CREATING PRODUCT VISIBILITY TO THE BOTTOM OF THE PYRAMID: INTEGRATION OF MARKETING MIX AND HUMAN VALUE ECOSYSTEM APPROACH

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Received April 2015; accepted June 2015

Abstracts
Emerging markets and the global dynamics growth attract the exploration of business opportunity to the bottom of the pyramid. The economic development derived to the reshaping of the business activities and this is becomes very obvious especially in Asia and South American. The Bottom of the Pyramid customer has been neglected and overlooked by the industries. This paper aims to understand in-depth the principle and practical realities on ways to market to the bottom of the pyramid. Theoretical essay was conducted using the literature in relation to 4A marketing mix and mainly The Triumvirate Human Values Ecosystem Framework. The discussion indicates the characteristics, the misperception and opportunity of Bottom of the Pyramid market is focused. Theoretical framework for Bottom of the Pyramid marketing are developed which includes the principle, the scope and the challenges. Application of The Triumvirate Human Values Ecosystem Framework is presented through case study.

Research paper

Keywords: Bottom of Pyramid Marketing, 4A Marketing Mix, Human Values, Human Values Ecosystem, Case Analysis

Introduction

For all this years, multinationals companies (MNCs) have been focusing on marketing their products to the developed countries. Their targeted consumers are always those who have the power to consume, who can access to the products easily and respond to the traditional integrated marketing channels (Chikweche T. & Fletcher R., 2012). However, the current traditional markets are slowly saturated and to expand a company’s market share need tremendous efforts and sometimes the return cannot justified the efforts. According to Prahalad (2012), there is an untapped market with huge business opportunities for all global companies which is facing the problems of slow growth of demands in the developed countries and this market as the “Bottom of the Pyramid” (BoP). This untapped market becomes the industry concerns when industries realize that the poor should be given the equal opportunity to enjoy the product what the rich should have (Leow et. al., 2014). Hence, product innovation and human values ecosystem helps to boost the strategies market to the bottom of the pyramid.

Characteristics of BoP Market

Bottom of the Pyramid (BoP) is a term to describe a largest socio-economic group in the world which is also the poorest (Rabino, 2015). In general, there are roughly four billion people fall under this group and most of them has a very low spending power around n $2/day (Prahalad, 2012). This market is not a monolith market; it consists of multiple culture, ethnicity, life style and needs. Gupta & Pirsch (2014) added the poor live both in rural area and urban area, both of them is a total different setting and characteristics. Most of the poor in India live in rural areas which are very
hard to reach while the poor in Brazil live in Favelas or urban slums. Other than that, the BoP markets is very due to its nature in lacking of infrastructures & communications channels, political instability, poor governance & corruption and weak legal system (Chikweche, 2013). The new innovation marketing strategies is designed with the Triumvirate Human Values Eco-system Framework (Leow et al., 2015).

**BoP Market Misperceptions**

There is some common misperceptions in marketing to the BoP markets. First is that, BoP does not have the enough money to spend so it is not worth to marketing to them (Prahalad & Hammond, 2012). The truth is their individual buying power is low but as a whole community they have a large aggregate buying power.

Luce (2009) pointed the second misperception is that the poor does not spend money on nonessential goods. For them buying a house is not a realistic hence they are more willing to spend on what they can buy now so that they can improve their quality of life. This shows that they are willing to work harder to improve their current life. This finding is supported by the study Prahalad and Hammond (2002) reported that 85% of the households in the slums of Dharavi own a TV, 75% a pressure cooker and a mixer, 56% a gas stove and 21% a telephone.

The third misperception is that BoP products must sell at a very cheap price and profit margin is not enough to cover the expenditure. In fact, BoP consumers pay much more higher than middle class consumers for most things. They are getting their products from local intermediates
which sell the products at a much higher costs, water are more expensive than what we pay for because not everyone of them have access to water supply and have to buy from local intermediates (Karnani, 2007). Their interest rate for loans is high because they are borrowing from loan shark.

The fourth misperception is that BoP is not technology savvy. According to Sinkovics, Sinkovics, & Yamin (2014), the BoP communities are adapt to technology very fast such as GSM handphone launch in India is very success. MNCs are not interested in marketing to BoP because of all this misperception and they must change their mind set because there is a huge potential in the BoP market. The involvement of large enterprises into the BoP markets can help to reduce the cost pay by the poor to get their essential products because they have a larger scale, technologies and efficient supply chain.

Table 1. Comparison of cost of living between Dharavi community and Warden Road Community (Source: Gupta & Pirsch, 2014)

<table>
<thead>
<tr>
<th>Cost</th>
<th>Dharavi (slum area in mumbai)</th>
<th>Warden Road (upper class community in mumbai)</th>
<th>Poverty premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit (annual interest)</td>
<td>600-1000%</td>
<td>12-18%</td>
<td>53x</td>
</tr>
<tr>
<td>Municipal grade water (per cubic meter)</td>
<td>$1.12</td>
<td>$0.03</td>
<td>37x</td>
</tr>
<tr>
<td>Phone call (per minutes)</td>
<td>$0.04-$0.05</td>
<td>$0.025</td>
<td>1.8x</td>
</tr>
<tr>
<td>Diarrhea medication</td>
<td>$20</td>
<td>$2</td>
<td>10x</td>
</tr>
<tr>
<td>Rice (per kg)</td>
<td>$0.28</td>
<td>$0.24</td>
<td>1.2x</td>
</tr>
</tbody>
</table>
Opportunity of BoP Market

With the increasing number of researcher proposing firms should targeting the BoP market. There is also another body of researcher arguing about the potential of BoP market, most of them think that BoP is a profitless market because they’re so poor and cannot afford to buy MNCs consumer goods. However the truth is otherwise, there is a detail study of BoP around the world conducted by The World Resources Institute and The International Financial Corporation (IFC) and estimated that the market is about $5 trillion in purchasing power parity (World Resources Institute, 2007). As a result, it can be say that BoP is a large untapped market with lots of business potential that can help to increase profits of MNCs. Other than that, the BoP markets are estimated to be growing faster compared to the developed country markets. The population of the BoP is increasing faster than the developed country; increase in population means increase in demands hence the purchasing power will growth stronger in future (Robino, 2015).

Beside that, the economies of BoP markets have growth significantly in countries like China and India (Zolin, 2014). This has resulted into substantial increase in the purchasing power of the BoP communities. As an example, the green revolution in India, the rural areas are consuming a large quantity of industrial and urban manufactured products (Hillemann & Verbeke, 2014). The large inflow of foreign and local investment from government or other foreign source to develop the BoP market so that poverty can be reduced is also another good reason for MNCs to develop their markets in the BoP. With the fund invest by local government and foreign in-
investment, infrastructure will improve within years and this will make the access to the market more easily (Yamin & Sinkovics, 2014). Alvarez & Barney (2014) added that foreign investments will also create job opportunity hence the income of the BoP communities will increases which means higher purchasing power. Moreover, government acts such as, national rural employment guarantee act in India, that helps to improve the employment rate in BoP will also increase their earning.

The government of BoP markets is putting effort to reduce the rate of illiteracy by improving their education system. Based on Schuster & Holtbrügge (2012), this will improve the education level of BoP communities which will cause them to have a chance to improve their lifestyle. Hence, the living standard in those BoP market is increasing, thus it shows a great potential that they will consume more and hence higher buying powers in the future. The convergence of rural markets with their urban counterparts due to the improvement in transportation and communication network also will change the lifestyle of the BoP communities (Chikweche & Fletcher, 2012).

According to Bharti et al. (2013), the exposure to MNCs products will increase which will further encourage them to change their old purchasing behavior, they will consume more MNCs manufactured products. This provides other advantage in marketing to BoP markets which is the Product life cycle advantages. For most of the MNCs’ product already attained the maturity stage in the developed country markets. However, it is still in the introduction or growth stage in BoP markets, hence the business potential is still very great and there is more space to expand than the developed markets.
The last and most important benefits for marketing in BoP markets is because the whole process is not expensive compare to the marketing spending in developed country markets.

**BoP Marketing**

As mentioned by Kotler & Keller (2011), marketing is a social & managerial process by individuals and groups obtain what they need & want through creating & exchanging products and value with each others. However due to the special and complex nature of the BoP markets, the convention marketing strategy in the developed countries is not suitable in this context.

Hence, there is a new marketing strategy in BoP, namely, the BoP marketing has taken shape. BoP marketing been defined as the process of developing, pricing, promoting and distribution of specific goods and services to the poor which satisfies the poor demand and also archiving organizational objectives (Karamchandani, Kubzansky, & Lalwani, 2011). BoP marketing is still a “work in progress”, there is a need for comprehensive and modular understandings which require multi-disciplinary approach to research and gain a sharper insight.

**Table 2. Classification of BoP Products (Source: Jauregui-Becker, Franco-Garcia, & Groen, 2012)**

<table>
<thead>
<tr>
<th>Category</th>
<th>Examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fast Moving Consumables Goods (FMCG)</td>
<td>shampoo, beer, toothpaste, cigarretes, rice</td>
</tr>
<tr>
<td>Consumer durables</td>
<td>TV, Fridge, radio, motorcycle</td>
</tr>
<tr>
<td>Services</td>
<td>telecommunication, banking, health care, insurance</td>
</tr>
</tbody>
</table>
Scope of BoP Marketing

The scope of BoP marketing should consider the social factor, economic factor, ethical factor, political factor, physical factor and technology factors (Dadzie et al., 2013).

Social factor consists of sociological factor, anthropological factor and psychological factor. The consumer community in BoP markets is important because the lifestyle is affected by the setup of the community itself. The community constitution will influence the consumer habits, value and lifestyles (Ansari, Munir & Gregg, 2012). As fore mentioned, the BoP market consists of heterogeneous culture backgrounds and living patterns, this is important during the development of advertising strategy, sales promotions, selling and packaging strategies. Moreover, since all of them have a different culture and lifestyle, the consumer behavior, attitude and personality are unique and complex (Bharti et al., 2014). The study of consumer behavior is a must for BoP marketing to evolve the marketing mix.

In term of economic factors, firms should pay attention for competition, pricing and products (Suurs et al., 2013). Competition in BoP market is still not very stiff because most MNCs still in the early stage of product life cycle. A health competition environment will overall improve the economic activities and also improve the quality of products. According to Swami & Tirupati (2012), pricing is a very delicate issue in BoP marketing, marketer should keep a balance between the return on investments and market friendly pricing. Prahalad (2012) added this requires cooperation between the production and marketing teams. In term of products, the consumers in BoP is very cautious and suspicious, the products should suit their lifestyle or must functions properly.
Jun, S., Lee, D., & Park (2013), the ethical factor is important in BoP marketing because business operation that did not have ethics will bring degeneration to the organizations. In addition, Carroll & Buchholtz (2014) mentioned, BoP market is a long run process, firms should not consider big return in short times but they have to consider to growth with them. Organizations that exploit the weak legal system in BoP market, cheating the low knowledge consumers will unable to sustain their business.

The political factor is about to develop a company policy that can meet the political framework of the local government. The local government policies towards trade and commerce, taxation and other favorable government policies for foreign investments will have a influence towards marketing strategies (Suur et al, 2013). The paper also focus on the physical factors of the countries such as road, transportation, water, electricity and communications channels will give effects on distribution and promotion of goods and services. The final factors is the technology factors because the technology in BoP markets is changing, faster transportation and communication channel improve the marketing of products and services (Berger, Choi, & Kim, 2011). So the marketers have to develop new marketing tools and facilities to implementing their strategies which are adapting the environment and technologies changes.

**Challenges in BoP Marketing**

BoP market is a geographically wide spread and diverse market. It is not feasible to use only one strategy to cope all the BoP markets. The infrastructure in BoP market in not complete or sometimes not exist is making the distribution of goods harder in this market. MNCs firm will need to have
a strategy that can adapt to the situation of each BoP markets (Mason & Chakrabarti, 2013). Moreover, Kistruck et al. (2011) identified that, there is a cultural gap between consumer of BoP market and developed country market, the social and cultural backwardness of BoP is a tough issue for marketers because they are having a different set of values in purchasing and there is not much research on this subject currently.

According to Gupta & Pirsch (2014), consumer of BoP market has a high rate of illiteracy and low exposure to the different brands of MNCs products. This is another issue for marketers because it will be a problem to persuade them to use their products since the consumer is suspicious and not enough knowledge to learn about the brand. Similarly, Chikweche, & Fletcher (2012) also found that there is also a communication barrier with the consumer in BoP market due to the language and different interpretation of signs and icons in advertising.

Unlike developed country market which marketers tend to use symbolism & emotional appeal to send their message, BoP market needs a direct and clear message to make them understand (Subrahmanyan, & Gomez-Arias, 2008). Another major issue in BoP market is about the availability of fakes and spurious products, such as Lifejoy (original product Lifebuoy). There is no legal restraint in some BoP country such as India & China on this particular issue. The local retailer will tend to push imitation products to get a higher margin. The practical way to cope this problem is too improve distribution of products and make it available in as many places as possible.
4 As’ Marketing Mix in Marketing to the BoP

With all those challenges in BoP market, the traditional 4 Ps is not that suitable to cover the market. Hence according to Prahalad (2002), there is a need to evolve the 4Ps to 4As. The 4 As’ marketing mix are Availability, Affordability, Acceptability and Awareness.

Availability

BoP market is wide and hard to cover due to transportation issues and lacking of infrastructure. When marketing to BoP, Firm should consider about the distribution channel for the goods and services to make sure the product is available in as many places as possible. This is important to create the brand exposure of the products and giving the consumer confidence because a product that cannot ensure consistent supply will fail to meet the demand of the consumers (Paul, 2014). This is especially truth for the BoP consumers because they hardly change brand after they had familiar with a brand. All companies that want to penetrate the BoP market have their own unique distribution strategies to achieve this.

Affordability

BoP market consumer has a low disposable incomes, product which would like to market to them must be affordable to them. According to Karanani (2007), BoP consumers are extremely price sensitive so any product that come with not market friendly price will fail in BoP market. A comprehensive marketing research is needed before venturing into produce design during the product development stage.
Acceptability

When marketing to the BoP market, our aim is not just making the consumer to buy the products. It is also very important to make them to accept the products and use it. BoP market is heterogeneous markets so it is important for marketers to develop products that are customized to meet their taste, values and cultures (Anderson, & Markides, 2012).

Awareness

BoP consumer have a low exposure level to brand due to the nature of their geographic dispersion. High levels of illiteracy, media black out zone are all the obstacles to create awareness about a product (Kuriyan, Ray, & Toyama, 2008). Fortunately, the BoP consumers are the same as most developed countries consumer, they like movie and music.

Advertising message to the BoP markets is different with each market because they have different backgrounds, values, cultures that leading to different interpretation of the message hence it is a requirement to develop different message to different markets. Media channel that can choose to create awareness are radio, TV, wall painting and posters and word of mouth marketing. Collaboration with NGOs and government institution to create awareness is also very helpful. BoP consumer like to touch and feel a product before making a choice, hence demonstration campaign is an undoubtedly the most effective awareness campaign. Youth power is become increasingly evidence in BoP market, youth bring brand knowledge to the family and marketers have to focus on this segment because it is growing and provide relative influences (Cross, & Street, 2009).
Human Values Ecosystem Framework in Marketing to the BoP

With the basic concept of 4A marketing Mix can be improved by venturing into the triumvirate human value ecosystem framework to move from product centric marketing and customer centric marketing to human ways of reaching out.

The triumvirate human value ecosystem framework focus on the center human that focus on physical, mental, emotion and spiritual that construct the holistic human approach. In addition, cooperation and growth, freedom and justice to the consumer contribute to the consumer development.

For individual level, happiness is the ideal human values that human ultimate goal (Park et al., 2011; Hsiao, Huan, and Woodside, 2013; Do Paco, Nave, 2013; Lin, 2014; Rego, Ribeiro and Jesuino, 2011). BoP consumers also has the right to achieve happiness with the quality products serve to them. There are many factors contribute to happiness. According to various psychological theories, self-actualization and self realization is the main contributor of human happiness (Liu and Han, 2013). Marketers needs to focus on these factors to achieve marketing efficiency and effectiveness especially to the BoP customers.

Turning to reflection values, in order to achieve intentional values – self actualization and self realization can be fulfilled when we focus on human development (Raibley, 2012; Warr, 2011) and holistic human approach (Mandel and Eng, 2012). Marketers need to help customers to achieve both self-actualization and self-realization with the limited resources especially with the bottom of Pyramid customers. As the result, innovation and technology takes place to help marketer to achieve this strategies.
Holistic human approach can be explained with Carl Jung theory that focuses on body, mind and spirit (Jung, 2009). Body is described as physically, mind is described by mentally and emotionally in human value ecosystem model. According to Hu and Li (2006), spiritual element is still important that contributes to individual happiness. Marketers needs to focus on all these elements from product planning, supply chain and also the distribution of products to the customers.

Human development contributes to self actualization and self realization directly. In order to achieve human development, human should be given opportunity and involvement to development themselves (Heckscher, 1988; Yang and Konrad, 2011; Pendleton and Robinson, 2010). In addition, Nadiri and Tanova (2010), Whiteman (2012) found that fairness and justice are main component of human development that contributes to productivity. Freedom is also directly contributes to the human development directly and become the focus of human value ecosystem (Manson, 2014). When the individual level productivity level is achieved, the healthy workplace is promoted through talent and healthy talent ecosystem (Fullagar and Kelloway, 2012).
Marketing to the Bottom of Pyramid: Case Application

Coca-Cola in India

The best example for company who use this strategy is Coca-Cola in India. Coca-cola has a well established distribution in India; they had successfully created a distribution network that had 650,000 outlets across the country. They had formulated different strategies for urban market and the BoP market. For urban, they use the model of direct store distribution, dealer warehouse distribution & vending system. For BoP, they use the Hub and Spoke model. Coke firstly identifies the potential villages across India,
and then they appointed the Hubs which get the supplies from cities twice a week by their demand draft. The hub will assign their own spokes in adjoining areas; the spokes will get supplies from the Hubs via cash and send the goods to smaller retailer in villages via all ranges of transportation means that suit the geographic of the market (cycle operated caravan sometimes even cow for rural village and donkey for hill area). The smaller retailers will sell the products in their villages.

![Diagram](image_url)

**Figure 1. Coca Cola Hub & Spokes model**

The benefit of Hub & Spokes model is that this system allows larger loads to travel long distances and smaller loads to travel short distance. The demand from the rural parts of India is not that frequent so it will be not cost effective to send there directly every times. The hub & spokes model is a more cost effective mechanism because Coca-Cola no needs to directly send to the rural area by own and all rural distribution can be manage by their allocated partners.
This case demonstrate clearly in the consumer development according to the Triumvirate Human Values Ecosystem Framework. When applying to the Spokes model, Coca-cola indirectly applies the model that makes the system successful. The hub and the spokes people have been informed on the objectives and also clear standard operation procedure as the cooperative and growth strategies. In addition, Coca-Cola set a very clear operation procedure to ensure fairness and justice among the spokes and retailers. All these keys contribute to the success supply chain and create huge availability of the product in India.

**Hindustan Unilever Limited (HUL)**

Similar to the Project Shakti of Hindustan Unilever Limited (HUL), a consumer goods company owned by Unilever, its products include foods, beverages, cleaning agents and personal care products. Project Shakti is an innovation distribution channel design by HUL to target the rural India markets, most of the village in India are hard to reach and small purchasing power. Project Shakti is targeting villages with population less than 2000. Business model is partnerships with the government-supported and micro-credit-financed village self-help groups which composed mainly of women. The ultimate goal of this project is to increase the reach of HUL to BoP market and the woman will also be the brand ambassadors at each territory and the woman can earn extra income by selling the products. Shakti project can be described as a network of direct sales and distribution that helps to develop brand and improve standard of living in rural area by providing quality products.
The concept of cooperation and growth is the key concept that enables success of this project. Customers’ involvement in product distribution stage enables HUL to reduce operational cost on wastage. Customer physically, mentally and emotionally involved and accepts the products. As the result, marketing cost can be minimized especially in creating the awareness stage. Company just needs to spend money on creating interest, desire and convert the buying intention to purchase behaviour.

**Haat Activation and Rural hypermarket**

Colgate-Palmolive has using this strategy to distribute its products to the rural area. Unlike permanent retails shops which need high cost to maintain, Colgate sell their products in Haat. Haat is like a free market in rural India, typical held on a particular day of every week. The haat is a trading opportunity because all retailers from nearby village will attend to restock. The fees to participate at Haat are extremely low which is around Rs1 to Rs5 per stall. To sustain in the BoP market by using Haat Activation strategies, fair distribution must be developed. The incentives strategies must be transparent to motivate them to grow their markets. In addition, marketers needs to satisfy their physical needs. In addition, particularly for bottom of Pyramid marketers, supply chain management needs to be equipped well so that the distributors get the full support from the company.

Rural consumers often go to urban area to purchase consumer durable products however some of the products will require technical installation or after sales service such as television. So, there is a new trend of hyper mart in India, in which they open in the major road in rural area, often in the centre of a few villages. Their products range from consumer goods
to consumer durable products such as cloths, electronics device, such as the Choupal Saagars Hypermart.

**Collaboration and Corporate Partnership for Distribution**

Firms can collaborate with various organizations to achieve higher reach in rural market. For examples, Pharmaceutical companies tend to use post office as a source of distribution to rural area. There also working with NGO to reach the rural areas. Joint venturing with local company is another good method of increase efficiency of distribution because they already have the facilities and familiar with the local market. P&G and Sara Lee had entered into a joint venture with Marico and Goorej Soap respectively (local India company). They formed a distribution alliance with their partner. Increasing accessibility increases the survivability of BoP market.

**Physical, Mental and Emotional Serving Customer Through Innovation**

Innovation is needed to help the marketer to design products that is affordable by the bottom of pyramid consumers. For example, manufacturers reduce the packaging size of their goods so that they can offer at a more attractive price. This practise is often been done in the FMCG industrials. P&G started to sell shampoo and washing powder in smaller packaging size to BoP market for 20 years ago. Currently there are different packaging for P&G shampoo, the 90ml pack at 62 rupee while the right side is a sachet form around 1 rupee. Product marketing design is essential to follow their physical, mental and emotional needs of the customers. For physical needs, customers have the opportunity to use the product. In term of mental and
emotional needs, customers would enjoy the satisfaction of using the products at the affordable price.

Similarly, at first coca-cola launch their 300ml coke at 10 rupee, however they conduct a market research and found that most of the consumer think it is high and they often share a 300ml bottle. Hence coca-cola decided to change the size of bottle and price it at more attractive price to gain interest of BoP consumer in India.

LG Sampoorna TV in India is selling at 5,500 rupee per unit, they enable to reduce the selling price by reducing the 4 speaker tv to 2 speaker and remove the back woofer and reducing the screen size. LG official mentioned that when they first launched the TV sets, the honour the policy of “honest pricing”, it did not provide any discount but just a marketing message “No scheme, no gimmick, great products and honest price”

Pepsi’s “Asha Project” also launched a new line of low cost snack in the biscuits category, Lehar Iron Chusti & beverage, Gatorade. Both of the products are aiming at the school girls between 12-16 years old. These two products are specially created for India, to introduce low cost, nutritional foods and drinks to the market.

In term of technology, Creativity and innovation helps the development of bottom of pyramid customers. For instance, Nokia launched its 1100 series at around 4000 rupees for the India BoP market. Although the 1100 series is not the cheapest series but it is a very versatile products with quite a lot of features in which no other handsets in that price range can compare. General Electric (GE) MAC 400 portable ECG is another brilliant effort for the BoP market. They invent a portable ECG machine that
cost $80. Now, BoP patient can enjoy ECG testing at $1 per test. The invention enables this group to have an opportunity to have fair distribution.

What Coca-cola did to make the BoP consumer to accept their products is very innovative and create a win-win situation with its retailer and themselves. The rural area usually will have power problem, Coca-cola help the rural retailer in this problem by giving them the solar power cooler name “eKOcool” for storing of cokes under “eKOcool” project. The “eKOCool” coolers also feature ports for charging lanterns and mobile phones which allow them to keep the shop open after dark. The sustainable innovation of Coca-Cola helps shopkeepers sell ice-cold drinks because it is a bit of a novelty products in “off-the-grid” communities which hard to get ice or electricity. Customers who visit the retailer to charge their phone will end up spending more. This is one of the initiatives of Coca-Cola to empowering 5 million woman entrepreneurs in BoP area across the globe.

When LG think that their current electronic device market becomes saturated in the urban market and the level of competitiveness is stiff. They start to venture into the BoP markets as a blue ocean strategy. As they are in the India market, they launch the Sampoorna TV in 1998 which is very cheap and tailor to meet the needs of the BoP consumer in India. They consider that most BoP consumer is low education level and may not be familiar with other foreign language, hence they create a customized version of TV that only suit for the India market. The TV they made is very localized, the regional languages menu in the TV use Hindi, Marathi, Tamil, Bengali and other mother language in rural India. Not just the language, the design of the TV is able to stand the fluctuation of electricity which can damage the TV and this is important feature to the BoP consumers because the power
supply may not be stable all the time. The product is a hit and they successfully sold 100,000 units to the BoP consumers in its first year. In 1997 LG venture into India market, now they are the number 1 electronic device brand in India and they own a R&D centers in India.

Proctor & Gamble (P&G) identify that there is a strong demand for clean water in BoP market. They had done various marketing research prior they launch their PUR water sachets that can purify 10L dirty water into drinkable water which is an amazing innovation to the poor countries. The selling price is very cheap around 3.5 US cents per sachets. However, it did not receive the expected results from the market; no people are willing to buy it because they cannot accept it. BoP consumers are very suspicious because they are lack of knowledge and always very that it is a scam. Moreover, this sachet is not in their usual lifestyle hence it is more complicate to change their behaviors. After P&G realize the problem, they launch various education campaigns to create awareness about important of clean water and provide demonstration of the sachets in public and teaching them how to use it. After a series of awareness campaign, the product becomes a best seller in most poor countries.

Union Carbide India or Eveready Industries India had launched a type of slim plastic torchlight, the design of the torch light is easy to carry and light because most of the rural area will have disruption in power all the time and the product specially cater for them. However they found that their main targeted customers in the rural area are not buying the products but receiving good responses in the urban area. After doing some survey, they found out that the consumer are not accepting their product because they think that it is more value for money if they buy the traditional brass
torch because it is heavier. It is a usual perception of consumer in rural BoP that item which is heavier means better says Union Carbide Managing director, V.P. Gokhale.

When Colgate-Palmolive launching their tooth paste in India, they found that it was hard to penetrate the rural area because they have a different practice compare to the urban market. Most rural communities use charcoal powder, salt powder and other substitutes to maintain oral hygiene. Colgate developed a brilliant product after having an understanding of their habits; they make a Colgate tooth powder which no need toothbrush (save money) and can be use by applying the powder on Index finger which is the similar method they used with other powders. If Colgate-persisted to promote the tooth paste to them it may be a useless attempt because it will require the BoP consumer to change habit and speed more to buy another tooth brush which is very hard in BoP market. Instead, Colgate considering the acceptance level of the consumer and using strategy of slowly conversion to tooth paste by introducing something familiar by them first.

Lifebuoy creating health awareness about bacteria on hands, the using two persons team that goes into the school of rural market in India and providing education about bacteria to them. The also create a viral video that targeting the rural markets about the important of cleanliness of hands and it is a very touching video that create echo in the heart of BoP market.

Conclusion

Referring to above examples and studies, we can conclude that BoP markets consist of a diversified group of peoples with different cultures and values. Marketers should customized strategies that suit with each BoP
market respectively. The profiles of BoP consumers are generally hard working, religious, suspicious to new products, price sensitive, less knowledge need direct and clear message to make them understands.

In term of making the product more affordable to BoP markets, marketers can try to cut the expense of advertising, packaging and logistic so that a better price can be offer. BoP advertising is very cheap, mostly no need to design sophisticated advertisements, a normal wall painting & poster is enough because most of the time BoP markets is hard to reach via TV cable. The packaging of the goods no need to so glamour because what the value is the products itself not the packaging. Find local partner for distribution or hiring & train local sale team to reach the market because it will be less expensive. Refer to examples above; all MNCs have their unique ways to deliver the products into the BoP markets because potential of each BoP communities is not high as individual but high as aggregated. Hence, most of the time firms need to deliver small amount to many place which is not economically efficient, partnering with local entrepreneur and intermediates will make the logistic more efficiency because only need to deliver to the main distributors and they will send it to different retailers.

Most of the time, collaboration with NGOs and government institution is important because it can help to create brand awareness and improve the coverage of brand. Product is also an important factor in BoP markets. Marketers need to develop products that can fulfilled their needs and not changing their lifestyle because most of them will be suspicious toward products that changing their lifestyle. The conversion of product must be done slowly and plan carefully rather than direct pushing the product to them because the effect will be deterrence.
Use mobile vans or truck to create awareness in rural area by providing demonstrations of products and awareness talks. Join the local market place to promote products either by road show or exhibition to create brand exposure.

**Table 2.** Comparing the efficiency of media channels in BoP marketing.

<table>
<thead>
<tr>
<th>Exposure</th>
<th><strong>High Frequency</strong></th>
<th><strong>Low Frequency</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>High reach</td>
<td>Jeep, wall painting, bus stand, haat, hoarding</td>
<td>Van based advertising, melas, direct to home, exhibitions/created events</td>
</tr>
<tr>
<td>Low reach</td>
<td>Co operative notice, shop front painting, tin plating – calendar /label</td>
<td>Tin plating – trees / shop leaflets, posters and banners, danglers</td>
</tr>
</tbody>
</table>

When designing the marketing message, marketers should consider the sensibilities of the BoP markets. Use the punch line in vernacular language of the markets, the brand ambassador with local celebrities is a very good method to create brand awareness and forming positive brand image in the market. Commercial with sophisticated high tech or modern story is not working with them, using sensible and emotional touch story line is best to create echo within them.
Creating Product Visibility to the Bottom of the Pyramid: Integration of Marketing Mix and Human Value Ecosystem Approach

References


Chee Seng, L., Wing Sum, L., Shukor, M. 2015. Creating Product Visibility to the Bottom of the Pyramid: Integration of Marketing Mix and Human Value Ecosystem Approach


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