

Living Near the Base of the Pyramid

The San Angel district of Mexico City where I work is home to some of the richer and more traditional families in the city. It's a very pretty area with a nice colonial plaza near the center. On weekends foreign and local tourists come to relax and shop at the Saturday bazaar in our plaza. As my work week starts though, I see people in the plaza who are considered to belong to the *base of the pyramid* (BOP). Every Monday, dozens of workers gather in the plaza in hopes of finding a job for the day.

This area has many of the elements that define places like Mexico City: economic, social, and cultural differences, and even tourists, in

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close proximity. I view this as a representative fraction of what goes on in my country. These dynamic and contrasting interactions take place all across the country (and in the rest of Latin America). Our plaza is a good place to get a sense of what happens at the base of the pyramid, and what happens when trying to design for it.

Here are some insights and general principles to consider when designing for this segment.

- Proven concepts that work in the general market probably won't fare as well in this context. Products and services need to be revisited and adapted to a new set of constraints that we are really just beginning to explore and understand. People at the BOP might be just as complex, perhaps in different ways than other population segments, but they are typically grouped with everyone else.
- We already know that we need to leave the office and the boardroom to understand our users. In this case we are obliged to do so. If there is a certain natural myopia that companies develop in who they believe their customers and users are, it is even more prevalent when looking toward the BOP. We need to find the appropriate value, not just provide less.

- Don't patronize. They know the difference between what is reachable and what is not. They are conscious of their reality and are fully aware of the world that surrounds them. They are more conscious of people in higher economic brackets than most of us are of them.
- Don't over-differentiate. They want to join in, to be an integral part of society. Access to certain brands is, in many cases, the quickest way for an upgrade in quality for the products and services they consume.
- They not only value social networks, they depend on them. Depending on family and close friends is how they cope. Day workers in the San Angel plaza come from the same region, speak the same dialect, and watch each others' backs. The social has precedence over the institutional.
- They have their own set of tastes and preferences. They consume global products and brands and tend to distrust local manufacturers. For example, when purchasing technology, they expect it to come from abroad, and global products that have been poorly "localized" will be met with distrust.
- Easy access to products and services is crucial. If not readily available, the people at the BOP won't know about them; they won't expect them or want them.
- Trust is crucial and not easy to gain. They experience discrimination on a daily basis, including from what we think of as the traditional channels of distribution.
- Alternative means of distribution tend to work. They use informal commerce and home businesses and trust someone they know more readily than a celebrity endorser. Understanding existing social networks can help introduce products and services. Natura, from Brazil, has stolen Avon's market share by introducing products that compete in price but do not sacrifice design or quality.
- They can be entrepreneurial. Owning a business is part of getting ahead. It is usually better to start something on your own than trusting time and resources to others. It is better to depend on one's own effort than on an unknown employer.
- Their dreams and aspirations do not mirror those at the top of the pyramid. Their imaginations are fueled by the mass media.

In countries like mine there are numerous opportunities. We are just beginning to develop an understanding of this group of people, and we are just beginning to consider the base of the pyramid as a viable business segment. If you want to see the contrasts, the San Angel plaza is a good place to start. **UX**

—By Roberto Holguin

About the Author



Roberto Holguin is director of operations (COO) of Inisum, with fifteen years of experience in design research projects. He has created concepts and strategies for a diverse range of clients from Latin America including Telmex, Intel, and Nokia. In addition to his professional activities, he lectures at the Universidad Iberoamericana in Mexico City. He holds a BA in graphic design and a Master's degree from the Illinois Institute of Technology in Chicago.