

Emerging markets have the most favorable demographics with increasing middle class population. Surveys show that during the decade \$8.5 trillion disposable income is available in these markets. Developing economies are no longer a mere source of cheap labor; rather, they are growing as tomorrow's global market. This development coupled with increasing inter emerging markets trade is changing the business dynamics. Scenario is changing with increasing outsourcing from emerging economies to second line of developing countries (China to Vietnam). Foreign companies venturing in these economies should leverage the local company's wisdom, best practices and consumer knowledge to achieve deeper localization. Deeper localization enables foreign companies to achieve greater scale and success. Lessons learnt from localization should be utilized to achieve greater worldwide integration and vice-versa. Mutual knowledge exchange among subsidiaries and between subsidiary and HQ not only makes MNEs true global players but also results in faster globalization.

Subsidiaries of MNEs should work as freely as possibly thereby nurturing the entrepreneurial spirit among the managers who are global bridgers. As in the case of Yum Brand's venture in China, associates' deep understanding of local culture coupled with independent operation resulted in magical outcome. Lack of efficient logistics, supply chain and food safety regulation were the voids in China. Yum China's strategy to own units rather than franchising them, developing in house logistics and supply chain infrastructure and educating stakeholders about food safety helped Yum to plug the void. KFCs in China are very unique and different from KFCs in the US or India. In India KFC attracts students and young working class more and have more vegetarian offerings. KFCs in China have a huge set of localized dishes and varieties in contrast to standard offering in the US. The challenge was to adapt to local culture that is more team and community centric and to build a local talent pool. Yum could succeed because of its sensitivity to price, local tastes and innovative adaptations to meet unmet customer needs. Looming health problems are a great opportunity for Yum to engage with local government and suppliers to educate them about good food habits. This not only benefits people of China but also can overhaul the global fast-food industry. Yum can create a unique brand equity that is valuable and very difficult to imitate. Healthy offering is not a threat, rather is an opportunity to reach out to masses with a credible image and achieve the target of 15000 stores in a decade.

Napoli's standardized product offering was somewhat forceful. Elevator business was competitive and Napoli targeted price sensitive customers. Napoli is skillful, energetic and passionate. However, he is not exposed to challenges of emerging economies and not aware of cultural differences. He is a global bridger in the making. Because of ambitious target Napoli should flex his strategy and enter the market and stick to his plan in long run. Napoli failed to access the risks associated with emerging economies. Napoli should develop a collaborative environment between European and Indian operations to overcome the problem of co-ordination. Having a European design team in India can greatly build trust and ensure protection to company's core design aspects. Napoli should make use of his experienced associates and become a global bridger. He should be more sensitive to cultural and human aspects and meanwhile, discipline his team, inspire a shared vision and stick to his strategy. Because of increasing import tariff, Napoli should also plan manufacturing crucial parts locally.

Globalization should improve the lives of people in emerging economies and inclusive growth is possible only with two way knowledge flow and co-operation.