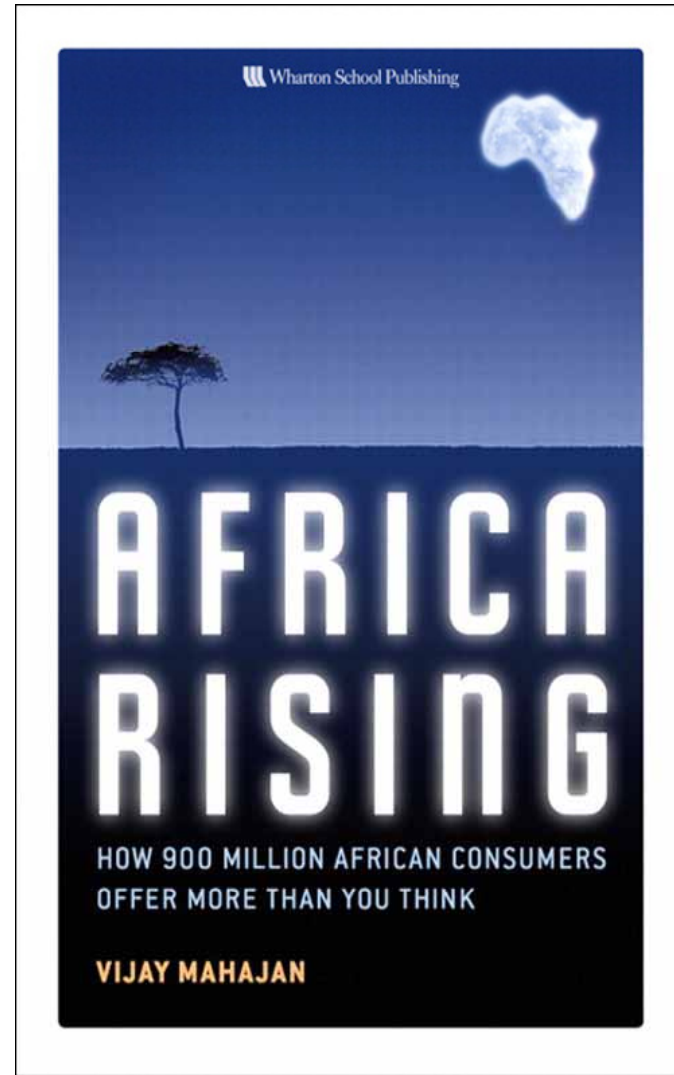
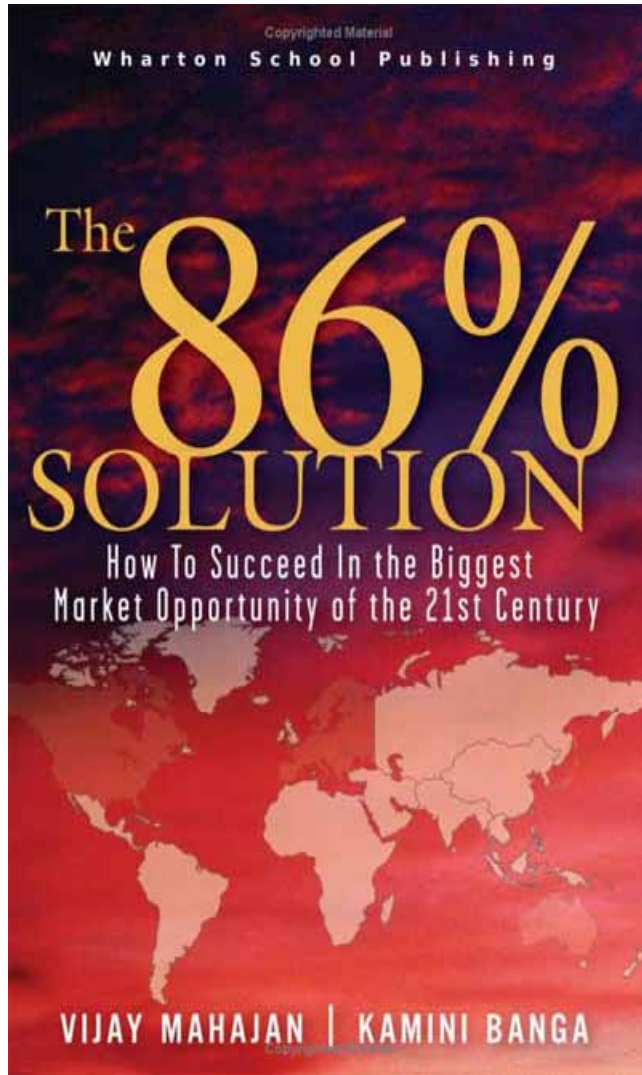
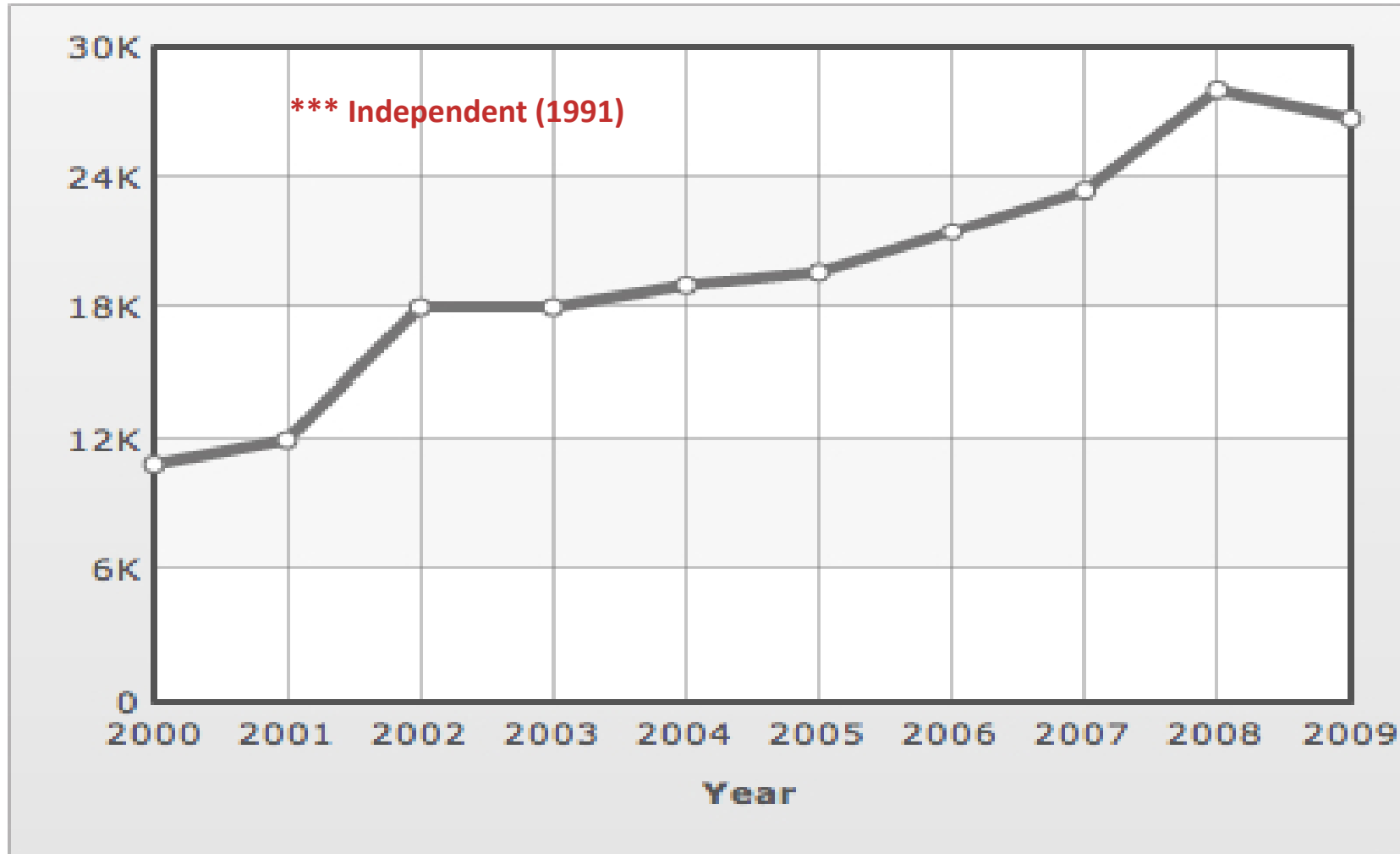


Invisible Global Market: Marketing to the Other 86%

Vijay Mahajan
University of Texas at Austin



Slovenia: GDP per capita



Source: CIA World Factbook, 2009

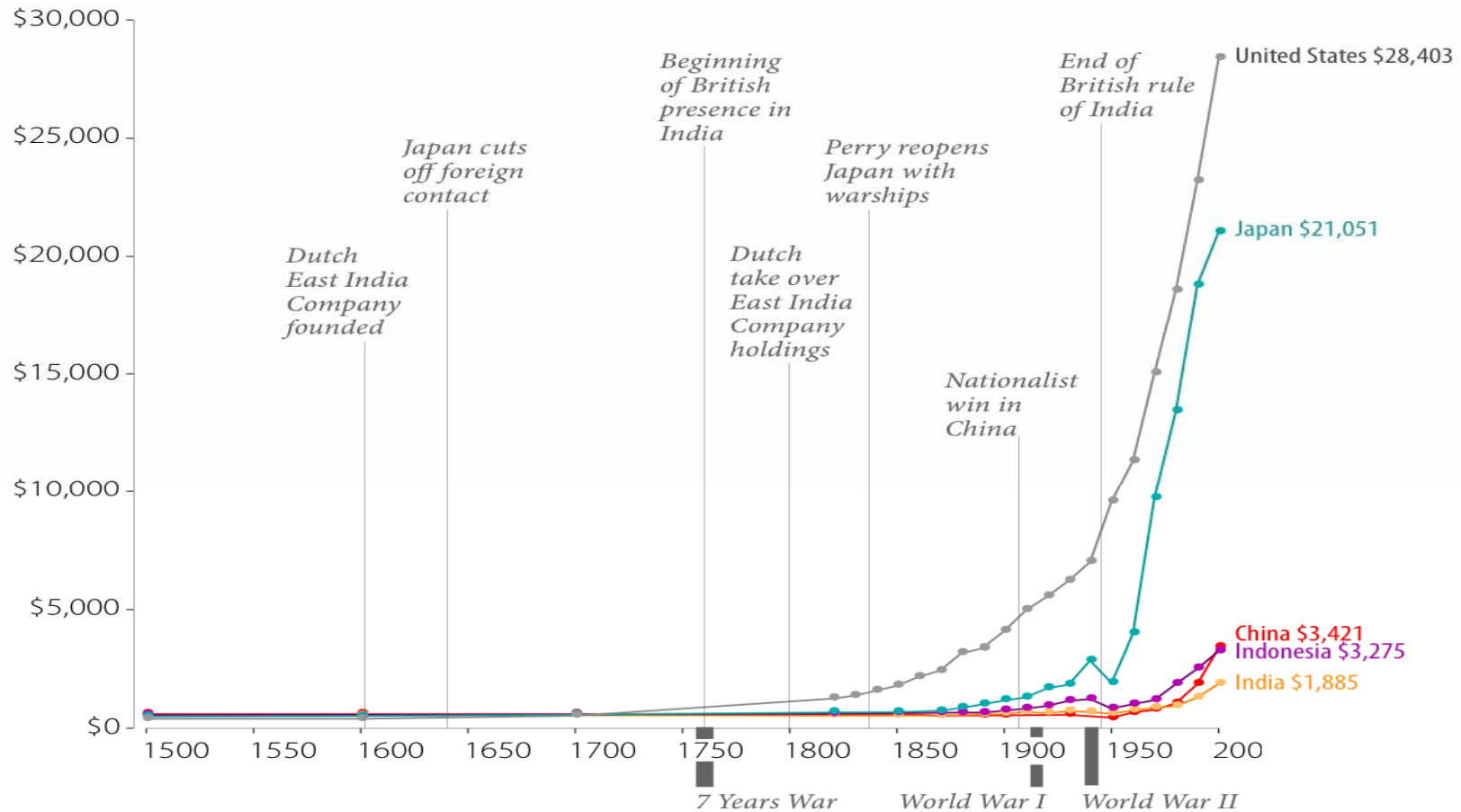
GDP per Capita: Japan compared to US



Visit www.visualizingeconomics.com to view more examples

GDP per Capita: East Asia Compared to United States

China, India, Japan, Indonesia, and United States

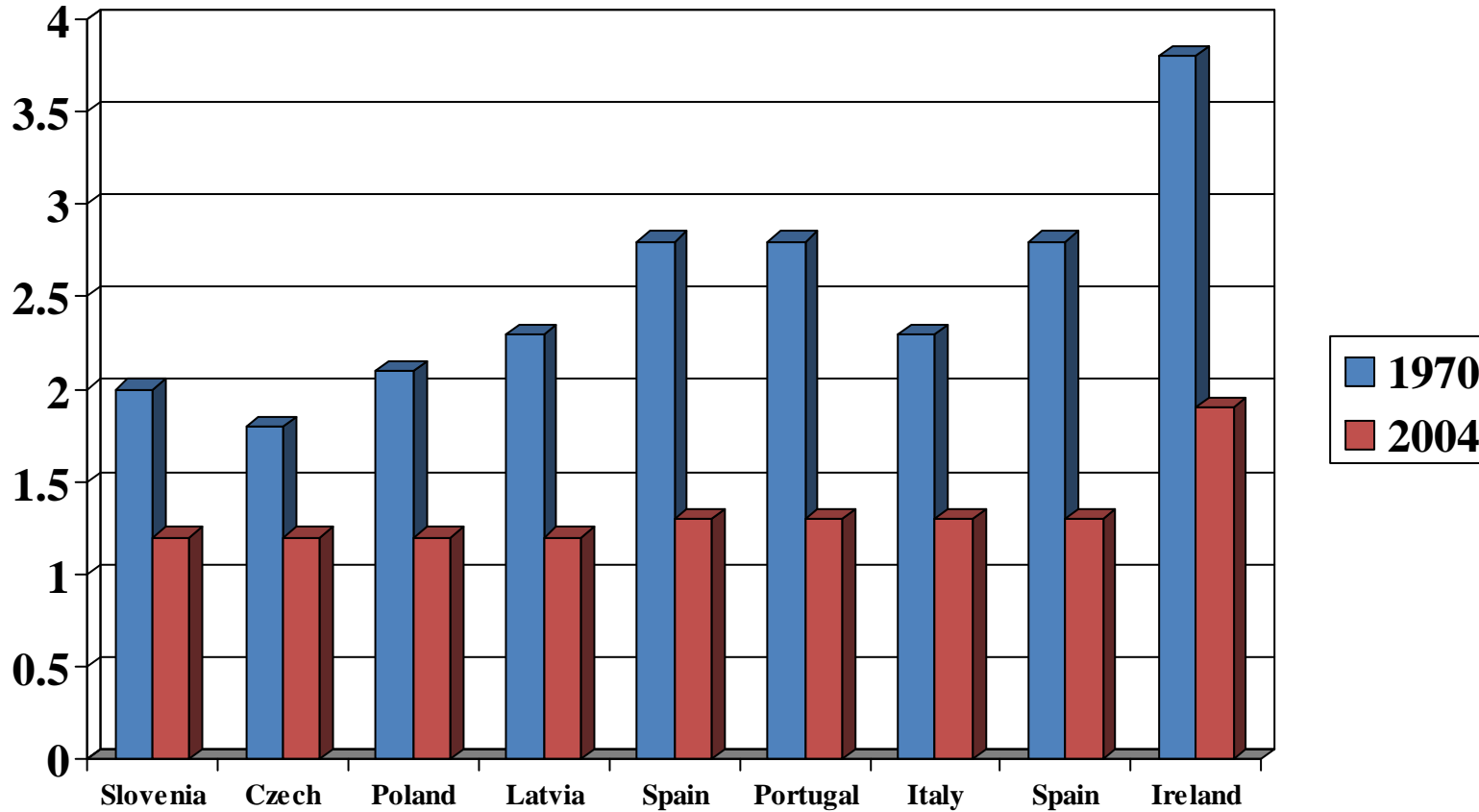


Source: Angus Maddison, University of Groningen

Source: Angus Maddison, University of Groningen

Dynamics of 86% Vs. 14%

European Union's Plunging Birthrates Spread Eastward: Decrease in Fertility Rates from 1970 to 2004

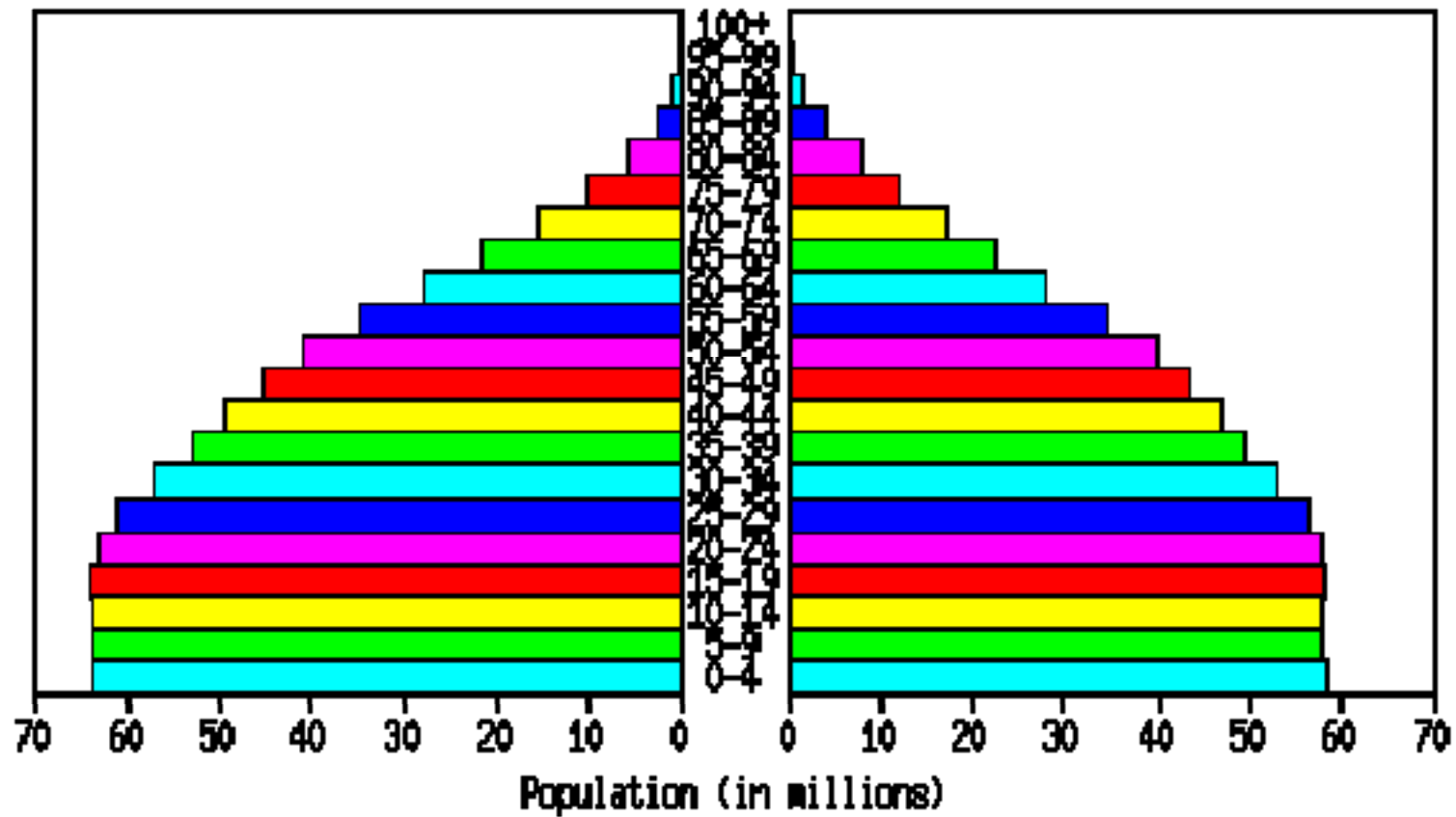


THE NEW YORK TIMES, Monday, September 4, 2006

India: 2025

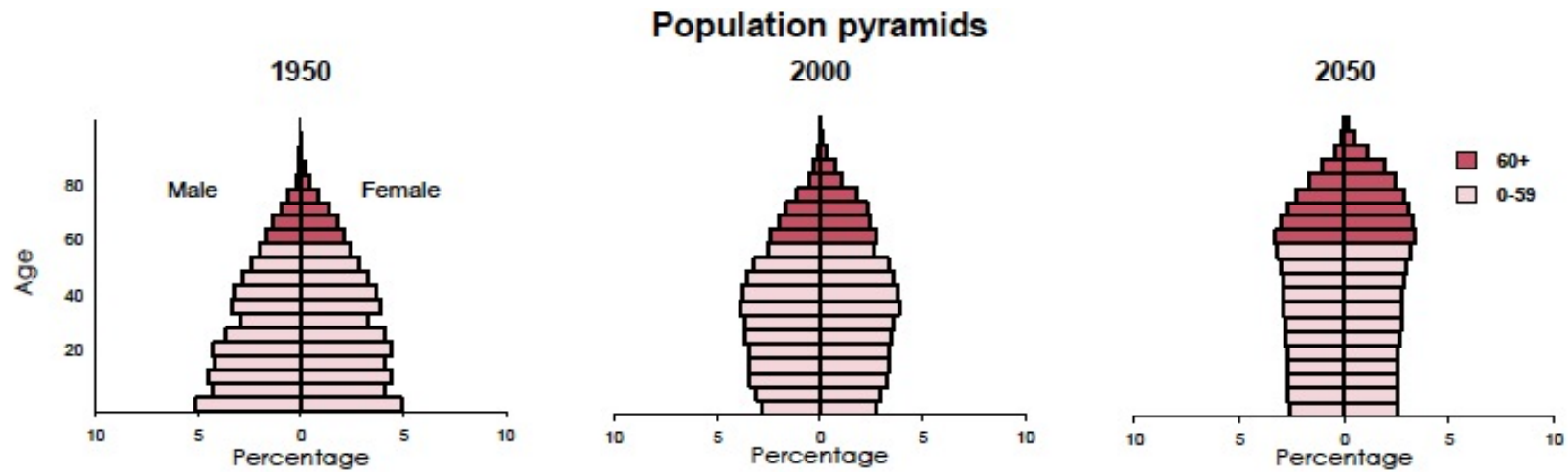
MALE

FEMALE

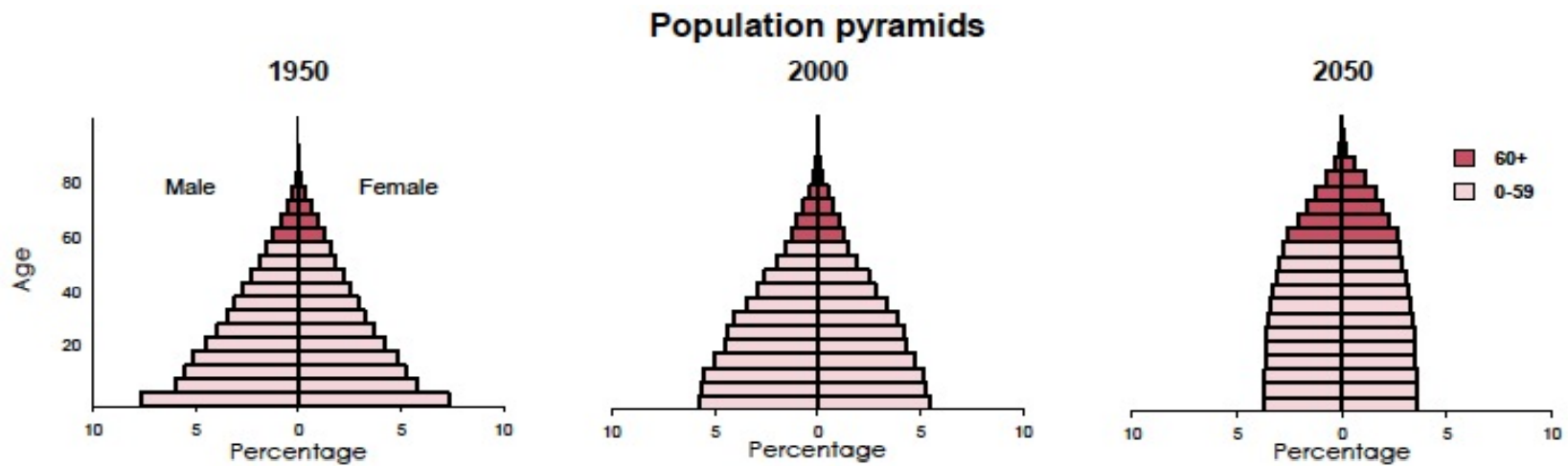


Source: U.S. Census Bureau, International Data Base.

More Developed Regions



Less Developed Regions



Source: Population Division, DESA, United Nations

The 86% Solution

Hey, big-spender – The Grey Market

Japan leads the world in developing new products for the elderly

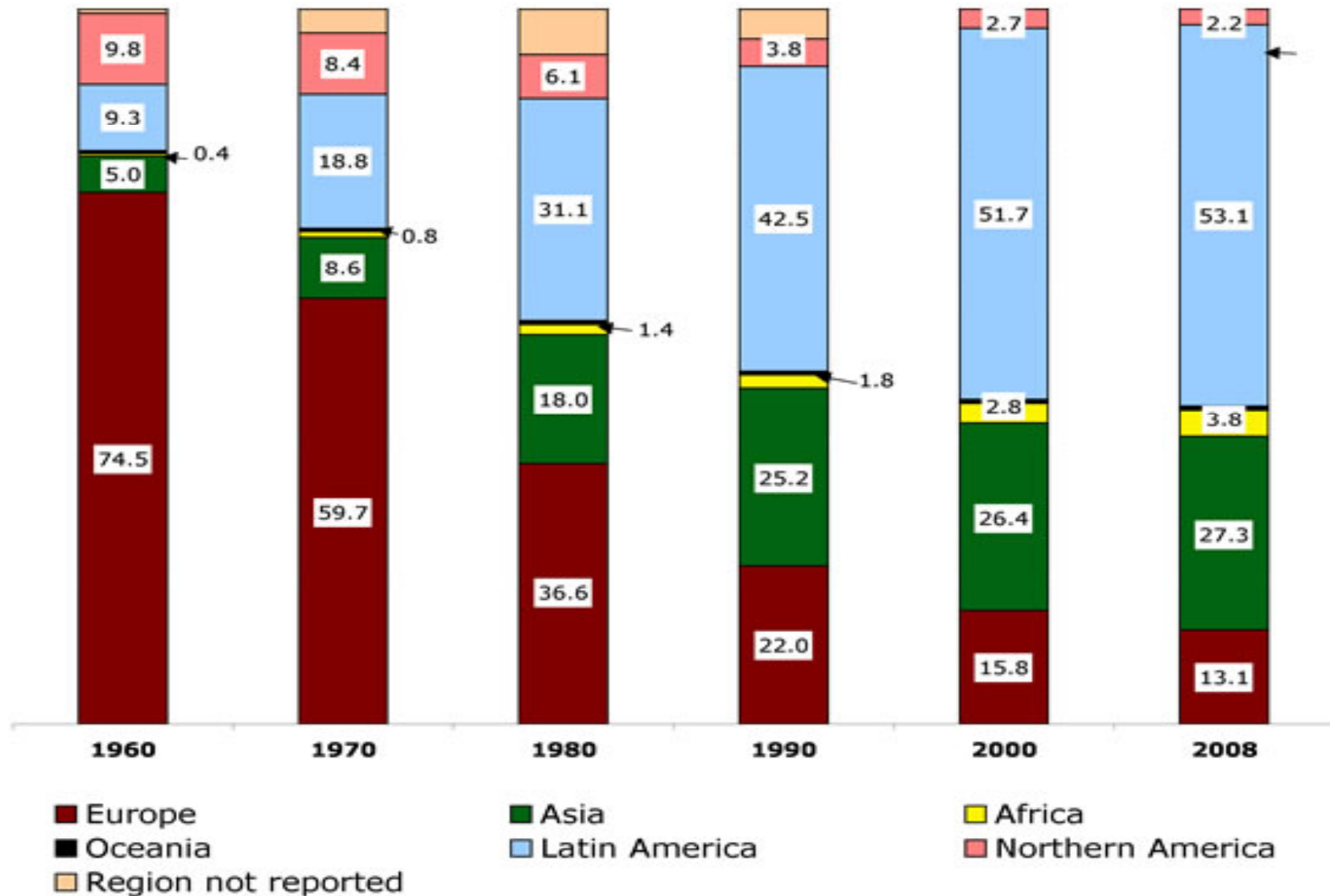
“...A lot of work is being done on interactive robots that talk to the elderly. Those on the market now are chiefly for comfort and stimulation: for instance, the Snuggling Ifbot, which lives in an astronaut suit, chats about the weather, sings and plays quiz games.”

The Economist, Dec 3 2005

The Foreign-Born Population in the US

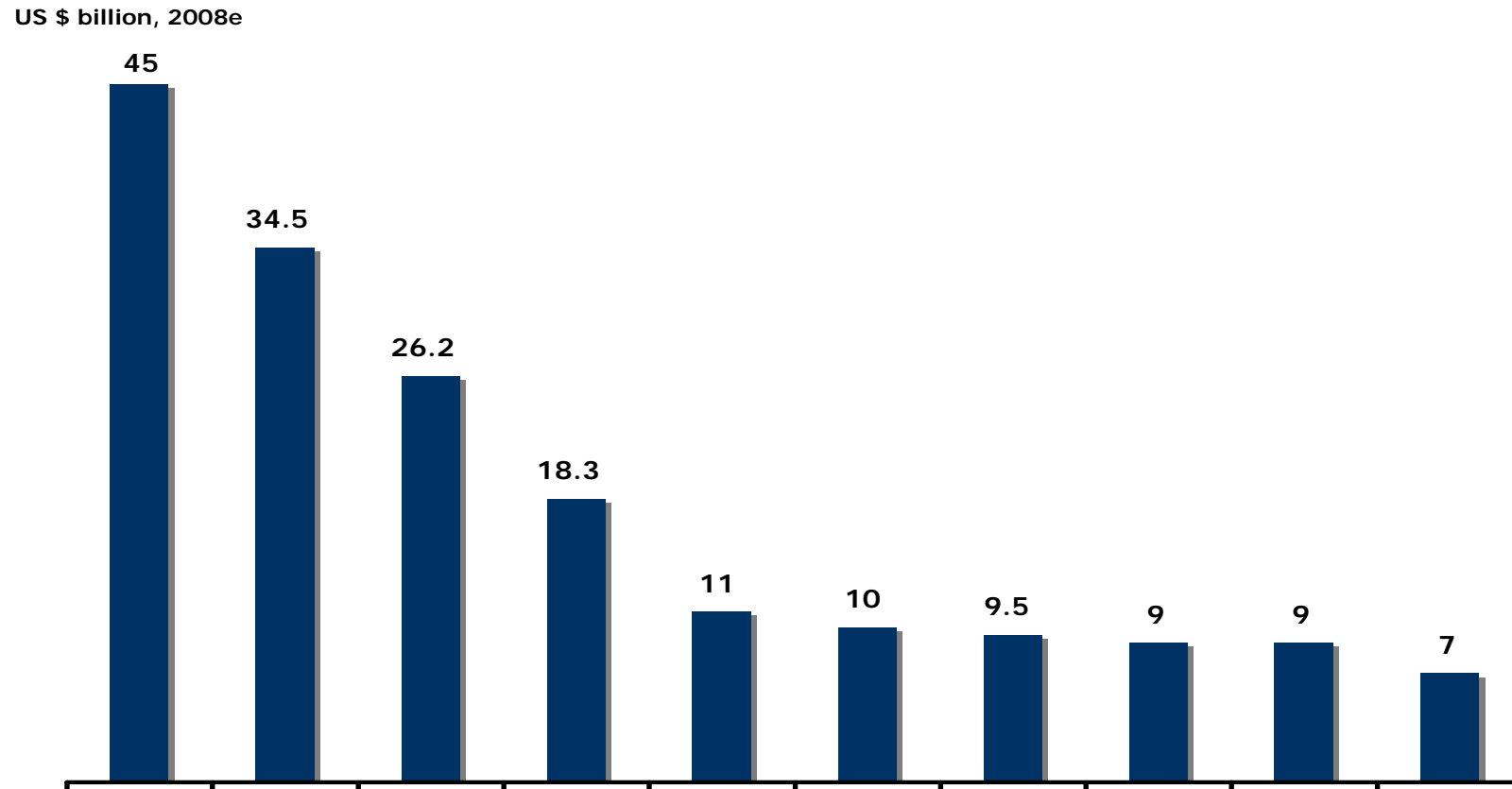
Top Countries of Birth	2000	2005	Change
Mexico	9,092,288	10,969,941	+20.7%
China	2,006,223	1,761,360	-12.2
Philippines	1,358,228	1,593,421	+17.3
India	1,017,320	1,422,492	+39.8
Vietnam	984,584	1,066,085	+8.3
El Salvador	801,814	987,499	+21.8
Korea	865,102	982,818	+13.6
Cuba	855,704	895,861	+4.7
Canada	802,122	819,280	+2.1
Dominican Republic	676,615	700,845	+3.6
United Kingdom	666,108	673,176	+1.0
Guatemala	476,510	625,652	+31.3
Germany	692,283	624,187	-9.8
Jamaica	543,980	592,125	+8.9
Columbia	507,955	556,407	+9.5
Haiti	418,417	476,725	+13.9
Poland	465,260	460,342	-1.1
Italy	468,456	392,887	-16.1
Honduras	278,894	378,605	+35.8
Peru	272,904	371,716	+36.2

The Foreign-Born Population in the US



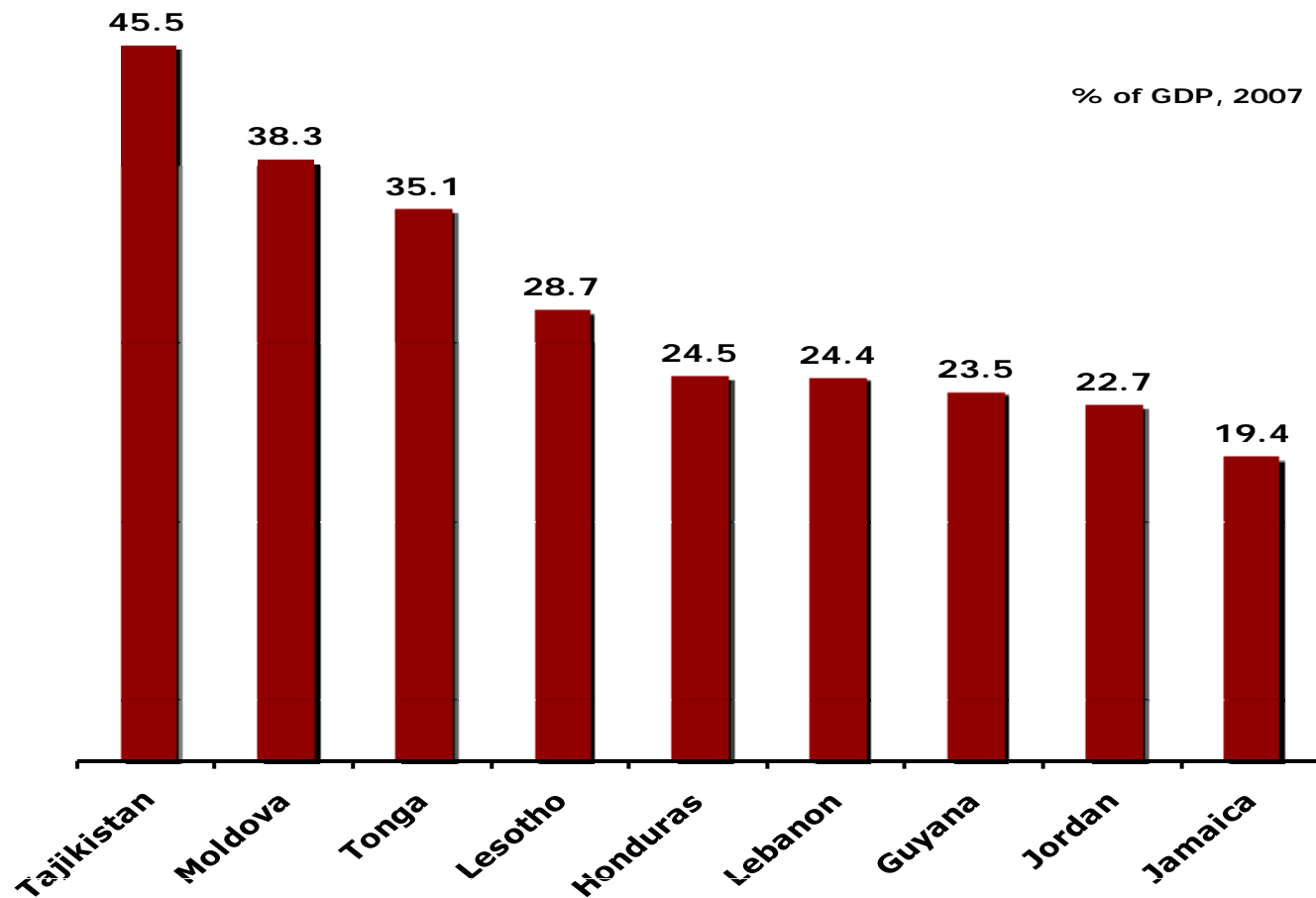
Decennial Censuses 1960 to 2000 and 2008 American Community Survey, US Census Bureau 2008

Top Recipients of Migrant Remittances among Developing Countries



Source: Migration and Remittances, The World Bank 2009

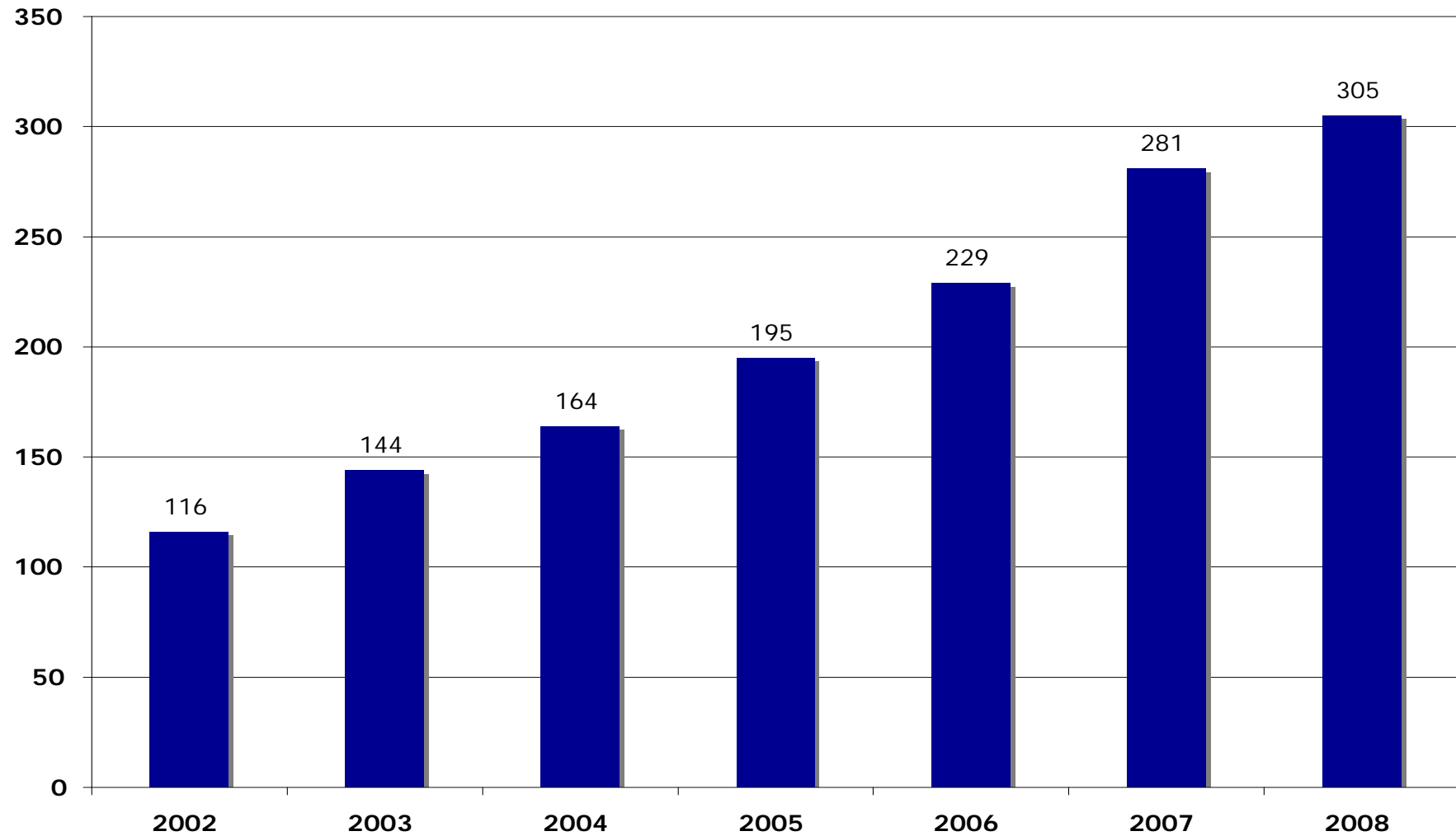
Top Recipients of Migrant Remittances among Developing Countries



Source: *Migration and Remittances, The World Bank 2009*

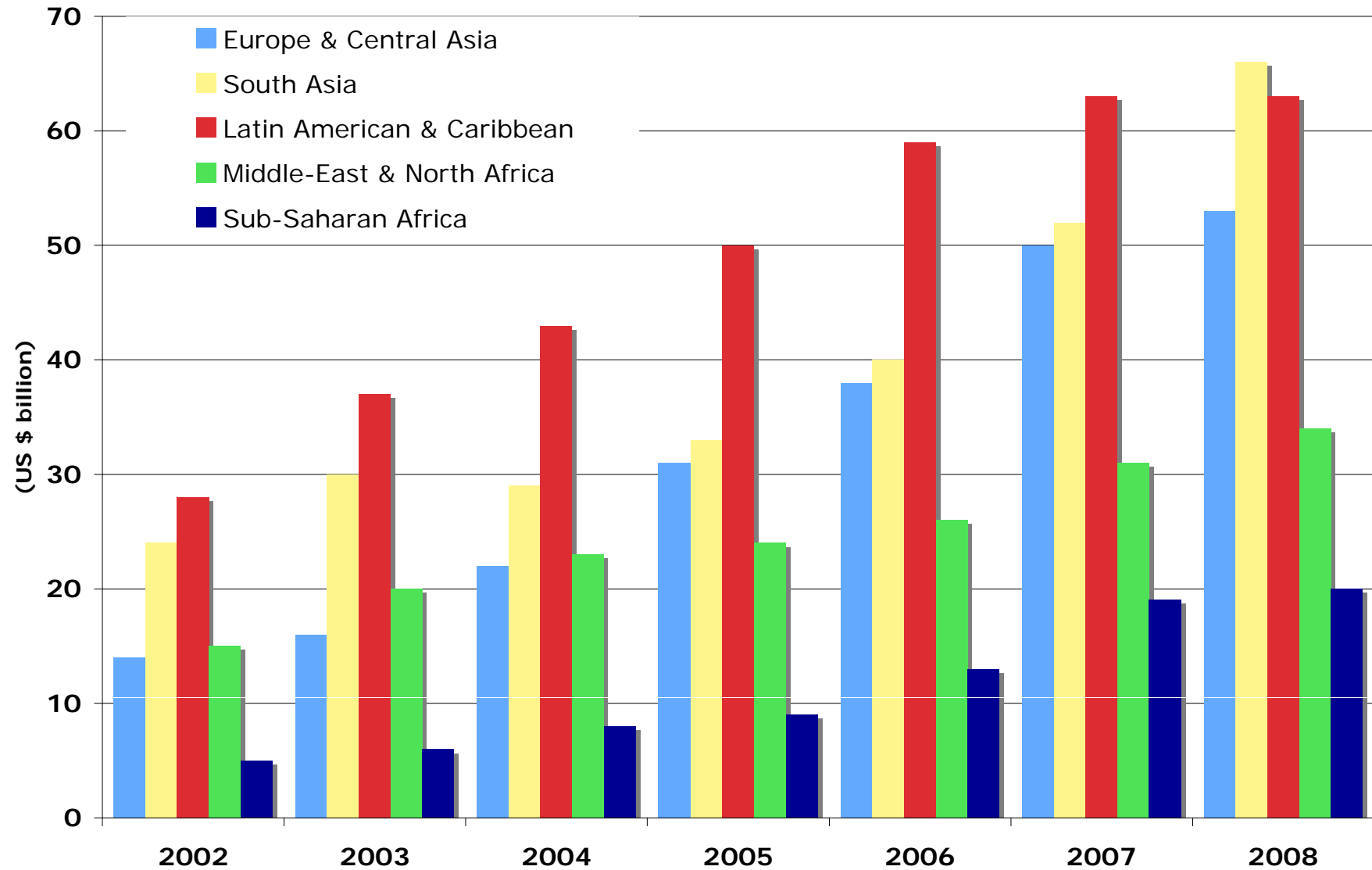
Remittance Flow to Developing Countries

(US\$ billion)



Source: Migration and Remittances, The World Bank 2009

Remittance Flow to Developing Countries



Source: Migration and Remittances, The World Bank 2009

Global Market

Buyers

14%

86%

Sellers

14%

A

B

86%

C

D

What is Unique About 86% Global Market

- Don't Build a Car When You Need a Bullock Cart
- Aim for Ricochet Economy
- Connect Brands to the Market
- Think Young
- Grow Big by Thinking Small

What is Unique About 86% Global Market

- Look for the Leapfrog
- Bring Your Own Infrastructure
- Take the Market to the People
- Develop with the Market