

# The Fortune at the bottom of the Pyramid

**Chapter: Product and services for the bottom of the pyramid**

**Amazon link:**

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

**What I expect to learn:**

- To learn the products and services that are in-demand at the bottom of the pyramid to ensure high profit

**Quote:**

“It might appear that the new philosophy of innovation for the BOP market requires too many changes to the existing approach to innovation for developed markets. It does require significant adaptation, but all elements of innovation for the BOP described here might not apply to all businesses. Managers need to pick and choose and prioritize. Although effective participation requires changes to the philosophy of innovation, I argue that the pain of change is worth the rewards that will be reaped from the BOP as well as from traditional markets.”

**Book Review:**

This chapter discussed about what the BOP wants, needs, and what the MNCs need to do so that the BOP will purchase their products and services. The wants and needs by the BOP are the practical products that they could use, something that is important in everyday life. Ten years ago, cell phones are luxury items, only people from the upper middle class and above could avail these products, but looking at the present scenario, cell phones became a necessity, and these became our primary tool for communication because of its mobility and ease of use. Everyone could now procure cell phones for as low as one thousand pesos or lesser for second hand phones, I remember in our community service, we went to a community which belongs to the BOP, people who earn below the standard salary, most of them own at least one cell phone unit. Now we see that cell phones companies could still sell their old models for a low price to the BOP, giving MNCs sales instead of just trashing the old cell phone models.

The key for MNCs to succeed is educating the BOP on how to use their products, most people at the BOP are illiterate so most cases, and they don't purchase products that they don't know how to use, because they cannot understand the instructions inscribed on the product's user manual. MNCs should be patient enough to teach the BOP about their products, doing

product shows to introduce their product to the market, and make their prices reasonable for the product they sell.

**What I have learned:**

- I learned the basic things needed to know if you want to do business at the bottom of the pyramid

**Integrative Question:**

1. What is the BOP?
2. What is Hybrid Solution?
3. Is using old technologies effective in the BOP?
4. Is hybrid solution able to help the need of the BOP market?
5. Is low prices the most important factor for the BOP market?