## **Editorial**

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**Biographical notes:** Ramendra Singh is an Assistant Professor (Marketing) at the Indian Institute of Management Calcutta. He is an FPM from IIM Ahmedabad, and received his BTech from IIT-BHU and MBA from XLRI Jamshedpur. He has published in reputed international journals such as, *Marketing Theory, Journal of Business Ethics, International Journal of Human Resource Management, Industrial Marketing Management* and *Journal of Information Technology.* He has extensively worked in the industry in sales and marketing responsibilities in organisations such as the Indian Oil Corporation, ExxonMobil, SRF Limited and ICICI Bank. At IIM Calcutta, he teaches marketing to bottom of pyramid, and consults to organisations such as Oil India Limited, Tata Metaliks and UNFPA.

As the guest editor of this special issue on *Marketing to the bottom of the pyramid:* key challenges and the way ahead, I have the opportunity to present six great research articles that constitute the special issue. When I initially discussed the idea of such a special issue with the editor in chief, Professor Satyendra Singh, he was very excited! I would like to thank him for the support and motivation that he provided throughout the process of coming out with this SI.

All the six papers are very different as well as interesting. The contributors come from various emerging as well as developed markets/nations such as India, Germany, Canada, and the USA. It is heartening to observe that researchers across continents are interested to understand the challenges being faced by organisations, and its stakeholders at the bottom of the pyramid. Poverty seems to be a global problem, and we need a global solution, in which each one contributes, and collaborates. In this SI, in terms of the research context, we have study conducted in India, Africa, and other poor regions of the world. In terms of methodologies, the papers represent an equally diverse spectrum, ranging from grounded theory approach, to application of fuzzy set theory, as well as other qualitative methods, and even conceptual papers. These diverse set of papers thus represent the diversity of methods, and contexts that are important to fathom the complexities of the challenges faced at the bottom of pyramid by marketing organisations, so that the way ahead looks clearer.

I would like to thank the contributors for considering this journal for their work in this important area, and for sharing their research insights in this SI. I would also like to thank all the reviewers who contributed in a responsible and timely manner that helped to bring out this SI. We hope the special issue adds value to the extant literature on the bottom of the pyramid, and shows some directions to marketers in planning their next step forward towards building bridges with the poor stakeholders of our society.

Let me introduce all the six papers to you. The first paper titled, 'Defining a base of the pyramid strategy' by Nancy E. Landrum looks at the intriguing question of defining what a BOP strategy really is? The author suggests that BOP strategies are often erroneously understood as multinational corporations' strategies for competing in emerging economies while trying to tap unserved customers in those markets. What is necessary is the inclusion of sustainability as a cornerstone of the BOP strategic approach and the critical differences between international strategies in emerging markets and sustainability-focused base of the pyramid strategies. These two approaches are distinct in terms of goal, or anticipated outcomes and performance measurement, as well as implementation through various components of an organisational strategy, such as target market, business model, partnerships and alliances, products and services, cost structures, and access and distribution.

The second paper titled, 'Implications of transaction cost on the consumer choice heuristics: a grounded theory analysis at the Indian bottom of the pyramid' by Srabanti Mukherjee and Debdatta Pal explores the implications of transaction cost on the consumer choice heuristics at the bottom of the pyramid. The authors use a grounded theory approach and identify that factors such as wide-spread low levels of literacy and lack of 4As (awareness, availability, accessibility, and affordability) prompt the subsistence customers to minimise the transaction cost of purchase by resorting to bounded rationality, opportunism and locking-in effects. Such endeavours challenge the chronology of consumer decision-making process for convenience products and lead to an automatic choice of the interlinked market at the BOP even before evaluating the functional attributes of the brands of the required convenience products. Therefore, the study suggests that the choice of interlinked market limits the process of brand choice and forms an alternative choice heuristics in the subsistence market place.

The third paper titled, 'An exploratory study of counterfeit purchases among rural bottom of pyramid customers in India', by Rajeev Kumra and Anjali Malik offers insights into counterfeiting purchases by consumers in a rural BOP in India. The authors look at the effects of individual characteristics such as consumers' demographic and psychographic factors, various product-related characteristics, and situational characteristics using qualitative data from 43 interviews of rural BOP customers to understand counterfeit phenomenon. Results suggest that rural BOP people do not perceive any adverse social consequence and/or risk, neither performance nor financial, while buying counterfeits. Besides gender and age, counterfeit purchases were found to be affected by various other factors like value consciousness, type of products purchased, and type of rural retailer chosen by customers.

The fourth paper titled, 'Winning poor consumers in Africa: best-practices from mobile network operators', by Wolfgang Albeck, Steffen Huth and Marco Braun discusses several case studies and unravels new business models within the mobile communications sector in Africa to throw more light on the penetration of mobile technology providers developing a commercial infrastructure in the BOP markets.

The fifth paper titled, 'Creative consumers in impoverished situations', by Stefanie Beninger and Karen Robson is a conceptual piece that illustrates the how creative consumers behave in impoverished situations. This paper argues that BOP consumers are creative in their consumption and presents a series of propositions related to this phenomenon. Understanding creative consumption in subsistence situations is interesting from an academic perspective, given the current dearth of literature. Organisations must appreciate and understand the role the creativity in the lives of poor

Editorial 285

consumers and how it can lead to improved design of solutions to this underserved market.

The sixth and the last paper is titled, 'Prioritisation of barriers to rural markets: Integrating fuzzy logic and AHP', authored by Anita Sengar, Vinay Sharma, Rajat Agrawal and Kumkum Bharti. In this paper, the authors have conducted interviews with experts to collect responses, and then used analytic hierarchy process (AHP) and fuzzy set theory for the analysis to identify and prioritise the significant barriers to rural Indian markets, which is the precursor to managing these markets more effectively. The study includes a comparative analysis of the responses from different groups of experts from academics, as well as industry. Organisational barriers found by the authors include top management commitment, their willingness, and the marketing team.

All in all, we hope the academics as well as the managers have a great time going through all the six papers on the marketing challenges at BOP in this special issue!