

An Examination of Market Entry Perspectives in Emerging Markets

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Key Words

Market Entry, Emerging Markets, BoP, Base of the Pyramid

Abstract

Purpose – The purpose of this article is to describe the marketing-oriented market entry approaches that businesses are currently using across the three levels of the world economic pyramid (i.e., WEP). These levels are the Top-tier, the Middle-tier, and the Base of the Pyramid-tier (i.e., BoP-tier).

Methodology – The literature of the BoP was reviewed, and market entry approaches were itemized across the three WEP levels. Secondly, BoP strategic theorists including Prahalad identified the need for a BoP marketing focus replacing the traditional 4Ps marketing approach (i.e., Product, Price, Place and Promotion) with the BoP-specific 4As marketing approach (i.e., Awareness, Affordability, Access and Availability). This 4As marketing approach is discussed.

Findings – New marketing-oriented market-entry approaches are proposed for each of the three WEP levels. These approaches are based on where in the WEP the firm currently exists, and where in the WEP the firm desires to refocus market-entry activities; identified approaches include: inter-country expansion, intra-country entry, adjacent market entry, and extended market entry. Secondly, the absence of a clearly articulated marketing strategy for middle-tier markets was observed.

Practical implications – This article has two specific applications. First, it summarizes the evolving market entry perspectives to provide a context for future market research in both emerging markets and the pre-emerging BoP markets. Second, the future requirement for an articulated marketing strategy for middle-tier markets is suggested.

Originality – This article examined existing market entry approaches across all three levels of the WEP, inclusive of the BoP economic level. The language used to clarify market entry movements was extended, providing a specificity of description not previously found in either the existing market entry or BoP literature.

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1. Introduction and Purpose

Having found their mainstream markets saturated in the 1990's, Multinational Corporations (MNCs) began focusing their attention on perceived market opportunities in the newly emerging middle-class markets of Africa, Asia, the Caribbean, China, Eastern Europe, and India, (Letelier, Flores & Spinosa, 2003). Continuing into this decade, Sheth (2011) observed that while the 1900's focused on marketing in the advanced economies, this century is focusing on marketing in the emerging markets. A challenge faced by MNCs includes the lack of a standardized emerging market typology, resulting in several questions:

- What criteria should be used to define an emerging market?
- Which countries were emerging markets?
- Which countries were optimal target markets for market entry?

These questions suggested a sense of uncertainty and confusion in the marketplace, with a lack of clarity among market-oriented business aspiring to optimize their marketing actions in potential emerging markets. This article initially examines emerging markets from two major perspectives. First, financial institutions (e.g., investment banks) perceived this market uncertainty, recognizing a tremendous opportunity for both innovative investment products and related financial consulting and corporate advisement services. Based on a variety of financial growth criteria including the country's GDP growth, 2001 to 2013 saw the proliferation of seven major definitions of emerging markets originating in the financial services industry. Goldman Sachs led this proliferation with their seminal and widely accepted *BRIC* grouping.

Second, economists adopted a different methodology, focusing on a classification of the economic levels of countries around the globe. This economic level perspective focused on the formal classification of economic levels in emerging markets. These economic classifications led to the development of the world economic pyramid (i.e., WEP), ultimately with three global categories – the Top, Middle and Bottom of the Pyramid (BoP) markets. The WEP's lowest level, initially labelled as the Bottom of the Pyramid, was later rebranded as the Base of the Pyramid (i.e., BoP)

A 2006 study by the World Resources Institute (i.e., WRI) and the International Finance Corporation (i.e., IFC) estimated that the BoP consumer market had \$5 trillion in purchasing power parity, representing a huge untapped market opportunity (Hammond, Kramer, Katz, Tran & Walker, 2007; World Resources Institute, 2006). With the introduction of the BoP economic framework, MNCs became aware of the significant sales and profit opportunities in these previously unrecognized and untapped markets.

The focus of this paper is to identify the marketing directions that have been successfully employed by both MNCs and local businesses in their current markets (i.e., market penetration), and as these businesses move outside their current markets into lower economic markets (i.e., downward market development). Additionally, some companies in identified emerging markets were observed moving their marketing activities upward into more advanced economic markets (i.e., upward market development), or downward into pre-emerging markets (i.e., downward market development). And finally, some companies in pre-emerging markets were observed moving their marketing activities upward into emerging markets, and even into the most advanced economic markets (i.e., extended market development).

Additionally, BoP strategic theorists including Prahalad (2005; 2012) identified the need for a BoP marketing focus replacing the traditional 4Ps marketing approach (i.e., Product, Price, Place and Promotion) with the BoP-specific 4As marketing approach (i.e., Awareness, Affordability, Access and Availability). This 4As marketing approach was reviewed for its use across the three WEP economic levels.

2. Evolving Perspectives of Emerging Markets

Historically several perspectives have been used to define and describe emerging markets. Two of the more commonly employed perspectives are first a financial growth perspective, and second an economic levels perspective.

2.1. Financial Growth Perspective

Financial institutions focused on financial growth characteristics to identify emerging markets for both the benefit of their clients, and as a basis for their own competitive advantage in the financial industry. Investment and stock equity portfolios were created to capitalize on the expected growth in these emerging markets. The historical sequence of the Financial Growth perspective in emerging market groupings is presented below.

- **BRICs** – In 2001, Jim O'Neill of Goldman Sachs, identified and labeled the four largest emerging markets with the fastest growing GDPs as the BRIC countries – Brazil, Russia, India and China (O'Neill, 2001). The BRIC countries were identified as the economic growth opportunities of the future with the potential for substantial future development.
- **Next 11** – In late 2005, Goldman Sachs identified and labeled the next set of large-population countries beyond the BRICs as the Next 11 countries – Bangladesh, Egypt, Indonesia, Iran, Korea, Mexico, Nigeria, Pakistan, Philippines, Turkey and Vietnam (Wilson & Stupnytska, 2007). The Next 11 were identified as a secondary pool of emerging markets.

- **BRICS** – As a result of the tremendous interest in the innovative BRIC acronym, the four BRIC countries began to engage in joint economic development activities. In 2006 the BRIC foreign ministers met in New York, with the first annual BRIC Summit taking place in Russia in 2009 (Kramer, 2009). In 2010 South Africa was invited to attend the annual BRIC Summit as a guest member, and at the 2011 BRIC Summit South Africa formally joined, establishing the BRICS grouping.
- **CIVETS** – In 2009, Robert Ward of *The Economist Intelligence Unit* identified six emerging market countries with large and young populations, diversified economies, relative political stability and decent financial systems: Colombia, Indonesia, Vietnam, Egypt, Turkey and South Africa (Economist, 2009).
- **EAGLES** – In November 2010, *Banco Bilbao Vizcaya Argentaria, S.A. (BBVA)*, the second largest bank in Spain, created the *Emerging and Growth-Leading Economies (EAGLES)*. EAGLES were selected as those countries expected to contribute more to global GDP growth than the average of the six largest developed economies (excluding the U.S.) each year for the next ten years (Garcia-Herrero, Navia & Nigrinis, 2010). The initial ten EAGLES included: Brazil, Russia, India, China, Egypt, Indonesia, South Korea, Mexico, Taiwan, and Turkey.
- **MIST** – In January 2011, Jim O’Neill of Goldman Sachs presented a new tier of large rapidly growing emerging economies called MIST countries: Mexico, Indonesia, South Korea and Turkey (Gupta, 2011). The MIST countries shared the three common traits: a large population and market, a big economy with each ~1% of global GDP, and membership in the G20.
- **MINT** – In May 2011, Fidelity International identified new emerging market investment opportunities, which it labeled the MINT countries: Mexico, Indonesia, Nigeria & Turkey (Bamford, 2011).

The Financial Growth perspective in emerging market countries is presented below.

Market Name	BRIC	Next 11	BRICS	CIVETS	EAGLES	EAGLES	MIST	MINT
Year of Origin	2001	2005	2006 to 2011	2009	2010 & 2011	2012 & 2013	2011	2011
Source	Goldman Sachs	Goldman Sachs	BRIC Countries	Econ. Intel. Unit	BBVA	BBVA	Goldman Sachs	Fidelity
Countries								
Brazil	In		In		In	In		
Russia	In		In		In	In		
India	In		In		In	In		
China	In		In		In	In		
South Africa			In (2011)	In				
Bangladesh		In						
Colombia				In				
Egypt		In		In	In	Delisted (2013)		
Indonesia		In		In	In	In	In	In
Iran		In						
Korea		In						
Mexico		In			In	In	In	In
Nigeria		In						In
Pakistan		In						
Philippines		In						
South Korea					In	In	In	
Taiwan					In	In		
Turkey		In		In	In	In	In	In
Vietnam		In		In				

Table 1. Financial Growth Perspective of Emerging Markets

2.2. Economic Levels Perspective

Economists adopted a different methodology, initially focusing on classifying the economic levels of emerging markets. Hoskisson, Eden, Lau and Wright (2000) identified emerging economies as low-income, rapid-growth countries using economic liberalization as their primary engine of growth. Hoskisson *et al.*, (2000) divided these emerging economies into two major categories: (1) *developing countries* as found in Asia, Latin America, Africa, and the Middle East, and (2) *transition economies* as found in the former Soviet Union and China.

2.2.1. The first-generation BoP: The Bottom of the Pyramid.

Prahalad and Hart (2002) observed that MNCs were realizing neither the expected product sales nor the resulting financial and marketing benefits from the identified middle-class emerging markets. Prahalad & Hart stated that the “prospect of millions of ‘middle class’ consumers in developing countries, clamoring for products from MNCs, was wildly oversold” (2002, p. 1). The authors proposed that the MNCs had incorrectly focused on middle-class consumers, when they should have focused on “the billions of *aspiring poor* who are joining the market economy for the first time” (2002, p. 1).

In defining the economic levels of the BoP market, Prahalad utilized the framework of the world economic pyramid (WEP). Prahalad utilized the economic measure of Purchasing Power Parity (PPP) to compare the economic states of multiple countries (Prahalad, 2005; Prahalad & Hammond, 2002). Prahalad’s early conceptualizations of the BoP progressed through several iterations, ultimately solidifying into a conceptual structure with five tiers of economic income levels (Prahalad, 2005; Prahalad & Hammond, 2002; Prahalad & Hart, 2002).

- Tier 1: At the top of the WEP were 75 to 100 million affluent global consumers (1.7% of the global population) predominantly in the developed countries, with an annual income level greater than \$20,000 in PPP.
- Tier 2 and Tier 3: These two tiers represent 1.5 to 1.75 billion people (29.9%): poor consumers in developed nations and the rising middle class in developing countries, with an annual income level of \$1,500 to \$20,000 in PPP.
- Tier 4 and Tier 5: The bottom of the WEP represents 4.0 billion people (68.4%) at literally the bottom of the pyramid: poor consumers in developing countries, with an annual income level of less than \$1,500 in PPP.

2.2.2. Core benefits of the BoP approach.

Prahalad and Hart (2002) proposed two core benefits. First, the benefits to the MNCs included substantially increased product sales growth and revenues. The increases in revenues were attributed to improved operating efficiencies, the use of technologies, and the identification of new sources of innovation (Hammond & Prahalad, 2004; Prahalad & Hammond, 2002). Second, the potential for global poverty alleviation was identified as an obtainable goal. Prahalad’s approach was based on “doing well” financially, while simultaneously “doing good” for those in the BoP (Prahalad & Hammond, 2002).

2.2.3. The second-generation BoP: The Base of the Pyramid.

In 2006, the World Resources Institute (WRI) and the International Finance Corporation (IFC) released an in-depth comprehensive study of the world’s socioeconomic structure (Hammond *et al.*, 2007; World Resources Institute, 2006). The WRI and the IFC examined aggregate data in four developing regions – Africa, Asia, Eastern Europe, and Latin America with the Caribbean; they examined 110 countries for which household data was available. The resulted in three population segments.

- The Top of the Pyramid: the high-income population segment contained annual incomes above \$20,000 (in 2002 PPP).
- The Middle of the Pyramid: the mid-market population segment contained annual incomes above \$3,000 and up to and including \$20,000 (in 2002 PPP).
- The Base of the Pyramid: The BoP population segment was defined as those annual incomes up to and including \$3,000 (in 2002 PPP).

Extending the initial Prahalad model, London and Hart (2011) defined a second generation of approaches with both evolutionary orientations and value propositions. This second-generation approach

defined a fortune creating perspective with an emphasis on co-creating new business models, technology solutions, and value propositions with the BoP (London & Hart, 2011).

2.2.4. Opposing views challenging the BoP perspective

While beyond the scope of this paper to resolve challenges to the BoP approach, these differing perspectives are recognized. First, the existence of a BoP market opportunity is foundationally based on the capability of the people in the BoP to be *consumers* of products (Pralhad & Hart, 2002). The fundamental existence of this potential for *BoP consumption* faced ongoing challenges from several authors (Karnani, 2007; Walsh, Kress, & Beyerchen, 2005). The BoP market opportunity based on BoP consumption received the strongest challenge from Karnani, who utilized an *economic* perspective to directly challenge Prahalad's belief that consumption in the BoP market could effectively alleviate poverty, stating "their problem is that they cannot afford to consume more". (Karnani, 2007).

Second, Karnani also challenged Prahalad's estimation of the size of the BoP market opportunity, stating "not only is the BOP market quite small, it is unlikely to be very profitable, especially for a large company" (Karnani, 2007). Karnani attributed the lack of profitability to multiple factors, including 1) an initial overestimation of the size of the BoP market and 2) the high marketing and distribution costs associated with serving the poor who are geographically dispersed.

Third, BoP marketing has been recognized since its inception as an instrumental process for driving poverty alleviation on a global basis, described as "lifting billions of people out of poverty and desperation" (Pralhad & Hart, 2002). BoP for poverty alleviation again received its strongest challenge from Karnani, who raised both political-philosophical and economic challenges to Prahalad's BoP approach for poverty alleviation. Karnani labelled Prahalad's BoP approach as a *libertarian model* which proposed that free markets reduce poverty (2008b, 2008c, 2010). Karnani's political-philosophical viewpoint had fundamental criticisms of Prahalad's BoP approach; 1) there was too little emphasis on the legal, social and regulatory mechanisms to protect the vulnerable poor consumers, and 2) there was an over-emphasis on microcredit, and an under-emphasis on creating employment opportunities (Karnani, 2008a, 2008c, 2008d, 2010).

And finally, a viewpoint supporting the status quo of existing business models was raised by Garrette and Karnani (2010) who examined three case studies, and concluded that while the context in BoP markets is different from the context found in well-developed markets, the existing business principles continue to be an effective guide to strategy development in a BoP market.

2.2.5. Distinct Characteristics of the BoP Market

Early research identified BoP markets as possessing unique characteristics, specifically existing as non-homogeneous market segments both within and across countries (London, 2007). With increasing awareness of the BoP market as a potentially attractive and viable market, marketers seeking a competitive advantage BoP market and the superior financial performance that accompanies that competitive advantage, began to study the BoP market. Kennedy and Novogratz (2011) identified five unique factors that describe the BoP markets:

1. There are many unaddressed needs at the BoP, both government provided and those neglected needs because people are perceived to be too poor.
2. BoP markets are beset by poor infrastructure with inadequate distribution networks and poor access to both education and information.
3. Corruption is common, sapping economic value from the system.
4. Low purchasing power makes it difficult for new goods and services to enter the market.
5. There is a lack of equity capital, as traditional capital providers typically bypass BoP entrepreneurs.

2.2.6. Marketing in the BoP

To successfully introduce goods and services into BoP markets, traditional marketing theories will need to be validated for applicability. With the articulation of the WEP framework and the recognition of the inherent bias of the MNCs' in their strategic approach to the BoP market, Prahalad proposed an alternative to the traditional 4Ps: the 4As (Pralhad, 2005; 2012). His 4As include:

1. Awareness of the product and service so that the BoP consumer knows what is available, and how to use the product or service.

2. Affordability of the product or service for the BoP consumer.
3. Access to the product or service, even for those consumers in remote geographical areas.
4. Availability of the product or service with an uninterrupted or continuous supply of the product or service.

2.2.7. Strategic Approaches to BoP Markets

Topics that have received substantial focus in the BoP literature are management strategy, strategic development and strategic approaches for doing business in the BoP markets. Ricart, Enright, Ghemawat, Hart and Khanna (2004) found that the BoP highlighted significant limitations in the approaches to global and emerging market strategies; these authors found that attempts to leverage existing MNC capabilities are inadequate in entering BoP markets.

3. New capabilities and new business models

The BoP requirement for new MNC capabilities has been identified by multiple studies. Seelos and Mair (2007) reviewed the initial BoP strategic literature identifying the requirement to develop new capabilities and business models to foster marketing success in BoP markets. Olsen and Boxenbaum found that the BoP market requires the development of new business approaches “related to buying, manufacturing, packaging, marketing, distributing and advertising products” (2009, p. 103).

Wright, Filatotchev, Hoskisson and Peng (2005) identified four new market entry strategies and introduced a strategic framework employing two categories of markets: well developed and emerging markets. The four market entry strategies include: 1) firms from developed economies entering emerging economies, 2) domestic emerging market firms competing within their own emerging market, 3) emerging market firms entering other emerging markets, and 4) emerging market firms entering developed economies. Ramamurti and Singh (2009) developed a four-quadrant approach for entry into emerging markets with factors including existing technological capabilities, location and level of foreign direct investment.

3.1. Marketing-oriented market entry approaches

Figure 1 presents a marketing-based approach to examine market entry strategies. This current marketing-oriented approach identifies the options a firm has for market expansion and market entry in the three world economic pyramid levels – Top, Middle and Base. Firms, irrespective of their market of origin have four market expansion and market entry choices, specifically:

1. Intra-country expansion.
2. Inter-country entry.
3. Adjacent market entry.
4. Extended market entry.

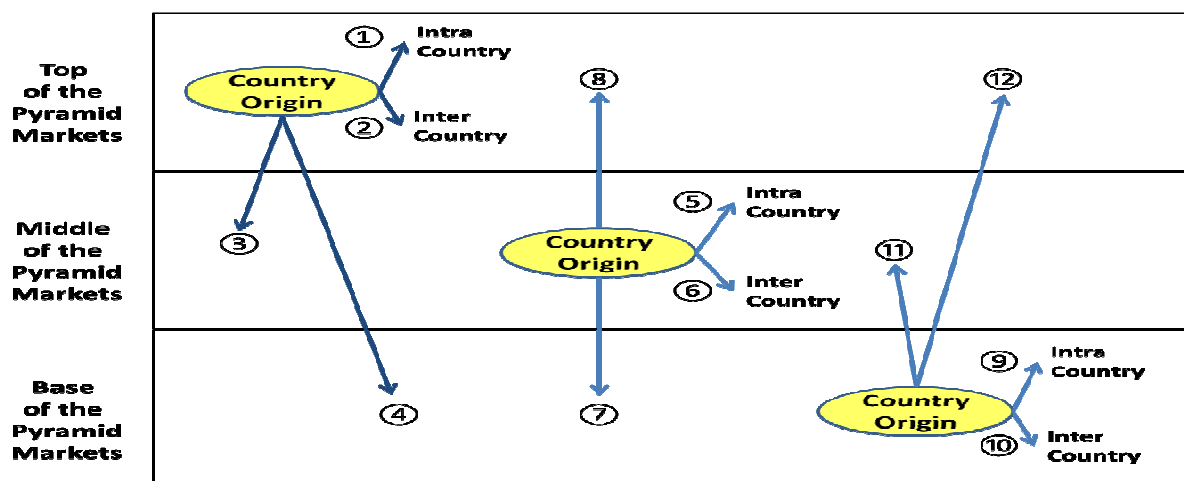


Figure 1. Global Economic Levels & Strategic Market Entry Approaches

As depicted in Figure 1, across the three WEP levels there are twelve market expansion and market entry approaches, which are presented briefly below with examples of these approaches.

3.1.1. Top-tier Market Approaches

This tier has annual incomes greater than \$20,000.

- **Approach 1 - Intra-country expansion.** A Top-tier market firm expands into additional markets in its Top-tier home country. In a traditional marketing approach, this would be identified as Market Penetration.
- **Approach 2 - Inter-country entry.** A Top-tier market firm enters into an additional Top-tier country outside its home country. In a traditional marketing approach, this would be identified as Market Development.
- **Approach 3 - Adjacent market entry.** A Top-tier market firm enters into the Middle-tier market. In a traditional marketing approach, this could be identified as downward Market Development. Showing ongoing international market entry in a downward direction, the U.S. based firms McDonald's (2013) and Starbucks (2012) opened additional stores in the Middle BRIC market countries including Brazil (GDPpC \$12,100), Russia (GDPpC \$18,000), India (GDPpC \$3,900), or China (GDPpC \$9,300).¹
- **Approach 4 - Extended market entry.** A Top-tier market firm enters into the Base-tier market. In a traditional marketing approach, this could be identified as downward Market Development. An example is McDonald's with stores in 118 countries, including Base market countries such as Pakistan (GDPpC \$2,900).

3.1.2. Middle-tier Market Approaches

This tier has annual incomes from \$3000 to \$20,000.

- **Approach 5 - Intra-country expansion.** A Middle-tier market firm expands into additional markets in its Middle-tier home country (i.e., Market Penetration). For example, the Brazilian firm The Marfrig Group (2013), a food product company including Marfrig Beef and Seara Foods, opened additional stores in Brazil (GDPpC \$12,100).
- **Approach 6 - Inter-country entry.** A Middle-tier market firm enters an additional country outside its home country, while still within its Middle-tier Market (i.e., Market Development). The Marfrig Group (2013), a Brazilian firm, distributes its products in China, another Middle market country (GDPpC \$9,300).
- **Approach 7 - Adjacent market entry downward.** A Middle-tier market firm enters the Base-tier market (i.e., downward Market Development). Lenovo (2013), is a US\$30 billion Chinese middle market personal technology company and the world's second-largest PC vendor. Lenovo distributes its computer products into Base market countries including Nigeria (GDPpC \$2,800), Sudan (GDPpC \$2,600), and Bangladesh (GDPpC \$2,100).
- **Approach 8 - Adjacent market entry upward.** A Middle-tier market firm enters into the Top-tier market (i.e., upward Market Development). Showing ongoing international market entry in an upward direction, The Marfrig Group (2013) distributes its products into Top markets including the United Kingdom (GDPpC \$37,500).

3.1.3. Base of the Pyramid Markets

This tier has annual incomes up to and including \$3,000.

- **Approach 9 - Intra-country expansion.** A Base-tier market firm expands into additional markets in its Base-tier home country (i.e., Market Penetration). Showing ongoing domestic expansion, Grameen Bank, a micro-lender and bank founded in Bangladesh, opened additional bank offices and locations in Bangladesh (GDPpC \$2,100).

¹Note: all GDPpC data is from *The World Factbook*, Central Intelligence Agency, 2013

- **Approach 10 – Inter-country entry.** A Base-tier market firm enters into an additional country outside its home country, while still within the Base-tier market (i.e., Market Development). Showing ongoing international market entry into an equivalent Base market level, Grameen Bank opened additional banking locations in other Base countries like Nigeria (GDPpC \$2,800), and Uganda (GDPpC \$1,460).
- **Approach 11 – Adjacent market entry.** A Base-tier market firm enters into the Middle-tier market (i.e., upward Market Development). Showing ongoing international market entry in an upward direction, Grameen Bank entered into several Middle markets including India (GDPpC \$3,900), China (GDPpC \$9,300), and Mexico (GDPpC 15,600).
- **Approach 12 – Extended market entry.** A Base-tier market firm enters into the Top-tier market (i.e., upward Market Development). Showing ongoing international market entry in an upward direction into Top markets, Grameen Bank has entered into a Top market in Saudi Arabia (GDPpC \$31,800).

4. Unique markets require unique articulated strategies

The economic level perspective defined three unique levels of the world economic pyramid – Top, Middle and Base of the Pyramid. These three economic levels can be viewed as three unique markets. These three markets are relatively large markets with the BoP as the largest, with a population exceeding four billion people.

Table 2 highlights the distinction between the three-major global economic level markets, and the historic marketing strategies of the traditional 4Ps approach applied to the Top of the Pyramid market, and the relatively new 4As approach of Prahalad applied to the BoP market.

What is currently missing is the fully articulated marketing strategy tailored for the unique needs of the Middle of the Pyramid. The marketing strategy for the Middle of the Pyramid has not yet been defined. There are several strategic approaches which could be applicable in this Middle market. First, a blended strategy might be optimal, blending the 4Ps of the Top market strategy with the 4As of the Base market strategy. This blended approach has not yet been fully described and articulated. A second approach would be to develop a new innovative market strategy that would be tailored specifically for the unique market characteristics of the Middle market. This innovative approach has not yet been crafted by marketing practitioners and strategists. This undefined strategy can be illuminated through future market research.

WEP-based Global Economic Markets	Articulated Marketing Strategy
Top of the Pyramid <ul style="list-style-type: none"> • Per capita annual income > \$20,000 	4Ps: <ul style="list-style-type: none"> • Product • Price • Place • Promotion
Middle of the Pyramid <ul style="list-style-type: none"> • Per capita annual income ≤ \$20,000, and > \$3,000 	Undefined: <ul style="list-style-type: none"> • Potential mixed 4Ps & 4As strategy? • Potential new innovative strategy?
Base of the Pyramid (BoP) <ul style="list-style-type: none"> • Per capita annual income ≤ \$3,000 	4As: <ul style="list-style-type: none"> • Awareness • Affordability • Access • Availability

Table 2. WEP-based Global Economic Markets & Articulated Marketing Strategies

5. Conclusion and potential for future studies

This article describes the marketing-oriented market entry approaches that businesses are using across the three levels of the WEP to provide a context for future market research in both emerging markets and the pre-emerging BoP markets. The growth in both emerging Middle markets and BoP markets

has dramatically influenced global marketing practices. Marketers in existing Top-tier market economies have become extremely proficient at marketing in other Top-tier market economies. Marketers have commonly identified these approaches as market penetration (i.e., selling more current products in an existing market), or market development (i.e., selling current products in a new market). Now, these same Top-tier marketers are being asked to develop innovative marketing approaches for those Middle-tier and BoP-tier market economies. This paper has identified four potential market entry approaches applicable across all three global economic levels – the Top-tier, Middle-tier and BoP-tier markets. New marketing-oriented market-entry approaches were found for each of the three WEP levels. These approaches are based on where in the WEP the firm currently exists, and where in the WEP the firm desires to refocus market-entry activities. These identified approaches include: intra-country expansion, inter-country entry, adjacent market entry, and extended market entry.

The identification of these approaches is descriptive in nature, based on a review of global literature. The language used to clarify market entry movements was extended, providing a specificity of description not previously found in either the existing market entry or BoP literature. These strategic market entry models will assist future market research initiatives with an enhanced organization, leading to additional insights.

Economists have long examined foreign direct investment (i.e., FDI) from Top-tier EU markets into emerging Middle-tier markets, and have identified the influence of location factors on these investments (Crescenzi, Pietrobelli, & Rabelotti, 2016). Additional motivating factors identified include the appropriation of strategic assets, including technology, management, and strategic skills, brands, and commercial knowledge (Buckley et al, 2007; Ramamurti, 2012). Future research is needed to identify other WEP specific factors that initiate, control and influence the identified market-entry movements, specifically as businesses move in the three WEP economic levels, especially into the BoP-tier. Additionally, an examination of the strengths of these factors by WEP level would identify the unique influences these factors exert in each of the three unique WEP economic levels.

Secondly, this review also identified the use of the traditional 4Ps (i.e., Product, Price, Place and Promotion) marketing strategy widely practiced in the Top-tier markets. Prahalad's 4As (i.e., Awareness, Affordability, Access and Availability), although relatively new to marketing initiatives, appear to be applicable for success in the BoP-tier markets. After the selection of the most appropriate market entry strategy, an articulated marketing strategy must be utilized to develop the tactical tools required for success across the WEP. What remains to be defined is the most appropriate marketing strategy for the Middle-tier markets. This Middle-tier approach may be a downward extension of the Top-tier 4Ps, an upward extension of the BoP-tier 4As, or it may be an amalgamation of both the Top-tier 4Ps and the BoP-tier 4As strategies. Future research is needed to examine a variety of marketing-based strategies to determine the optimal approach for the Middle-tier markets.

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