

## **Bottom of the Pyramid (BOP) Market Orientation and BOP Focused Product Innovations in FMCG Industry in Sri Lanka**

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The global Bottom of the Pyramid (BOP) market is estimated to be with around 5 billion consumers who spend approximately 2 USD per day. Fast Moving Consumer Goods (FMCG) industry plays a vital role in the Sri Lankan economy as it has been seen as the engine of growth to the economy as a result of its ability to create a job, generate revenue, reduces poverty and drives economic growth. Market orientation is a set of actions within the organization that create value for the customer which results in profitability and finally facilitates achieving sustainable competitive advantage which consists of three behavioral elements customer orientation, competitor orientation, and inter-functional coordination. Product innovation could create a firm's performance and profit growth. Leveraging on these diverse fields, this study investigated the relationship between BOP market orientation and BOP focused product innovation. Data were collected across fifty major high performing FMCG companies in Sri Lanka, according to industry capability report using a theoretical sampling technique. Data analysis was performed using descriptive statistics and Pearson correlation analysis. Simple regression analysis was used only as a supportive analysis to prove the relationship further. Results indicated that BOP market orientation significantly and positively affected to BOP focused product innovation. The study demonstrated that FMCG companies have adopted activities with BOP market orientation as a business strategy which has improved its BOP focused product innovations. In conclusion, the research findings can be applied to other industries not only on product innovations but also for other innovation types.

**Keywords:** Bottom of the pyramid (BOP), Market orientation, Product innovation, Fast Moving Consumer Goods (FMCG)