



# EDITORS' PERSPECTIVE

## Revisiting fortune at base of the pyramid (BoP)

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### Abstract

**Purpose** – The purpose of this paper is to broaden the conception of the base of the pyramid (BoP) from that of a low purchasing power community, to a globally disconnected community.

**Design/methodology/approach** – The paper identifies two views related to fortune at the BoP using the conventional purchasing power approach: finding fortune at the BoP; and creating fortune at the BoP. As a next step, the paper offers a theoretical basis for two additional views using the broader conception: sharing fortune with the BoP using social responsibility theory; and enabling fortune at the BoP using critical social theory. The authors construct an integrated framework to aid practitioners in responding to a variety of context-specific issues in BoP strategy.

**Findings** – The conventional approach might result in undermining the dignity of BoP communities, and discrediting their unique knowledge systems and potential contributions. It is argued that a context-sensitive approach can help address these issues to a great extent. In discussing context specific approaches, the paper also introduces the exchange value view that facilitates the need to evolve an open level playing field of value exchange between MNCs (and its partners) and BoP communities.

**Research limitations/implications** – There is a need for comparative empirical studies examining benefits and costs associated with (and the sustainability of) the three views proposed.

**Originality/value** – The paper offers a broader definition of the BoP, and provides alternative views going beyond the conventional strategy approach to BoP.

**Keywords** BoP, Knowledge systems, Global value chain, Traditional knowledge, Social responsibility theory, Critical social theory, Social responsibility, Purchasing power

**Paper type** Conceptual paper

### Introduction

The base of the pyramid (BoP) concept has a long history. The phrase was first coined by the US President, Franklin D. Roosevelt (1932), who, at the time of the Great Depression, in an address titled “The Forgotten Man,” called for the “building of plans that [...] put their faith once more in the forgotten man at the bottom of the economic pyramid.” Otherwise, “many other millions of people engaged in industry in the cities cannot sell industrial products to the farming half of the Nation” (Roosevelt, 1932). Roosevelt was referring to the poor rural population in the USA as the BoP. In this paper, we define the BoP as the segment of the world’s population that is not well connected with the global markets, thus often tends to be forgotten while formulating business strategies. In doing so, we depart from the conventional approach of defining BoP in terms of low purchasing power (Prahalad, 2002; London and Hart, 2011; Weiser *et al.*, 2006), which some have criticized as devaluing the more humane attributes of the globally disconnected communities (Leisinger, 2007; Rashid and Rahman, 2009).

