**ABSTRACT**

In today’s changing and competitive environment, innovation is crucial for the survival of any business in the marketplace. Globalization has brought both opportunities and challenges for companies in emerging economies. The intense competitive environment is compelling these companies to innovate, so as to sustain and survive. That is why the emerging market economies are transforming into centers of innovation. These innovations associate with low-cost products like health care devices, wind power, micro finance, electric cars and many more. Multinational companies used to launch new products in the developed world and later on sell the stripped-down version of products to developing parts of the world. Since a few years ago this proces is changing its direction in an opposite way. Innovations initially launched in developing countries are introduced to advanced countries (reverse innovations). This kind of actions make the managers to change the management models of their companies and deal with different intercultural aspects. The aim of this article is to present the reverse innovation idea and typology and identify the most important intercultural aspects in their management.