Making Bottom of the Pyramid about Business as Usual

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Making investments that create economic value (e.g., target ROI) that is **equal to or greater than** alternative uses of the same capital.

$4.5$ million to reach $110,000,000$ viewers

= $0.041$/viewer
Key BOP Investment Drivers

- Increasing Time & Resource Demands
- Increasing Business Capabilities

Value Chain Modification

Consumer Learning

HIGH

LOW
BOP Opportunity Map

Value Chain Modification

Consumer Learning

- New Product Development
- New Business Model Development
- New Market Creation
- Product Re-Design
- New Channel Creation
- Greenfield Market Expansion
- Targeted Marketing
- Distribution Extension
- Conquest of Competitors’ Market

Simanis & Duke,
“Profits at the Bottom of the Pyramid,”
Payback Period

Investment Classes

FRONTIER MARKETS

GROWTH MARKETS

MATURE MARKETS

1-3 YRS

4-7 YRS

8-10 YRS

< $150K

$750K – 2 MM

$5-10 MM

Investment

Payback Period
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