

Product and services for the bottom of the pyramid

What I expect to learn:

I expect to learn what products and services can be offered by business organizations to those who belong at the bottom of the pyramid.

Quote:

*"See and hear, not read"*

Book review:

This chapter basically discuss the market at the bottom of the pyramid (BOP). Those who belong at the BOP are basically those who are underprivileged financially. Creating a new market with those who belong to the BOP is certainly a great challenge to those who are in the business sector because the first question that would come into their heads when they hear this is, "How the hell can our business profit if our target market are the poor people?" This is indeed a challenge knowing that those who belong to their market are those who are poor or of very low income. With the great minds and the great technology that we humans possess today, one thing is for certain, nothing stays impossible for long anymore. If you ask C.K. Prahalad, how can marketing with the BOP be possible? The only answer C.K. will give is innovation, innovating products to better suit the needs and demands of the poor people. A very good example of this today is the electronic load on mobile phones. Before mobile phone loads were sold via cell cards, cell cards that can be bought with denominations of 100, 300, 500 and 1,000 only. These became a problem for mobile phone owners who belong to the BOP because money with that denomination was not easy to let go off. Now, given this example, we can take as fact that cell cards are not a good marketing offer for those who belong to the BOP. After a few years, telecom companies noticed the problem and immediately created a service to address this problem. The solution was the autoload, the autoload was a service that can load mobile phones with credits as low as 1 php. These services very much helped those who belong to the BOP because mobile phone loads became very much cheaper. The innovation in mobile phone loads is a very good example with what C.K. Prahalad envisions. A market where those who belong at the top, middle and bottom of the pyramid are involved.

What I have learned:

I have learned the basics on selling products and services to those who are at the bottom of the pyramid.

Integrative Question:

- 1) What is the bottom of the pyramid?
- 2) Who are those who belong at the BOP?
- 3) What is Hybrid Solution?
- 4) Is low pricing important with the BOP?

5) Who benefits from this marketing relationship?