

# The Fortune at the bottom of the Pyramid

## Chapter: The Ecosystem for Wealth Creation

### Amazon link:

<http://www.amazon.com/Fortune-Bottom-Pyramid-Eradicating-Poverty/dp/0131467506>

### What I expect to learn:

- To learn the advantages and disadvantages of globalizing BOP strategy

### Quote:

“Ultimately, the goal in development is to bring as many people as possible to enjoy the benefits of an inclusive market. Transaction governance capacity is a prerequisite. The market based ecosystem might provide us an approach to building the basic infrastructure for inclusion of BOP consumers. It also allows large firms to build new and profitable growth markets.”

### Book Review:

In this chapter, ecosystem is defined as a system which consists of a wide variety of institutions coexisting and completing each other. As we all know, ecosystem is like a chain, wherein every member of the ecosystem has a specific role to perform for the ecosystem to be successful. The idea of ecosystem has been used to illustrate the market-oriented ecosystem. The market-based ecosystem is a framework that allows private sector and social actors. In market-based ecosystem, which these two acts together to create wealth and relationship, just like in ecosystem, which in all paths of life, everything has a part to play.

Based on C.K. Prahalad’s interview on the one Shakti Amma, the market-based ecosystem imposes a solid symbiotic relationship between the large firms and the BOP consumers. They too are “little entrepreneurs” that directly help companies to expand their business to the less-fortunate sector. The Shakti Amma is very loyal to her company because she loves what she is doing. It also increases her social status in her community because people see her as a distributor of goods as well as an educator.

### What I have learned:

- Reducing inequalities in contracts
- The essence of maturation model

- To maintain a good relationship between your employer and co-workers will give you economic benefits
- The ecosystem for wealth creation

**Integrative Question:**

1. What is a market-based ecosystem?
2. What are the two-sectors that a market-based ecosystem allows?
3. What kind of relationship does the market-based ecosystem creates?
4. What does encourage people to be loyal to their company?
5. How does education help BOP to expand the market?