers to use personal account particularly for money transfer, airtime top up etc. Furthermore, although around 90 percent customers agreed that MFS is safe and secured, ensuring long term safety as well as regular monitoring of safety issues is another challenge because a few negative incidence might refrain people from using MFS, thus total MFS industry might be in trouble. In order to scale up the shared value creation, the MFS operators need to be aggressively pursued shared value efforts rather than considering those efforts as a sideline of their core banking operations.

6. Direction for future research

The study discovers a new avenue for research in the field of business and economics through exploring the phenomenon of creating shared value through a particular banking service. Future research could include more banks and their wide range of services and cover wide geographic areas to validate the findings of the present study and generalize the result for the whole banking sector of Bangladesh. Future researches could also explore the phenomenon of creating shared value in different corporate sectors focusing exclusively on pharmaceutical, food and beverage, petrochemical, and agro-based industry.

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Appendix

Table A1. Company-wise sex of the respondents

Sex of the respondents	User of MFS			Total	Percent
	bKash	Rocket	Ucash		
Male	166	86	59	311	70.4
Female	67	42	22	131	29.6
Total	233	128	81	442	100.0

Source: Calculated using field survey data

Table A2. City-wise sex of the respondents

Living City	Sex of the respondent		Total
	Male	Female	
Dhaka	148	63	211
Rajshahi	76	37	113
Chittagong	87	31	118
Total	311	131	442

Source: Calculated using field survey data

Table A3. Professions of MFS users

Profession of respondents	User of MFS			Total	Percent
	bKash	Rocket	Ucash		
Service Holders	48	37	27	112	25.3
Business	69	33	15	117	26.5
Housewives	22	7	5	34	7.7
Students	59	45	29	133	30.1
Day Laborers	22	3	4	29	6.6
Others	13	3	1	17	3.8
Total	233	128	81	442	100.0

Source: Calculated using field survey data

Table A4. Monthly income of the MFS users

Monthly Income (BDT)	Frequency	Percent
Less than 10,000	177	40.0
10,001-20,000	153	34.6
20,001-30,000	77	17.4
30,001-40,000	26	5.9
40,001-50,000	5	1.1
50,001-60,000	3	0.7
More than 60,000	1	0.2
Total	442	100.0

Source: Calculated using field survey data

Table A5. MFS account holders

Account Info	Frequency	Percent
Account with bKash	164	37.1
Account with Rocket	99	22.4
Account with Ucash	54	12.2
None	125	28.3
Total	442	100.0

Source: Calculated using field survey data

Table A6. Frequency of use per month

Times	Frequency	Percent
1-2	188	42.5
3-4	104	23.5
5-6	59	13.4
7-8	47	10.6
9-10	22	5.0
More than 10	22	5.0
Total	442	100.0

Source: Calculated using field survey data

Table A7. Walking distance to the nearest MFS agent (one-way)

Distance from home	Frequency	Percent
Less than 10 Minutes	356	80.5
10-20 Minutes	62	14.0
21-30 Minutes	13	2.9
More than 30 Minutes	11	2.5
Total	442	100.0

Source: Calculated using field survey data

Table B1. Detailed survey results of low transaction cost of MFS

Opinions	Frequency	Percent
Strongly disagree	23	5.2
Disagree	47	10.6
Neutral	18	4.1
Agree	71	16.1
Strongly agree	283	64.0
Total	442	100.0

Source: Calculated using field survey data

Table B2. Detailed survey results of short transaction time of MFS

Opinions	Frequency	Percent
Strongly disagree	2	0.5
Disagree	1	0.2
Neutral	7	1.6
Agree	97	21.9
Strongly agree	335	75.8
Total	442	100.0

Source: Calculated using field survey data

Table B3. Detailed survey results of customer convenience of MFS

Opinions	Frequency	Percent
Strongly disagree	7	1.6
Disagree	14	3.2
Neutral	30	6.8
Agree	94	21.3
Strongly agree	297	67.2
Total	442	100.0

Source: Calculated using field survey data

Table B4. Detailed survey results of reliability of MFS

Opinions	Frequency	Percent
Strongly disagree	3	0.7
Disagree	9	2.0
Neutral	5	1.1
Agree	90	20.4
Strongly agree	335	75.8
Total	442	100.0

Source: Calculated using field survey data

Table B5. Detailed survey results of security and safety of MFS

Opinions	Frequency	Percent
Strongly disagree	7	1.6
Disagree	12	2.7
Neutral	33	7.5
Agree	102	23.1
Strongly agree	288	65.2
Total	442	100.0

Source: Calculated using field survey data

Table B6. Detailed survey results of hazard free E-commerce of MFS

Opinions	Frequency	Percent
Strongly disagree	2	0.5
Disagree	3	0.7
Neutral	99	22.4
Agree	109	24.7
Strongly agree	229	51.8
Total	442	100.0

Source: Calculated using field survey data

Table B7. Detailed survey results of usefulness of MFS

Opinions	Frequency	Percent
Strongly disagree	1	0.2
Disagree	2	0.9
Neutral	12	2.7
Agree	114	25.8
Strongly agree	311	70.4
Total	442	100.0

Source: Calculated using field survey data

Table B8. Detailed survey results of customers' commitment about future use of MFS

Opinions	Frequency	Percent
Strongly disagree	3	0.7
Disagree	1	0.2
Neutral	10	2.3
Agree	100	22.6
Strongly agree	328	74.2
Total	442	100.0

Source: Calculated using field survey data