

# Project Resource

*Project resources are materials which were originally produced during support from the Business Innovation Facility team to a specific inclusive business project. They include inputs provided as part of technical assistance and summaries of findings and outputs. They are adapted for wider use so that other practitioners can also make use of the material.*



**Business  
Innovation  
Facility**

## Base of the pyramid consumers

Getting the right product to the right people

### *What is this resource?*

*Many innovative products and services are being developed for Base of Pyramid markets - stoves, water purifiers, off-grid power and nutritious foods, for example. However, the companies developing these products have to be innovative and creative in the face of several challenges: low purchasing power, traditional consumer preferences and logistical problems, such as inadequate infrastructure that hamper market growth.*

### *Why is it interesting?*

*This document explores the ways in which companies are tackling these issues and innovating. It is based on presentations by Nisha Dutt and Andrew Kambobe, the BIF Country Managers for India and Zambia, respectively, which were given to an expert audience in June 2013.*

### *Who is it for?*

*It will be useful for practitioners, entrepreneurs and other stakeholders working in inclusive business who are pioneering new products and services and are concerned with creating demand at the base of the pyramid.*



# Base of the pyramid consumers:

Getting the right product  
to the right people

Kindly hosted by





**Nisha Dutt**

**Country Manager, India,  
Business Innovation Facility**

**Director, Intellectap Consulting**

# **Business Innovation**

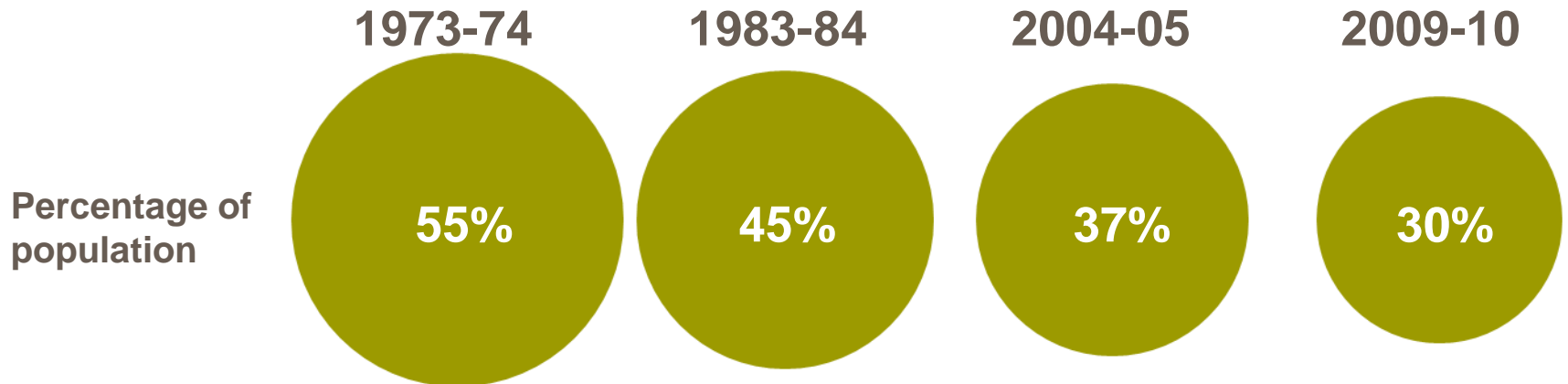
June 2013

# Infrastructure deficiencies at the base of the pyramid (BOP) present opportunities for the private sector

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## Poverty in India

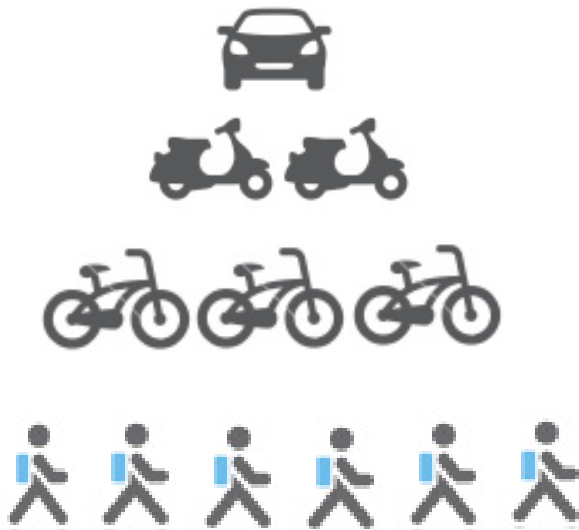


**Decline in poverty is positive....**

# ....but access to basic infrastructure is still a challenge



## Population Pyramid



### Lack of Pure Drinking Water



~67%  
households no  
access to clean  
drinking water

### Poor Sanitation Infrastructure



~61%  
households  
defecate in the  
open

### Poor Access to Electricity



~44%  
households use  
kerosene for  
energy

### Value Chain Control High



£ Low

Source: Intelicap Pathways to Progress, BIF, Planning Commission of India

# Large, but challenging market – some innovative solutions



## Challenges

Cultural,  
Education &  
Psychological  
Barriers

Inefficient  
value chain,  
infrastructure  
bottlenecks

High cost of  
operations

Dominance of  
informal  
market  
players

## BIF Portfolio

TCS mKRISHI™



Hindustan Unilever



Waterlife & Bosch





# mKRISHI- Information advisory to farmers on mobile



Information asymmetry, no intelligence

Inefficient farm-to-fork value chain

## Challenges

Lack of common access platform for farmers and private sector

## Solution





# Hindustan Unilever- Innovative distribution channels with consumer financing



Current solutions required electricity

Lack of pure drinking water in households

## Challenges

No access to affordable purification systems at household level

## Solution



# Waterlife & Bosch- Accessing new markets through technology



Power and real estate requirement high

Water wastage and decreasing profitability of community systems

## Challenges

## Solution



# Common threads across the inclusive business initiatives



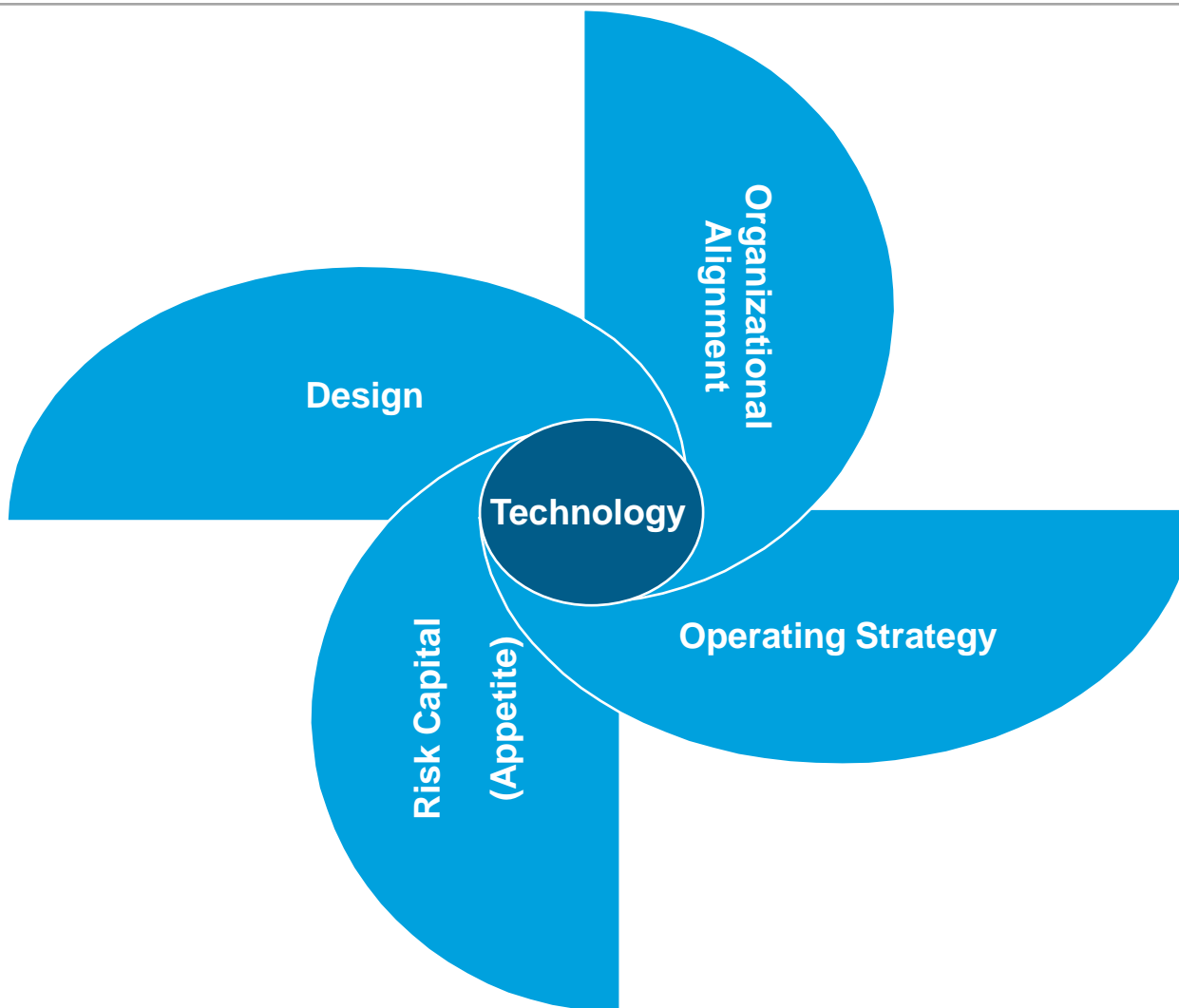
## Technology Axis

873 million  
mobile  
phones in  
India

137 million  
internet  
user, 50  
million  
mobile

45 % of  
India  
covered by  
broadband

## Inclusive Business Drivers



# Additional resources



## Practitioner Hub for Inclusive Business

### Project information Publications 'Know how' News Comment Networks

[www.businessinnovationfacility.org](http://www.businessinnovationfacility.org)



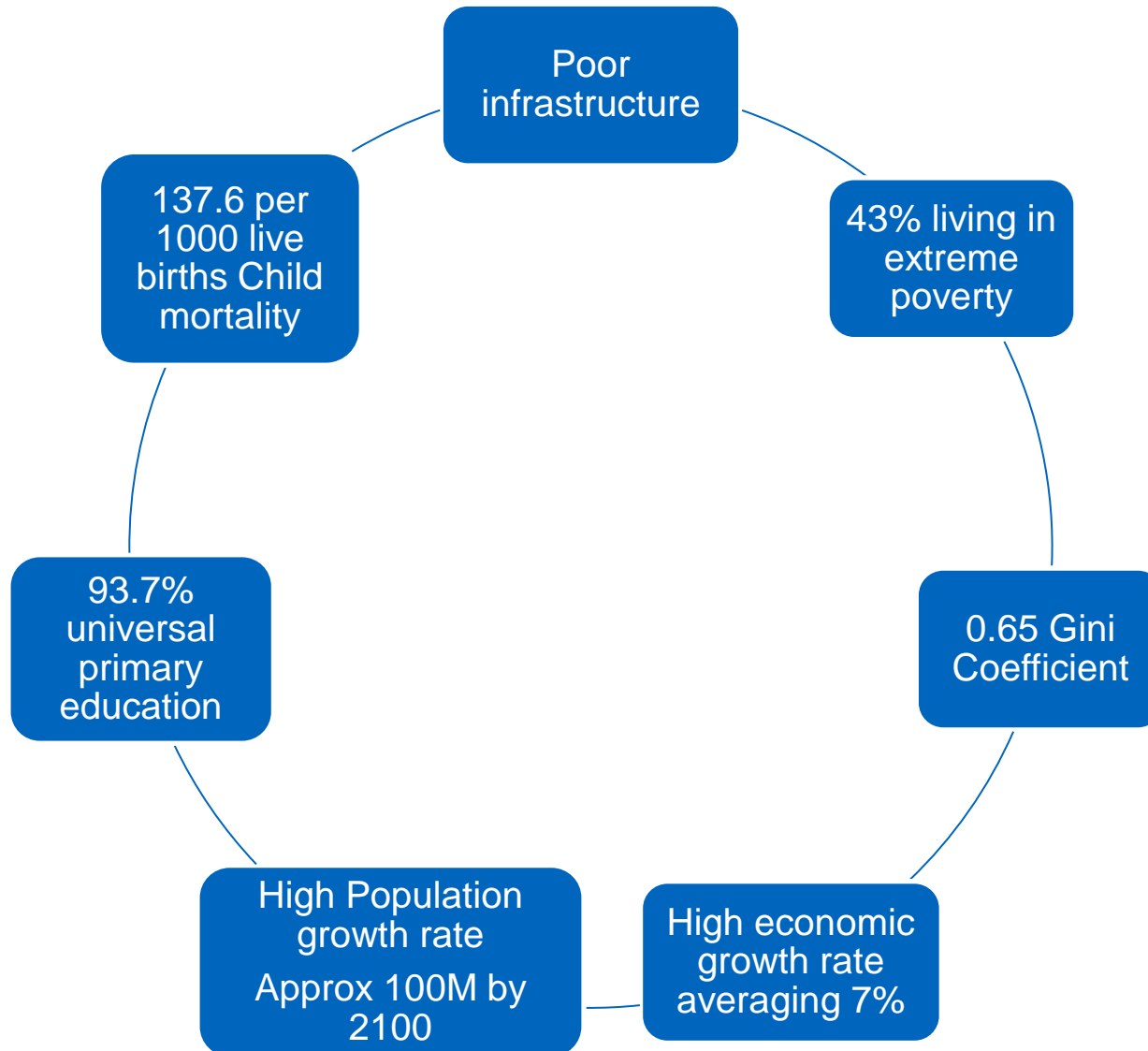


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# **Andrew Kambobe**

**Country Manager, Zambia,  
Business Innovation Facility and  
Innovations Against Poverty**

# Context





# iSchool

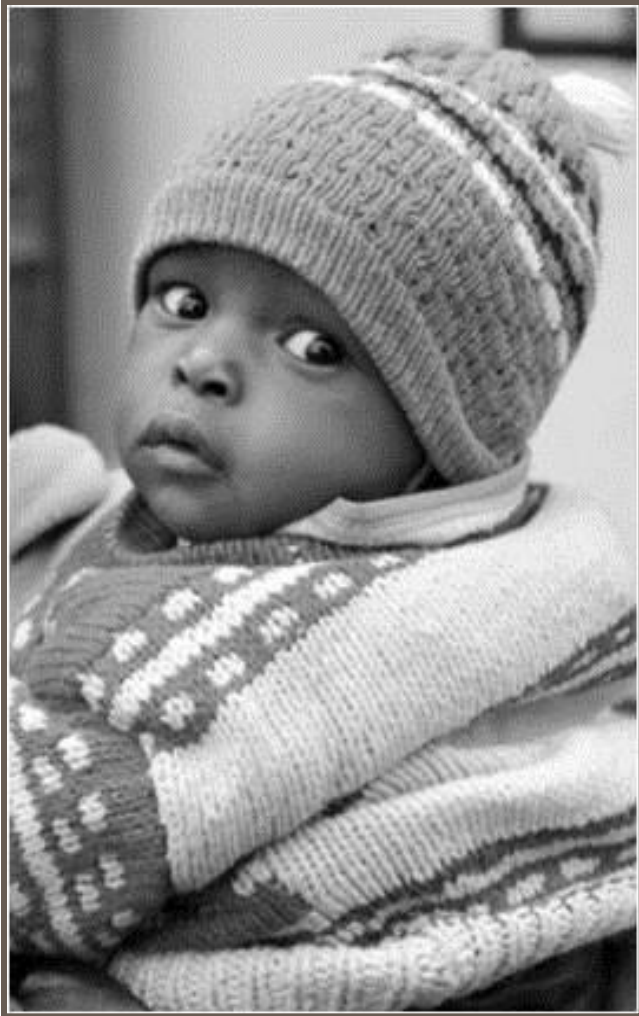


- iSchool is a complete blended eLearning solution
- Delivered through a touch-screen android tablet computer pre-loaded with primary school lessons for Grade 1-7:
  - Can be charged off lower end solar power
- Grades 1 to 3 translated in eight local languages
- 1000s of lessons all with multi-media sound
- School (complete with research & lesson plans for teachers) & home (home work modules) editions
- Interactive learning
- On going piloting with 2000 pupils in 7 schools with following emerging results:
  - Literacy up by 118%, numeracy up by 58% & critical thinking up by 10%
- Retailing at \$220.00 and expected to keep falling with volume/time





# One Family Health



Business  
Innovation  
Facility

- “More than half of child deaths in Africa are from malaria, diarrheal diseases, and respiratory infections”  
**World Health Organization**
- 50% or higher chance that the drugs received are substandard, counterfeit, or clinically inappropriate where there is access to healthcare
- One Family Health operates a **business format franchise** network of usually nurse-run micro clinics - small-scale, private outpatient facilities highly focused on a short list of diseases (70% of disease responsible for 40% of deaths)
- **Franchisees** pay to use the standardized business system, micro-clinic format, and marks licensed to them by One Family Health



**OneFamilyHealth**  
essential medicines • accessible care

# Mass Affordable Housing

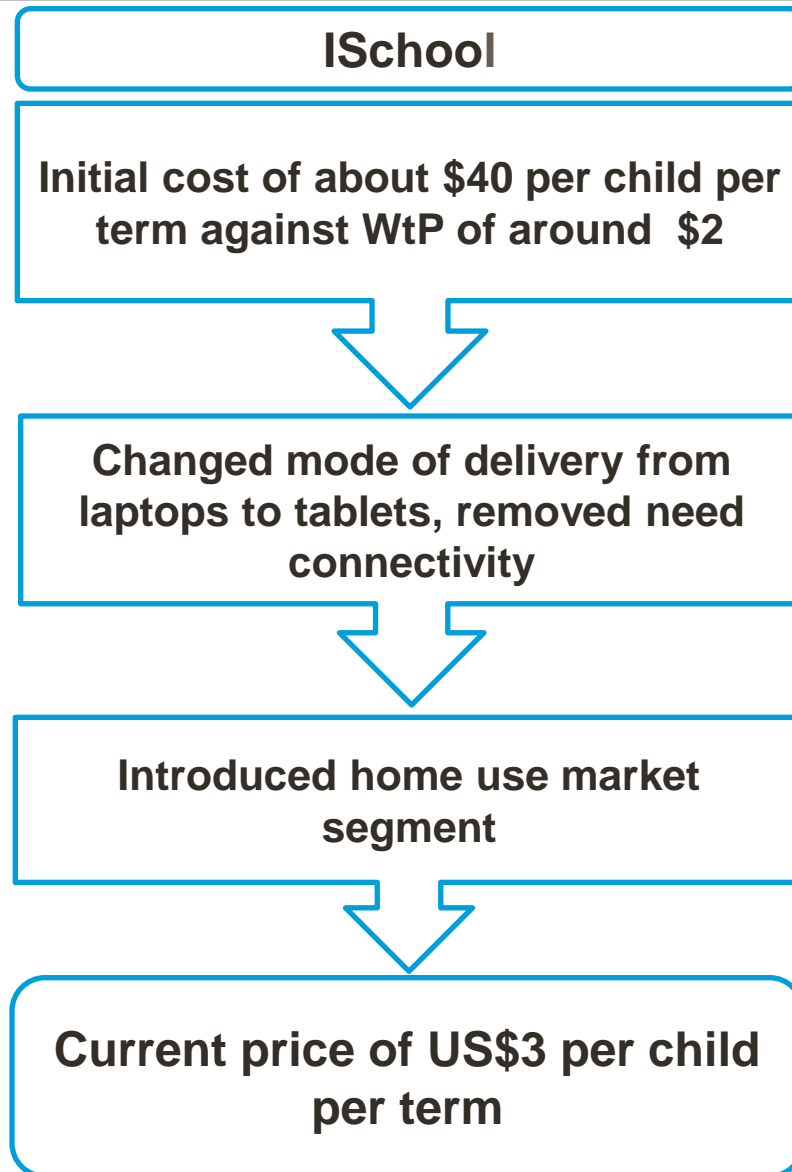


- Zambia is currently facing a **housing deficit** estimated at **2m – 4m houses**. This is due in part to a **lack of access to finance** and a lack of **affordable housing solutions**;
- Providing housing to low/mid income families. **Building for Everyone** - how to build faster and at a lower cost, to respond to people's need for housing and infrastructure;
- Adopting a multi stakeholder approach to providing housing to the masses and thereby selling more cement as well as related construction products into the market.



# The Challenge of Affordability

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# Further information...



## Join the Practitioner Hub for Inclusive Business

[www.businessinnovationfacility.org](http://www.businessinnovationfacility.org)

The screenshot displays the homepage of 'The Practitioner Hub FOR INCLUSIVE BUSINESS'. The header includes the title and a navigation bar with links: HOME, ABOUT, PROJECTS, NETWORKS, KNOW-HOW, RESOURCES, CONTACT US, and INVITE. Logos for 'Business Innovation Facility' and 'Innovations against poverty' are in the top right. The main content area is divided into several sections: 'SUPPORT OFFERED' (listing BIF Support, IAP Support, and Knowledge Exchange), 'PROJECTS' (with a link to 'View project by country sector or business model focus'), and 'INCLUSIVE BUSINESS' (listing Know-how, Resource Library, and Publications). A call-to-action box states: 'The Hub provides a space for practitioners to connect and gain new insights to help their inclusive business ventures grow. Join now'. Below this are sections for 'NETWORKS' (showing maps for Malawi, Bangladesh, India, Nigeria, Zambia, and Agriculture), 'MONTHLY NEWS' (featuring an article on local sourcing), 'NEWS' (with a featured article on 'Developing Uganda's Mushroom Industry'), 'FOLLOW US!' (with social media links), and 'EDITOR'S CHOICE' (discussing inclusive business in Africa). A 'BLOG POSTS' section is partially visible at the bottom.

# Additional Resources

You will find more ideas, information and resources on innovation and inclusive business on the **Practitioner Hub**: [www.businessinnovationfacility.org](http://www.businessinnovationfacility.org).

You will also find more information on the projects included in these presentations at: <http://businessinnovationfacility.org/page/projects-landing-page-template>

**Further useful resources from the Business innovation Facility include:**

**Inside Inclusive Business: Needs or wants?** Unravelling demand, affordability and accessibility when selling to the base of the pyramid:

**Spotlight: Critical linkages:** service provision to farmers in agribusiness models

**Project Resource:** The road to a water crisis is paved with good, clean water

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We welcome feedback on our publications – please contact us at [enquiries@businessinnovationfacility.org](mailto:enquiries@businessinnovationfacility.org)

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