



# BOP Challenge

**Big Markets for Small Businesses**



# BoP Challenge



## WHY COLOMBIA?

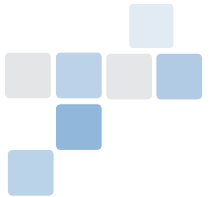
Colombia, considered by many experts to be an important emerging market, has been able to overcome a number of significant challenges that have brought its economy to a recurring growth rate of above 4% - in spite of global economic crises - with new exploitation of natural resources and seemingly ever increasing foreign direct investment. Nonetheless, income inequality indicators would put the country towards the top of the list of nations with high income disparity.

SMEs in Colombia currently make up 96% of all businesses in the country, generate more than 70% of all employment, yet only contribute a mere 40% of GDP. Given the economic reality in Colombia, support for SMEs is fundamental to ensuring more inclusive development in the country.

For these reasons, the BoP Challenge makes a great opportunity for students of business and other related fields to put their skills to the test in providing a service to an emerging market small business. Additionally, students would be able to enjoy the richness that Colombia offers in terms of culture, diversity, landscape and gastronomy during their visit.

## HOW DOES BoP CHALLENGE WORK?

The BoP Challenge is carried out in two main stages. One is a virtual stage and the other involves a week field visit to Colombia. The virtual stage would involve training that would give students context as to the Colombian economy, SMEs as well as the methodology used to design and deliver market entry proposals. After, students will be assigned a team and company with which to work.



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In recent decades, base of the pyramid (BOP) markets have been an important target of opportunity for large multinational corporations looking for new customers to which they didn't have access prior. In spite of the inherent benefits of these large companies reaching these markets, small and medium enterprises (SMEs) have largely been kept marginalized from this important business trend and have not been able to take advantage of the vast potential that BOP markets represent.

For this very reason, the BoP Challenge was created and now seeks to support the development of SMEs in Colombia so that they might acquire the knowledge and support necessary to enter these markets with products that serve populations of low income, hopefully improving their situation simultaneously.

This project was created by the Business School at Universidad Externado de Colombia, which has very successfully worked to support SME growth in the country since 1998 through its different programs and initiatives. The BoP Challenge is another such program that empowers SMEs to contribute solutions to social problems via products and/or services that are both sustainable and profitable and create value both in communities as well as within the company itself.

We thus invite you to take part in this new challenge in which innovation, creativity and team work are the elements that give small companies access to these large markets.

## STAGE DESCRIPTIONS

**1. GENERAL CONTEXT AND FUNDAMENTALS (VIRTUAL):** Students engage in this stage from home and will receive information electronically with regard to economic, social and cultural aspects of Latin America and, more specifically, Colombia.

**2. STRATEGY DESIGN AND DELIVERY (FIELD VISIT):** This stage requires participants to travel to Bogota for at least a week to meet with small business management, experience and understand first-hand the BoP markets in Colombia as well as to assist SME management to design innovative proposals that would allow access to those markets.

\*At the end of the project, all participants receive certificates of completion.

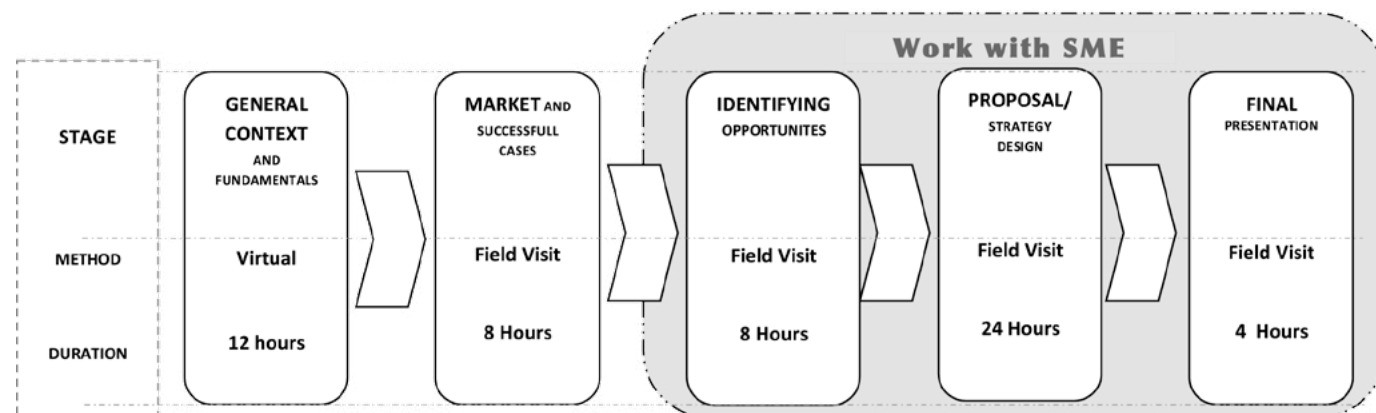
## WHO CAN PARTICIPATE?

Candidates should be students (or recent graduates) of programs in business administration, finance, marketing, design and/or other relevant fields. We give priority to candidates with some or all of the following qualities or experience:

- International study and/or work experience
- A demonstrated ability to work with others, especially persons of different nationalities and cultural backgrounds
- Spanish competence a plus (but not at all required)
- Analytical and problem solving skills
- Interest in emerging market development.

## HOW LONG DOES THE PROJECT LAST?

The project is 56 work hours completed over 4 weeks.



## ACTIVITY DETAILS

Stage	Activities	Objectives	Duration
General Context and Fundamentals	Readings, videos, online forums	Learn economic context and tools used to impact SMEs	12 Hours
The Market and Successful Cases	Observation and analysis exercises	Gain experience that would facilitate the creation of teams' own proposals to support SMEs	8 Hours
Identifying Opportunities	Seeing and understanding markets, interviews, exercises	Seek out and recognize BoP opportunities using methodology	8 Hours
Proposal/Strategy Design	Interviews, company visits, exercises	Design proposals using learned methodology	24 Hours
Final Presentation and Deliverable	Presentation, feedback, closing ceremony	Present results before judges and company management and deliver strategies that would allow company to enter BoP market	4 Hours





### WHAT ARE THE BENEFITS OF PARTICIPATING?

Participants will be able to:

- See and understand emerging markets first-hand.
- Apply skill set acquired in academic program to real activities that have real impact.
- Visit companies successful in BoP market penetration.
- Work in a multi-national team with members from all over the world to develop proposals.
- Contribute to the development and competitiveness of small companies.
- Receive assistance in terms of lodging and transport during the field visit to Colombia (limited number of stipends available to those who qualify).

### HOW CAN I GET INVOLVED?

- Send your updated resume to [responsabilidadesocialfae@uexternado.edu.co](mailto:responsabilidadesocialfae@uexternado.edu.co) and briefly express your interest in participating in the email.
- To be considered for stipend, send brief essay (2-3 pages max. double spaced) describing:
  - Motivation to take part in the project
  - Expectation in terms of learning outcomes
  - Your potential contribution to be made.

### MAIN CRITERIA CONSIDERED WHEN SELECTING CANDIDATES

1. Genuine interest in emerging market development.
2. Relevant experience.
3. Good academic standing.

### BACKGROUND INFORMATION

Since 1998, the Business School at Universidad Externado de Colombia has supported the development and growth of Colombian SMEs through a number of different initiatives that seek to improve the effectiveness of management and to optimize resources while contributing to more inclusive economic development in the country, all at no cost to the SME. By 2013, the Business School had impacted more than 1,800 small companies; some of which, more recently, were impacted with the help of students from more than 15 countries on 4 continents and from some of the most prestigious universities including Harvard, New York, Penn, Carnegie Mellon, St. Gallen, and others. These initiatives continue to grow and, perhaps with your help, may impact larger numbers of small companies and the communities they provide for.

### WHO HAS WORKED WITH US IN THE PAST?



Universidad  
**Externado**  
de Colombia

**FOR MORE INFORMATION CONTACT**

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