

THE FORTUNE AT THE BOTTOM OF THE PYRAMID

BOP: A GLOBAL OPPORTUNITY

[HTTP://WWW.AMAZON.COM/FORTUNE-BOTTOM-PYRAMID-ERADICATING-POVERTY/DP/0131467506](http://www.amazon.com/FORTUNE-BOTTOM-PYRAMID-ERADICATING-POVERTY/DP/0131467506)

Learning Expectations:

I expect to learn more about the positive and negative effects of BOP strategies as it is globalized.

Quote:

“The most interesting lesson for MNCs from operating in the BOP market is about costs-for innovation, distribution, manufacturing, and general ‘costs of organization.’ Because the BOP forces an extraordinary emphasis on price performance, firms must focus on all elements of cost. Shortage and the cost of capital force firms in BOP markets to be very focused on the efficiency of capital use. MNCs tend to impose their management systems and practices on BOP markets and find that it is hard to make a profit. The choices are simple: Change the management systems to cut costs or lose significant amounts of money.”

Book Review:

There is a lot of BOP markets discussed in this book that are now globalized. There is this salt that is sprayed with iodine and coated with a chemical that can endure spoilage gained from transportation and distribution. The special coating can only be eliminated at high pH levels particularly, the human stomach. This special kind of salt is now adapted and distributed to different countries

around the globe to combat IDD. Then there is this soap from HLL (Hindustan Lever Ltd.) that is coated with a very special chemical that makes it waterproof. This innovation is able to prolong the useful life of the soap.

Several other examples were discussed throughout the book. All of them made great strides locally and globally. The purpose of such innovations remains the same, to alleviate poverty in the whole world. If MNCs (Multi National Companies) continue to employ this strategy to their system, the society's disease called poverty will be eliminated. I believe that in a few years of adapting to BOP strategies, the pyramid would have reshaped itself, into a trapezoid. The market at the top of the pyramid will increase because the poverty is being ceased of. The less-fortunate population will slowly become the middle-class.

What I have learned:

I have learned that BOP not only helps the local sector but the poverty around the world as well, if adapted.

Integrity Questions:

1. Are the examples of BOP market in India existent in the Philippines?
2. What could hinder the globalization of these BOP strategies?