



**Mariana Vázquez Pacho**

## **L'organisation interne et externe des modèles d'affaires des FMN pour la création de valeur mutuelle**

---

VÁZQUEZ PACHO, Mariana. *L'organisation interne et externe des modèles d'affaires des FMN pour la création de valeur mutuelle* **[en ligne]**. Sous la direction de Marielle A. PAYAUD. Thèse de doctorat : Sciences de gestion. Lyon : Université Jean Moulin Lyon 3, 2024.

**Disponible** sur : <https://www.theses.fr/2024LYO30016>

---



Document diffusé sous le contrat *Creative Commons* « **Attribution – Pas d'utilisation commerciale - Pas de modification** »

Vous êtes libre de le reproduire, de le distribuer et de le communiquer au public à condition d'en mentionner le nom de l'auteur et de ne pas le modifier, le transformer, l'adapter ni l'utiliser à des fins commerciales.



N° d'ordre NNT : 2024LYO30016

# **THÈSE DE DOCTORAT DE L'UNIVERSITÉ JEAN MOULIN LYON 3**

Membre de la ComUE université de Lyon

**École doctorale n°486 – SEG, Sciences économiques et de gestion**

Discipline : **Sciences de gestion**

Soutenue publiquement le 10/04/2024, par

**Mariana VÁZQUEZ PACHO**

---

## **L'organisation interne et externe des modèles d'affaires des FMN pour la création de valeur mutuelle**

---

Thèse rédigée en langue anglaise

Laboratoire de recherche : **Centre de recherche Magellan**

Directrice de thèse : **Mme Marielle A. PAYAUD**

Devant le jury composé de :

**Mme Marielle A. PAYAUD**

Professeure des universités, université Jean Moulin Lyon 3. Directrice de thèse

**Mme Laure AMBROISE**

Professeure des universités, université Jean Monnet, Saint-Étienne. Présidente du jury

**M. Vincent CHAUVET**

Professeur des universités, université de Toulon. Rapporteur

**M. Gilles PACHÉ**

Professeur des universités, Aix-Marseille université, Aix-en-Provence. Rapporteur

**Mme Julie TIXIER**

Maîtresse de conférences, université Gustave Eiffel, Marne-la-Vallée. Examinatrice



## ACKNOWLEDGEMENT

---

In crafting this thesis, the role of many distinct entities, ranging from individuals to organizations, has been invaluable. I wish to express my profound gratitude to each one of them for their integral contributions to this work.

Foremost, I extend my sincere gratitude to the Mexican Council of Science and Technology (CONACYT). Their financial sponsorship was instrumental in turning the research project – focusing on the internal and external organization of MNCS' Business Models to create mutual value at the Base of the Pyramid – from an abstract concept into a tangible reality.

Next, I turn my attention to the invaluable participants of this study, whose narratives brought life to this project. Their generous contribution of time and insight allowed for a richer and more nuanced understanding of the subject matter. The importance of their role cannot be overstated; this study would have been impossible without their voices.

My gratitude also extends to Dr. Marielle PAYAUD, my thesis director, for her unwavering guidance and insightful advice. Her patience and dedication in steering this project, coupled with the quality time she invested, provided the pillars of support upon which this work stands.

In the same vein, I am indebted to Professors Hervé GOY and Laure AMBROISE. Their role in the monitoring committee was of utmost importance, providing insightful suggestions and steadfast support throughout this project.

To the entire staff and members of the Magellan laboratory, I extend my appreciation. In particular, my thanks go to Catherine, Valérie, and Eric, whose consistent kindness and readiness to assist created an environment conducive to progress and success.

Lastly, I want to express my deepest gratitude to my family. The emotional support and encouragement they provided acted as my fortress against doubts and uncertainties, preventing me from surrendering to adversity. Their faith in me has been a source of strength that has propelled me forward throughout this journey.

## CONTENT

---

<b>LIST OF FIGURES.....</b>	<b>IX</b>
<b>LIST OF TABLES .....</b>	<b>XI</b>
<b>LIST OF ANNEXES .....</b>	<b>XIII</b>
<b>ACRONYMS .....</b>	<b>XV</b>
<b>GENERAL INTRODUCTION .....</b>	<b>XVII</b>
<b>FIRST PART: UNDERSTANDING THE ROLE OF BUSINESS IN SOCIAL DEVELOPMENT .....</b>	<b>43</b>
<b>INTRODUCTION OF THE FIRST PART.....</b>	<b>45</b>
<b>Chapter 1: THE PURPOSE OF BUSINESS.....</b>	<b>47</b>
SECTION 1: BUSINESS CONTRIBUTION TO SOCIETY .....	47
SECTION 2: CONCILIATING ECONOMIC AND SOCIAL OBJECTIVES .....	60
SECTION 3: RECONCEPTUALIZING SOCIAL VALUE AS POVERTY ALLEVIATION.....	70
<b>Chapter 2: ORGANIZATIONAL VALUE CREATION .....</b>	<b>79</b>
SECTION 1: UNDERSTANDING ORGANIZATIONAL VALUE CREATION .....	79
SECTION 2: MARKET-BASED APPROACHES FOR SOCIAL VALUE CREATION .....	87
SECTION 3: COMPARING THE MARKET-BASED APPROACHES FOR SOCIAL DEVELOPMENT .....	107
<b>CONCLUSION OF THE FIRST PART .....</b>	<b>133</b>
<b>SECOND PART: BUSINESS MODELS FROM A FIRM AND NETWORK PERSPECTIVE .....</b>	<b>135</b>
<b>INTRODUCTION OF THE SECOND PART.....</b>	<b>137</b>
<b>Chapter 3: UNDERSTANDING BUSINESS MODELS.....</b>	<b>141</b>

SECTION 1: DEFINING BUSINESS MODELS.....	141
SECTION 2: THE DIFFERENT RESEARCH PERSPECTIVES IN BUSINESS MODELS.....	168
SECTION 3: LOGICS OF VALUE CREATION .....	177
<b>Chapter 4: THE INTERNAL AND EXTERNAL ORGANIZATION OF BUSINESS MODELS.....</b>	<b>191</b>
SECTION 1: THE FIRM AND NETWORK LEVEL OF ANALYSIS .....	191
SECTION 2: THE INTRA-FIRM PERSPECTIVE IN BUSINESS MODELS.....	201
SECTION 3: THE INTER-FIRM PERSPECTIVE IN BUSINESS MODELS.....	219
<b>CONCLUSION OF THE SECOND PART .....</b>	<b>241</b>
<b>THIRD PART: EMPIRICAL ANALYSIS.....</b>	<b>243</b>
<b>INTRODUCTION OF THE THIRD PART .....</b>	<b>245</b>
<b>Chapter 5: METHODOLOGY .....</b>	<b>247</b>
SECTION 1: EPISTEMOLOGY OF MANAGEMENT .....	247
SECTION 2: RESEARCH DESIGN.....	284
<b>Chapter 6: THE CASE .....</b>	<b>297</b>
SECTION 1: THE MEXICAN BOP, THE RESEARCH CONTEXT .....	297
SECTION 2: THE CASE STUDY, ALPHA .....	299
SECTION 3: THE INTERNAL AND EXTERNAL ORGANIZATION OF ALPHA	308
<b>Chapter 7: THE FINAL FRAMEWORK AND PROPOSITIONS .....</b>	<b>343</b>
SECTION 1: THE FRAMEWORK TO CONSTRUCT MUTUAL VALUE.....	344
SECTION 2: DEVELOPING THE PROPOSITIONS.....	353
SECTION 3: IMPLICATIONS FOR SCHOLARLY LITERATURE .....	363
<b>CONCLUSION OF THE THIRD PART .....</b>	<b>367</b>
<b>GENERAL CONCLUSION.....</b>	<b>369</b>

SECTION 1: ANSWERING THE RESEARCH QUESTIONS .....	372
SECTION 2: THE THEORETICAL IMPLICATIONS OF THE RESEARCH.....	382
SECTION 3: THE PRACTICAL IMPLICATIONS OF THE RESEARCH .....	388
SECTION 4: THE METHODOLOGICAL AND EMPIRICAL LIMITATIONS .....	389
SECTION 5: FUTURE RESEARCH.....	390
<b>REFERENCES.....</b>	<b>393</b>
<b>ANNEXES.....</b>	<b>431</b>





## LIST OF FIGURES

---

FIGURE 1: UNITED STATES' CONFIDENCE IN CORPORATION (SAAD, 2021)	57
FIGURE 2: THE BALANCE OF SOCIAL AND ECONOMIC GOALS .....	68
FIGURE 3: THE SIX METHODS FOR CONCEPT DEVELOPMENT (MORSE, 1995; MORSE ET AL., 2002).....	109
FIGURE 4: EVOLUTION AND FOCUS OF TBL, BVP, CSV, AND BOP .....	127
FIGURE 5: BUSINESS MODELS AT DIFFERENT LEVELS OF ABSTRACTION FROM REALITY (MASSA AND TUCCI, 2014) .....	149
FIGURE 6: BUSINESS MODEL ARCHETYPES (CABAGE AND ZHANG, 2013) .....	153
FIGURE 7: THE FOUR COMPONENTS OF A SOCIAL BUSINESS MODEL (YUNUS ET AL., 2010).....	161
FIGURE 8: YUNUS SOCIAL BUSINESS TYPOLOGY (BALLESTEROS-SOLA, 2015).....	163
FIGURE 9: THE ELEMENTS OF THE SYSTEM-ACTIVITY PERSPECTIVE (GASSMANN ET AL., 2016) .....	165
FIGURE 10: BM INNOVATION AS A SUBSET OF BUSINESS MODEL DESIGN AND RECONFIGURATION (MASSA AND TUCCI, 2014) .....	172
FIGURE 11: STRATEGY LANDSCAPE, ADAPTED FROM (GASSMANN ET AL., 2016).....	180
FIGURE 12: STAKEHOLDERS' POSITION, ADAPTED FROM (NEUMANN, 2017) .....	183
FIGURE 13: BMS AS ABSTRACTIONS FROM REALITY .....	188
FIGURE 14: CORPORATE-NGO COLLABORATION FOR DEVELOPING BMS (DAHAN ET AL., 2010) .....	199
FIGURE 15: THE MULTIDIMENSIONS OF POVERTY .....	205
FIGURE 16: THE FOUR INTERNAL ELEMENTS OF BUSINESS MODELS, ADAPTED FROM YUNUS AND COLLEAGUES (2010).....	207
FIGURE 17: MODEL OF AN OPEN SYSTEM (HANNA, 1997).....	221

FIGURE 18: TYPES OF ORGANIZATIONAL BOUNDARIES, ADAPTED FROM (WOLFBERG, 2017) .....	223
FIGURE 19: RECURSIVE NATURE OF BOUNDARIES, ADAPTED FROM (WOLFBERG, 2017) .....	226
FIGURE 20: RELEVANT CONCEPTS IN ORGANIZATIONAL BOUNDARIES LITERATURE .....	230
FIGURE 21: RESEARCH PHILOSOPHY'S ELEMENTS .....	250
FIGURE 22: FOUR PARADIGMS FOR ORGANIZATIONAL ANALYSIS(BURRELL AND MORGAN, 2019) .....	256
FIGURE 23: THREE MODES OF CONDUCTING CASE STUDY, ADAPTED FROM (KETOKIVI AND CHOI, 2014) .....	281
FIGURE 24: ABDUCTIVE RESEARCH PROCESS, ADAPTED FROM (SPENS AND KOVÁCS, 2006) .....	290
FIGURE 25: SYSTEMATIC COMBINING (DUBOIS AND GADDE, 2002) .....	291
FIGURE 26: THE EVOLVING ANALYTICAL FRAMEWORK .....	292
FIGURE 27: QUALITATIVE CONTENT ANALYSIS PROCESS .....	294
FIGURE 28: ALPHA'S SOCIAL AND INCLUSIVE BUSINESS MODELS .....	300
FIGURE 29: RESPONSIBILITIES AND PROCESS OF THE PRODUCTIVE CENTER OF SELF-EMPLOYMENT .....	304
FIGURE 30: RESPONSIBILITIES AND PROCESS OF THE PREPAID CARDS	305
FIGURE 31: RESPONSIBILITIES AND PROCESS OF THE SCHOOL OF CONSTRUCTION .....	306
FIGURE 32: PROCESS OF COMMUNITY WORKSHOPS.....	307
FIGURE 33: PROCESS OF BM3 .....	308
FIGURE 34: EXECUTION PROCESS OF PREPAID CARDS .....	325
FIGURE 35: BM1'S CONTENT, STRUCTURE, AND GOVERNANCE .....	327
FIGURE 36: BM2'S CONTENT, STRUCTURE, AND GOVERNANCE .....	328
FIGURE 37: BM3'S CONTENT, STRUCTURE, AND GOVERNANCE .....	329
FIGURE 38: BM'S FORMS OF CREATE SOCIAL VALUE .....	337
FIGURE 39: THE FRAMEWORK TO CONSTRUCT MUTUAL VALUE .....	345

## LIST OF TABLES

---

TABLE 1: THE STRUCTURE OF THE THESIS .....	XLII
TABLE 2: THE SUSTAINABLE DEVELOPMENT GOALS (DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS AND UNITED NATIONS, 2022).....	58
TABLE 3: IDEAL TYPE SECTORS (BILLIS, 2010) .....	61
TABLE 4: INSTRUMENTAL APPROACHES: TBL, BVP, CSV, AND BOP .....	89
TABLE 5: DIFFERENCE BETWEEN TACTICAL CSR, STRATEGIC CSR, AND CSV .....	99
TABLE 6: SIMILARITIES AND DIFFERENCES BETWEEN TBL, BVP, CSV, AND BOP .....	113
TABLE 7: DEFINITIONS USED IN SCOPUS HIGHLY QUOTED PAPERS.....	146
TABLE 8: EXAMPLES OF ARCHETYPES .....	152
TABLE 9: BUSINESS MODELS COMPONENTS .....	158
TABLE 10: BUSINESS MODELS RESEARCH PERSPECTIVES (JENSEN, 2013) .....	171
TABLE 11: BUSINESS MODEL INNOVATION TYPOLOGY (FOSS AND SAEBI, 2017).....	173
TABLE 12: VALUE CREATION LOGICS, ADAPTED FROM (STABELL AND FJELDSTAD, 1998) .....	182
TABLE 13: BOP BUSINESS MODELS' TYPOLOGIES.....	186
TABLE 14: FIRM-LEVEL AND NETWORK LEVEL OF ANALYSIS, ADAPTED FROM (BANKVALL ET AL., 2017; LAYA ET AL., 2018).....	193
TABLE 15: SIMILARITIES BETWEEN THE BOP AND THE CSV .....	203
TABLE 16: STRATEGIES AND TACTICS TO CREATE MUTUAL VALUE AT BOP BY MNCS .....	208
TABLE 17: : BOUNDARY MECHANISMS AND LEVEL OF BOUNDARY- CROSSING DIFFICULTY (WOLFBERG, 2019) .....	233

TABLE 18: EPISTEMOLOGICAL ORIENTATIONS AND TENSIONS IN MANAGEMENT(ALLARD-POESI AND PERRET, 2014).....	252
TABLE 19: COMPARISON OF FIVE RESEARCH PHILOSOPHICAL POSITIONS IN BUSINESS AND MANAGEMENT RESEARCH (SAUNDERS ET AL., 2019) .....	259
TABLE 20: ATTRIBUTES OF QUALITATIVE AND QUANTITATIVE METHODOLOGIES (GELO ET AL., 2008) .....	270
TABLE 21: RESEARCH TACTICS AND THEIR PHILOSOPHICAL BASES (REMENYI ET AL., 1998) .....	272
TABLE 22: THE CHALLENGES OF QUALITATIVE RESEARCH, ADAPTED FROM(MALTERUD, 2001) .....	274
TABLE 23: OVERVIEW OF THE RESEARCH PROJECT .....	285
TABLE 24: SECONDARY SOURCES.....	287
TABLE 25: BACKGROUND OF THE RESPONDENTS .....	289
TABLE 26: STRATEGIES TO CREATE MUTUAL VALUE INTERNALLY .....	310
TABLE 27: INITIAL SAVING SCHEMES.....	323
TABLE 28: RESTART SAVING SCHEMES .....	323

## LIST OF ANNEXES

---

ANNEX 1: ARTICLES INCLUDED IN THE ANALYSIS OF DIFFERENCES AND SIMILITUDES OF BVP, TBL, CSV, AND BOP .....	432
ANNEX 2: SEMI-STRUCTURED INTERVIEW GUIDE FOR TYPE OF INTERVIEWEE (ALLY, ALPHA, AND PARTICIPANTS).....	444
ANNEX 3: <i>PHOTOS OF THE FIELD TRIP</i> .....	448
ANNEX 4: <i>VALIDATION OF THE RESEARCH NOTES</i> .....	449
ANNEX 5: <i>E-MAIL ON THE NEGOTIATION TO IMPLEMENT THE BUSINESS MODEL</i> .....	450
ANNEX 6: <i>EXAMPLE OF VERBATIM</i> .....	451
ANNEX 7: <i>PHOTOGRAPHY OF A PRECAST CONCRETE STOVE</i> .....	452
ANNEX 8: FRENCH ABSTRACT .....	453



## ACRONYMS

---

BM: Business model.  
BMI: Business model innovation.  
BoP: Base/Bottom of the pyramid.  
BVP: Blended value proposition.  
CA: Capability approach.  
CFP: Corporate financial performance.  
CIC: Community interest company.  
CSR: Corporate social responsibility.  
CSV: Creating shared value.  
GATT: The general agreement on customs tariffs and trade  
GDP: Gross domestic product.  
MNC: Multinational corporation.  
NGO: Non-governmental organizations.  
NPO: Nonprofit organizations  
IB: Inclusive business.  
IBM: Inclusive business model.  
IDB: Inter-American development bank.  
KPI: Key performance indicators.  
L3C: Low-profit limited liability company  
MMR: Mixed methods research.  
PCM: Profit center model.  
PPP: Purchasing power parity.  
RT: Radical transactiveness.  
SBM: Sustainable business model.  
SCM: Social Capital Market.  
SDGs: Sustainable development goals  
SE: Social enterprises.  
SkT: Stakeholder theory.



SMEs: Small and medium enterprises.

SP: Social protection.

ST: Shareholder theory.

TBL: Triple bottom line

UN: United nations.

USD: United states dollar

YSB: Yunus social business

## **GENERAL INTRODUCTION**

---

---

## **GENERAL INTRODUCTION**

---

---

### **FIRST PART: UNDERSTANDING THE ROLE OF BUSINESS IN SOCIAL DEVELOPMENT**

Chapter 1: The purpose of business

Chapter 2: Organizational value creation

---

### **SECOND PART: BUSINESS MODELS FROM A FIRM AND NETWORK PERSPECTIVE**

Chapter 3: Understanding business models

Chapter 4: The internal and external organization of business models

---

### **THIRD PART: EMPIRICAL ANALYSIS**

Chapter 5: Methodology

Chapter 6: The case

Chapter 7: The final framework and propositions

---

### **GENERAL CONCLUSION**

---

*"MNCs (along with some very large foundations) are today the most important actors in our increasingly globalized world, in the sense that only they have sufficient capacity to truly embrace global issues in potentially transformational ways and to address head-on the most acute pain points in our society... No other organizations have this capacity" (Roche and Jakub, 2017, p. 8).*

The world bank estimates that around 676 million people still live in extreme poverty, struggling to fulfill the most basic needs. This figure includes 95 million additional people that the Covid-19 pandemic is estimated to have pushed into extreme poverty (Gerszon Mahler et al., 2022). Through goal number one, no poverty, the sustainable development goals (SDGs) aim to reduce poverty by ensuring the poor have access to basic services, ownership or control over land, and other forms of property (United Nations, 2020). Different initiatives have emerged that range from the most disinterested forms, such as philanthropy, to profit-seeking solutions.

The profit-seeking solutions seek to capitalize on helping the poor by developing value propositions adapted to their restrictions and unique characteristics so that companies build the conditions to enable consumption and social value creation. One of the most embraced approaches is the base of the pyramid. The BoP was introduced as a market-based alternative to the fight against poverty. Consequently, it proposes, mainly to MNCs, to pursue their economic objectives (and act on behalf of shareholders) while serving the lowest segment of the socio-economic pyramid.

When the BoP appeared, high expectations came with it; practitioners and researchers enthusiastically received the idea of corporations helping people out of poverty, and BoP strategies started to appear in different sectors: food, personal hygiene, health, and housing. However, over time, most of the initiatives targeted to create mutual (economic for the companies and social value for the poor) failed or, at best, achieved modest success at a high cost (Hart et al., 2016).

The learning taken from previous experience is twofold. First, creating mutual value in ambiguous markets such as the BoP is very daunting. And secondly, early approaches to serving BoP markets were insufficient, both the low price, low margin, high volume model (Simanis, 2012) and the offerings transformation to ensure affordability, accessibility, acceptance, and awareness (Prahalad, 2005).

For Mezas and Fakhreddin (2014), companies fail in BoP markets because they assume the existence of a market to tap into instead of recognizing the need to make it up. To construct markets, two elements emerge as essential, BMs innovation and network participation (Mason et al., 2017). Recently, companies have started to look into networks in search of partners to develop collaborative BMs capable of contributing to social development. Interestingly, these partners were not only the usual ones; surprisingly, several non-governmental organizations, which was historically against corporations, answered the call, followed by social entrepreneurs, cooperatives, civil society, and governmental organizations. In this context, Hartman and Dhanda (2018) describe a new type of BM between MNCs and non-profit organizations. Gradually, non-traditional stakeholders proved to be crucial partners for developing strategies and business models and assuring operationalization and mutual value creation (Rosca and Bendul, 2016).

Hence, businesses have the opportunity to proactively take measures to address the constraints faced by the poor through either inclusive business models, innovative products and/or services. Moreover, they can influence other dimensions of poverty beyond income, such as limited opportunities and capabilities (UN Global compact and wbcSD, 2016). However, little is known about how MNCs contribute to meeting the UN SDGs (Andersen and Esbjerg, 2020), and it is even littler our knowledge about how MNCs organize their BMs to collaborate with partners in reducing poverty.

## THE BOP, A MARKET-BASED APPROACH TO SOCIAL DEVELOPMENT

---

### ❖ The BoP 3.0, research context

The assumption that the corporate sector will serve the rich while the government and civil organizations will protect the poor is tragic (Prahalad and Hart, 2002). In his path-breaking work, Amartya Sen (1999) states that human beings must be at the center of the economic system while all the other economic actors are means and not the end of progress. The progress that Amartya Sen talks about refers to a development in terms of "freedom." Freedom to receive education, access to a better quality of life, and gain the money needed to eat and have shelter. From this perspective, poverty is thus the effect of a shortage of rights and freedom that leads to capabilities deprivation to achieve good standards of living (Easterly, 2013; Sen, 1999).

The BoP concept, brought to light in 1998 by Prahalad, stops considering the poor as a recipient of humanitarian aid and spotlights them as a source of capabilities and knowledge to leverage innovation in source-restricted environments. This approach also retakes the role of businesses (especially MNCs) in solving societal problems. Since its appearance, the BoP notion has gotten multiple meanings; it may represent a socio-economic sector, a market, a strategy, and a type of BM. The present research use BoP as a standalone noun to mean the context of poverty in developing countries. For any other uses, we use BoP as an adjective to modify other nouns, e.g., market or strategy.

The increasing interest in the BoP and the search for the adequate means and the different perspectives taken by practitioners and researchers have led to the distinction between BoP 1.0, BoP 2.0, and BoP 3.0 (Dembek et al., 2019):

- The BoP 1.0 highlights the untapped potential of the base of the pyramid as a consumption market and suggests the best approach to enter it: low prices, low margins, and high volume leveraged from MNCs' distribution capacity and marketing strengths. Unfortunately, in this stage, some companies took a simplistic vision, underestimating BoP market complexity and the specific needs of the poor, and assumed that social value would be delivered automatically by selling products and services (Calton et al., 2013; Santos et al., 2015). Consequently, they applied the easiest way of innovation, that is, the adaptation of products currently sold in developed economies, downgrading, and repackaging them in small portions to allow lower prices, representing a significant environmental threat.
- BoP 2.0 recognizes the BoP market as a plural and evolutionary terrain that requires more complex forms of innovation than merely exporting adaptations (Govindarajan et al., 2012). In this stage, companies stressed the importance of collaborating with the BoP to co-create products and compelling value propositions (Hart et al., 2016) capable of procuring revenues, employment, or entrepreneurship for the poor (Payaud, 2014a). BoP 2.0 focuses more than BoP 1.0 on addressing socially and environmentally related problems; however, research has shown that BoP 1.0 and 2.0 endeavors often struggled to produce the dual results they aspired to: business profitability and poverty alleviation (Dembek et al., 2019).
- BoP 3.0, in consequence, coincides with Payaud and Martinet's (2010) remark about not simplifying and reducing the BoP strategy to a Trojan horse for capitalism. The latest BoP idea is profitable, environmentally, and socially sustainable (Chmielewski et al., 2018; Hart et al., 2016, 2013). The BoP 3.0 refers to a more ambitious approach that includes a high level of corporate responsibility, interdependence among sectors, and the recognition that social value does not come automatically from overcoming

underconsumption and increasing purchase power of the poor but from a set of interchain activities (such as education, training, microfinance) that involves several actors and *"require a change in behavior on the part of clients for impact to happen"* (Santos et al., 2015, p. 47).

Recently, it has been argued that one of the reasons for BoP BMs' limited success is a narrow conceptualization of poverty that focus straightly on the economic definition. Future BoP studies incorporating a multidimensional definition of poverty might improve its understanding and shed new light on alleviating the problem (Dembek et al., 2019; Mason et al., 2017). Indeed, multidimensional poverty requires a more holistic and collaborative alleviation process whereby development is a transformation rather than just economic growth (Chmielewski et al., 2018).

Congruently, the emerging BoP 3.0 approach seeks a conceptual shift away from a singular solution of poverty alleviation to understanding how broader innovation ecosystems and engagement through cross-sector partnerships networks can be developed to achieve higher levels of well-being in BoP markets (Mason et al., 2017). Therefore, the last version of BoP includes for-profit enterprises cooperating with cross-sector organizations to co-create innovative and sustainable business models that bring transformative change at the societal level (Austin and Seitanidi, 2012a) and enhance the triple-bottom-line: people, profit, and planet (Albert et al., 2014).

Moreover, research from the BoP domain has offered insight into how collaborative interdependence between sectors can enhance the connection between profits and poverty alleviation (London and Anupindi, 2012). Consequently, more extensive innovation networks and engagements through cross-sector partnership networks (Dembek et al., 2019) are critical to creating profits and generating consumption that positively impacts the living condition of the poor and the local culture.



### ❖ **Innovation and collaboration: key determinants in business models for value creation at the BoP**

The BoP literature has come to an agreement regarding two elements that are essential to truly create mutual value: BMs innovation and network collaboration. BM innovation is recognized as an unavoidable strategy (Gebauer et al., 2017a, 2017b; London and Hart, 2011). For instance, Yunus and colleagues (2010) describe essential modifications to transform commercial BMs into social businesses. And Gebauer and colleagues (2017a) studied the reconfiguration of BMs' elements to overcome barriers in the BoP market. For their part, networks and cross-sector collaboration has become increasingly important for business model literature in general (Mason and Spring, 2011), and sustainable BMs in particular (Breuer and Lüdeke-Freund, 2017).

Recently, companies have started to look into networks as a source of value creation. For example, Sánchez and Ricart (2010) distinguished between two types of BMs: one that complements companies' resources with the ecosystem's capabilities and the other that relies exclusively on firms' resources and capabilities. Also, using typologies, Dembek and colleagues (2018) distinguished the reorganizing model, the most advancing type of BM serving at BoP that links stakeholders to create or modify existing systems and ways of life to benefit BoP communities. Complementing the idea of the importance of a network for value creation, Brehmer and colleagues (2018) found that the locus of environmental and social sustainability can also be positioned outside the focal firm in the network. While Dahan and colleagues (2010) and Hartman and Dhanda (2018) describe a new type of BM, which is the product of collaboration between different sectors (mainly MNCs and NPOs) with the specific objective of contributing to social development.

The importance of collaborative approaches at the BoP to explain mutual value creation is justified on normative as well as pragmatic grounds (Seitanidi and Crane, 2014). Ethically, they are expected to lead to more inclusive and locally appropriate BoP strategies, avoiding potential accusations of exploitation and commercializing poverty; pragmatically, they improve the performance of BoP initiatives by helping mobilize a broad spectrum of resources and social networks to achieve systemic social impact (Lashitew et al., 2021).

Indeed, Karnani (2017) suggests that each social actor has an essential role in poverty alleviation; it just takes finding the appropriate strategies to enable these actors to fulfill their responsibilities. Teaming with governmental agencies, social-civil organizations, and social enterprises to collaboratively fight against poverty and produce shared value has been on the BoP agenda since the beginning. Thus, following the eclectic and constructive view of Karnani: why can we not expect all social actors to work together and sum forces and resources to create comprehensive solutions for and with the poor?

More importantly, development is a broad concept, a product of the conjoint effort of different actors. So, keeping a more open mind about the business model concept and, in particular, about the level of analysis – firm, network– generates new insights for academics and managers alike (Mason and Spring, 2011). We need to "zooming in and zooming out" to generate a novel understanding of how BMs work.

#### ❖ **BMs' firm and network level of analysis**

In early internet-based manifestations, BMs were only meaningful at a network level; writers then saw business models as descriptions of the roles of various network actors and the flows between those actors (Mason and Spring, 2011). Over the years, the BM literature became entrenched and found its most stable home in the strategy literature (Amit and Zott, 2001; Zott and Amit, 2010). Although some strands

of BM literature maintained an inter-firm perspective – those concentrated mainly on technology – the business model's multi-level implications became lost while the firm rose as the dominant level of analysis.

To date, most of the research on business models concentrates on identifying the underlying elements or components that detail what the BM is at the firm's level (Mason and Spring, 2011). Hence, the BM is understood to represent a truth, describing the way a particular business looks like (Dembek et al., 2018). In this sense, an important limitation of the business model literature is that it only creates a description of the firm at a single point in time and, in so doing, fails to take account of the influence of the business network on the BM and vice versa (Mason and Spring, 2011). Hence, multiple analysis sites will help better understand organizations and what they do.

Indeed, the firm and network levels are complementary (Brehmer et al., 2018) and helpful in reaching a rich understanding of the value creation logic of MNCs. Focusing exclusively on intra-firm issues is a limitation (Dembek et al., 2018) since it only tells half of the history (Berglund and Sandström, 2013). Consequently, the BM concept is being challenged from serving merely as a blueprint of how a single company does business to shifting toward explaining how network partners do business together (Lindgren et al., 2010).

In this research, to tell the whole history, we simultaneously apply the firm and network levels as a broad organizing concept.

#### ❖ **The intra-firm perspective: an internal organization**

Analyzing BMs from a firm level allows to narrow researchers' attention to the inside of a company and, consequently, to understand its internal configuration. The internal organization is frequently represented as a set of logically fitted components

of a story (Magretta, 2002) that describes the strategies, concrete choices (Casadesus-Masanell and Ricart, 2010), and logics that companies take to create value. Many authors have attempted to clarify the components or building blocks that constitute a generic BM. While most business model frameworks conceive value creation subject to purely commercial logic, the social entrepreneurship literature has recently started combining economic and social logics to shape business models. Among them, the framework of Yunus and colleagues (2010) stands out as an alternative BM that "could empower capitalism to address overwhelming global concerns" (Yunus et al., 2010, p. 308). This framework consists of four elements: value proposition, value constellation, economic value equation, and social value equation.

The social business framework is helpful in our research to describe the internal organization by identifying and explaining the strategies and tactics applied to create mutual value at BoP. However, for this matter, we made a crucial modification by assuming that MNCs seek to produce shareholders' surplus maximization rather than just the full recovery of capital as the original model dictates.

#### ❖ **The inter-firm perspective: an external organization**

Business model thinking has been a widely used framework for analyzing the architecture of businesses' operations, value creation rationales, and sustainability efforts. However, it often underrepresents the collaboration of partners and networks or stakeholders in general – namely, cross-sector collaboration. Furthermore, we observe that conventional business model thinking has been silent concerning the external context (Pedersen et al., 2017a).

Precisely, the cross-sector partnership literature has introduced a new type of business model: the collaborative cross-sector business model for sustainability, which is based on the idea that the most challenging problem of humanity requires

a cooperative approach and a business logic. Consequently, an alternative perspective on BMs, based on the notion of value creation taking place in networks, is more propitious for analysis (Freudenreich et al., 2020).

In the BoP literature, Dembek and colleagues (2019) identified a need for a closer examination of the role of cross-sector partnerships in executing BoP strategies. Besides, poverty alleviation requires substantial cooperation between different actors, and a boundary-spanning perspective on the BM provides analytical power to investigate such interaction (Brehmer et al., 2018; Zott et al., 2011).

According to Zott and Amit (2010), boundary-spanning sees a BM as a set of interdependent activities that transcends the focal firm and expands its boundaries. It focuses on the value creation and transfer between the focal organization and the external actors of its network. The architecture of the firm's BM is shaped by the content, structure, and governance. Content refers to the business model's activities; structure represents the relationships that sew those activities together, and governance determines who executes them (Amit and Zott, 2015). Hence, external actors develop crucial activities (Lindhult and Nygren, 2018), but the focus remains on a focal firm.

In this research, a boundary-spanning perspective will allow us to explicate: (1) where in the BM, social value is created and captured; (2) how a focal firm organizes the content, structure, and governance with external actors; and (3) how it draws frontiers to reach coherence, collaboration, control, and efficiency.

## RESEARCH PROBLEM

---

Prahalad and Hart proposed that addressing the needs of the BoP presented a *"prodigious opportunity for the world's wealthiest companies to seek their fortunes and bring prosperity to the aspiring poor"* (Prahalad and Hart, 2002, p. 1). Unfortunately, after twenty years and several iterative modifications, this profit-driven approach to alleviating poverty has proven far more challenging than anticipated. Organizations struggle to address poverty and profit simultaneously and often deliver effectively on neither goal (Dembek et al., 2018; Landrum, 2020).

MNCs were pointed out as the economic actor with the necessary capabilities to address low-income markets and contribute to poverty alleviation. Nevertheless, while many articles emphasize the need for MNCs to adapt their business models, little is known about how MNCs' BMs work to address the BoP (Perrot, 2017). We also do not have enough knowledge about how business models are created at multiple levels, despite the importance of innovation and network collaboration for developing BMs that will profoundly transform the poor. Therefore, understanding business models' firm and network level seems relevant and pertinent to generating deeper insights into their creation and practice.

With these antecedents, the main objective of this work is to ask the question:

### **How do multinational corporations create mutual value at the base of the pyramid?**

- RQ 1: How do organizational value creation concepts: BoP, CSV, BVP, and TBL, differentiate between them?

- RQ 2: What strategies and tactics do MNCs apply to innovate their BMs' elements: value proposition, value constellation, and value capture at a firm level?
- RQ 3: What strategies do MNCs apply to organize their BMs' elements: content, structure, and governance at a network level? How do those strategies affect their conceptual boundaries?
- RQ 4: What logic (shops, chains, networks) do MNCs apply to create social value?
- RQ 5: What type of social value are MNCs delivering?

The secondary questions allow us to provide a comprehensive answer to the primary question following a structured path. We use business models as the unit of analysis and apply a normative definition, which implies that BMs consist of certain aspects (Sánchez and Ricart, 2010). Consequently, the evolutive analytical framework guiding this research consists of seven elements grouped in two parts. The first group considers four elements inside firms, representing the internal configuration: value proposition, value constellation, economic value capture, and social value equation. The second group places the other three elements – content, governance, and structure - at the border between companies and the ecosystem, representing the external configuration. In addition, our framework is enriched with theoretical concepts belonging to social development, the open system theory, and organizational value creation.

The objective of this thesis is to understand the ways in which MNCs work to create economic and social value for the BoP sector. By ‘zooming in’, we explore business models as frames for innovation, allowing us to describe the strategies and tactics modifying each component. By ‘zooming out’, we explore the practice of business

models, that is, how boundaries are created and transformed by enrolling actors in the business network.

## RESEARCH OBJECTIVES

---

### ❖ **Distinguish among different approaches for mutual value creation.**

The creation of economic and social (environmental included) value has gained relevance and has been analyzed in different contexts and areas. As a result, different concepts have appeared to explain organizational value creation by using similar patterns. Hence, even when all of them consider economic and social benefits as interdependent variables that, once harmonized, create a greater total value for all the parties involved, they are also appraised as independent lines of investigation.

Too many options might result in a growing risk of drowning in synonyms and misleading terms (Tullberg, 2012), which could represent an excuse for business inaction and incapacity to benchmark progress (Elkington, 2018). Moreover, it could affect the operationalization and measurement of concepts. Hence, delineating and comparing four concepts: The BVP, the TBL, the CSV, and the BoP seems relevant to clarify concepts that compete to fulfill the same theoretical void.

### ❖ **Reinforce the BoP literature by offering a collaborative perspective to address different levels of poverty.**

Socioeconomic problems are big, complex, multidimensional challenges, which cut across boundaries, lack clear-cut solutions, and cannot be solved by one actor alone (Pedersen et al., 2021). *"The growing magnitude and complexity of socioeconomic problems facing societies throughout the world transcend the capacities of individual*



*organizations and sectors to deal with them adequately"* (Austin and Seitanidi, 2012b, p. 727). Congruently, the last version of BoP emphasizes cross-sector partnership to design BMs capable of treating poverty as a multifaceted phenomenon that goes beyond economic aspects to focus on community well-being, capabilities, and personal agency (Chmielewski et al., 2018).

The sustainable business model and the cross-sector collaboration literature have started to address "collaborative cross-sector BMs". That is, sustainable alternatives to conventional BMs that tend to adopt a more holistic perspective of business by broadening the spectrum of solutions and stakeholders. When aligned with cross-sector collaboration, these new business models contribute new ways of addressing the wicked sustainability problems humanity faces (Pedersen et al., 2021) – such as poverty.

The BoP has been recently identified as a type of SBM (Dembek et al., 2018), and some studies have started using sustainable lenses to analyze business models that address the BoP sector. However, in strategic management, most research on BoP initiatives has focused on singular efforts. Hence, we aim to reinforce the BoP literature by taking a collaborative approach and analyzing BMs with a boundary-spanning perspective. This perspective centers on the transactions and transfer of value between a focal firm and the external actors in its value network; it also allows to identify and follow different types of value (Brehmer et al., 2018; Dembek et al., 2018). Precisely, Synkovics and colleagues (2014) propose to reconceptualize the idea of social value creation as social constraint alleviation. They define social value creation as an activity that leads to the realization of any of the three core values of development, i.e., sustenance, self-esteem, and freedom from servitude.

**❖ Reinforce the business model literature by offering a multilevel analysis as a unique organizing concept.**

Although in BoP markets, the BM and the network collaboration are crucial to succeed (Danse et al., 2020), attention falls on the internal configuration, leaving the external organization of BMs and its distinct strategies and logics understudied. Nowadays, it is most common for MNCs to partner with different stakeholders to create integral offerings. However, little is still known about the business models in which more than one actor is actively involved in developing and delivering a joint solution.

Based on the consideration that a solution is a combination of services, products, and collaboration, we build on the notion that BMs can be studied at a firm level and also at a network level. Just recently, the complementary and importance of both perspectives have started to be recognized (Brehmer et al., 2018; Dembek et al., 2018; Laya et al., 2018; Velter et al., 2020).

**❖ Reinforce social development and international business literature by analyzing MNCs' role in facing poverty.**

Businesses that design their BMs so that their day-to-day operations absorb a social constraint rather than try to bypass or exploit it achieve a significant development impact on the communities in which they are embedded (Sinkovics et al., 2015). Global corporations have a key role to play in human rights issues, specifically in helping the poor by investing in local and global communities on a long-term basis rather than acting as charities or aid agencies. However, to do so, MNCs must restore the public's trust. They must demonstrate that their presence, particularly in poorer countries and emerging market economies, is a source of human progress (Browne, 2002).

Inside the BoP literature, a large majority of studies analyze SMEs and NPOs; this is surprising since the principal premise of the BoP approach is the combination of profits and poverty reduction (Kolk et al., 2014). Without diminishing the importance of such analysis, we believe the literature will benefit from retaking the central role that MNCs once had. MNCs represent exciting and complex case studies for BoP market and social development studies in general: despite their resources, they must re-learn to acquire native capacities and capabilities (Hart and London, 2005), establish cross-sector partnerships to complement or create (Dahan et al., 2010; Hartman and Dhanda, 2018) inclusive, complex, collaborative, and scalable BMs (Gebauer et al., 2017b) and deliver value for all the stakeholders profitably.

#### ❖ **Strategic management as the field underpinning this study.**

We aim to understand mutual value creation at BoP by MNCs. As such, we focus on business models as our unit of analysis to understand the logic of a firm. Hence, we position in the strategic management dimension, taking a firm and network perspective but always centering on a focal firm. Our viewpoint corresponds to the major hallmarks identified in the strategic management literature: analyzing internal and external environments, formulating strategies, developing a competitive advantage, and achieving organizational goals (Cox et al., 2012).

### **RESEARCH PHENOMENON AND KNOWLEDGE PROJECT**

---

#### ❖ **Research object**

A research object represents an investigation's core. That is, a particular situation that a researcher wants to study and comprehend. Our research object is mutual value creation by MNCs at the BoP.

Mutual value refers to the simultaneous creation of economic and social benefits for all the parties involved in a commercial initiative. The element social also contains environmental aspects; however, we are interested in the social value as efforts to help people out of poverty. We focus on the business models of multinational corporations serving the BoP to comprehend the strategic decisions in the BMs' internal and external configuration that allow companies to successfully and sustainably deliver social value. After all the failures, knowledge about key factors in business model design and network management will proportionate a guide to practitioners to understand and implement scalable and efficient BMs that truly ameliorate the living conditions of the poor.

#### ❖ **Research outcome**

For-profit corporations are challenged to develop and promote social development; however, they often lack the knowledge needed to effectively engage in and support business model innovation. Empirical evidence based on the value-creation mechanisms commonly employed by successful examples could particularly inform such efforts (Schoneveld, 2020).

Congruently, our main objective is to obtain legitimate questions for our research answers. We follow Prahalad's steps and take a pragmatic position; thus, we assume that the only manner in which corporations will genuinely commit to social development is through the generation of profits. Hence, we want to pave the way and offer a guide to practitioners interested in creating meaningful value for societies in profitable ways. We want to provide a tomography of a successful example in the understanding that a one-size-fits-all solution does not exist in strategic management, even less a generic business model. However, guiding prescriptions inciting reflection, facilitating decisions, smoothing the implementation, and, more importantly, inspiring solutions may help to advance progress in poverty alleviation.

Following this logic, we propose an integrative framework that combines firm and network levels of analysis with three mainstream theories: the three logics of value creation: chain, shops, and network (Stabell and Fjeldstad, 1998), the four boundary logics: efficiency, competence, power, and identity (Santos and Eisenhardt, 2009), and the three core value of social development: sustenance, self-esteem, and freedom from servitude (Sinkovics et al., 2015; Todaro and Smith, 2012). We hope our framework serves as a model for designing and reconfiguring BMs that create and deliver different dimensions of social value in a sustainable economic way.

### ❖ Research philosophy

*"In light of recent calls for an empirical stance as an alternative to the prevailing metaphysical stance in organizational research, we reread Pragmatism as a process philosophy that can profoundly inform process views of organization and organizing" (Simpson and den Hond, 2022, p. 127).*

This work takes classical pragmatism as a research philosophy. We based on the idea that pragmatism is especially congruent for management research, especially regarding third-world countries'<sup>1</sup> issues, where there is a social urgency to offer solutions scientifically substantiated. Elucidating the mechanisms allowing MNCs to collaborate in poverty alleviation appears hence as especially relevant for taking a problem-solving perspective.

This pragmatic position allows us to develop our pluralistic framework, which aims to facilitate the creation of social value in low-income contexts. Although there are many practical and theoretical reasons why understanding the value creation logic for serving the BoP market is important, the main motivation behind this thesis stems

---

<sup>1</sup> The third word refers to those countries marked by crippling poverty that significantly impacts their internal socio-economic conditions and the global community.

from the urgent need to take action. Accordingly, we hope to provide knowledge, new insights, facts, and a practical guide.

## RESEARCH DESIGN

---

### ❖ **Business model as unit of analysis**

This thesis uses a business model as a unit of analysis. Thanks to its integrative and systemic attributes, it permits studying companies' business logic from different angles. As an operational concept representing corporate strategies and value-creation logics, it will be helpful to understand how MNCs serve the base of the pyramid by creating social value while capitalizing on those attempts. As the systemic representation of activities, it will explain external configuration and strategic boundary management to collectively pursue higher-order objectives (poverty alleviation).

A business model is heuristic and integral by nature in reason of its operative and theoretical characteristics. These attributes justify the proposition of a framework as a final product for explaining and dictating the business model of an MNC serving the BoP.

### ❖ **A qualitative study with a single case study and archival and documentary evidence.**

To achieve our research objectives, this work performs qualitative research reinforced by a case study and archival and documentary analysis methods. Given our pragmatism-driven approach that favors an abductive perspective, we adopted Ahrens and Chapman's (2006) definition. Hence, we define qualitative research as *"ongoing reflection on data and its positioning against different theories"* (Ahrens and Chapman, 2006, p. 820).

Congruently with this definition, we apply a case study for theory elaboration as described by Ketokivi and Choi (2014). Case study for theory elaboration aims to reconcile the general with the particular. Therefore, final results are grounded in the data, but they exhibit less emergence as a priori theoretical considerations guide them. Besides, the research question justifies the selection of a case study, particularly a single case study, since it requires examples of MNCs that have succeeded at the BoP. In this sense, the company (hereinafter referred to as Alpha) is extremely exemplary and unusually revelatory since most BMs targeted to the BoP have failed. Therefore, Alpha's worldwide success represents an unusual circumstance (Eisenhardt and Graebner, 2007; Yin, 2018) that will provide a better view and a deep understanding of our research phenomenon (Mariotto et al., 2014).

This thesis also relies on archival and documentary analysis as a complementary research method. Documentary analysis is a key source of data for qualitative research (Bryman and Bell, 2011) and a valuable data collection strategy for case studies (Fitzgerald, 2012). We applied them to gain insights from MNCs worldwide, data that is costly and hard to access.

## STRUCTURE OF THE THESIS

---

This thesis searches to explain how MNCs design and operationalize their BMs to create mutual value at BoP. As such, it is organized into three parts.

- ❖ **The first part reviews and discusses the role of business in society and the evolution of organizational value into a multidimensional concept.**

**Chapter 1** centers on presenting a literature review regarding the **role of business in society**. It addresses the debate about the purpose of business and its

contributions to social development. Moreover, it explains two approaches to creating social value for society: new organizational forms and new ways of doing business.

**Chapter 2** further explains the emergent way of doing business that conciliates the shareholder and stakeholder approaches by considering societies and businesses' interests as interconnected and synergistic. Hence, it presents CSR and its evolution from tactical to strategical, followed by a comprehensive explanation of **the market-based approaches to social development**, making a particular emphasis on four essential concepts: **the blended value proposition, the triple bottom line, creating shared value, and the base of the pyramid**. Furthermore, it **compares and delineates** those four concepts to clarify their differences and similitudes through a literature review and the application of a well-known methodology taken from nursing to analyze immature concepts.

❖ **The second part provides an overview of the business model concept and the theories underpinning the development of the analytical framework.**

**Chapter 3** provides an overview of business models by covering **the most salient definitions and research perspectives**. It also describes the origin and the classification of those understandings and approaches based on how they were abstracted from reality. That is, as narratives, archetypes, component-based, or meta-models. Then, this chapter **relates BMs, strategy, tactics, and business logic**. Later, it centers on the business models that follow heterogeneous logics and multiple values. Congruently, the last part explains **BM innovation at the base of the pyramid**.

**Chapter 4** introduces **two levels of analysis** in business models: **the level of the firm and the level of the network**. The firm-level analysis delves into an individual



enterprise's intrinsic value creation logic, while the network-level analysis expands to encompass the organization's broader relational ecosystem.

Beginning with an **intra-firm examination**, the chapter elucidates the mechanisms by which MNCs internally organize to foster mutual value at the BoP. In fulfilling this objective, the chapter undertakes several integral steps. First, it draws a comparative analysis between two market-based strategies for social development: creating shared value and the BoP approach. Second, it presents a **multidimensional conception of poverty**, articulating social value as the actualization of three fundamental dimensions of social development: sustenance, self-esteem, and freedom from servitude. Third, it offers an overview of **three value creation logics** described by Stabell and Fjeldstad (1998): chain, shop, and network. Finally, it synthesizes these constructs, identifying four overarching strategies and eleven tactics MNCs employ to generate mutual value.

Following the in-depth exploration of external organizational dynamics, Chapter 4 then **sets the stage for the second half of the framework**, which focuses on the external organization of business models. Serving as a prelude to the upcoming case study analysis, it provides a literature review from an **open system perspective of organizations, with a particular emphasis on organizational borders**. Consequently, it tackles key concepts, typologies of boundaries, and the mechanisms implemented to traverse these divides, thereby weaving a coherent narrative that encapsulates the complexities of business model organization and value creation.

- ❖ **The third section presents the product of this investigation: a framework to explain and guide mutual value creation at BoP, supported by a set of propositions.**

**Chapter 5** presents **pragmatism** as our research philosophy that relies upon a **qualitative analysis** through an **abduction approach** to describe and explain the phenomenon under study. Then, it justifies the selection of a methodology based on **archival and documentary research and a single case study**. Finally, it details the research process, explaining the development of **the analytical framework** and the different methodological choices regarding data gathering and analysis. The empirical fieldwork continued from this revised theoretical platform.

**Chapter 6** is devoted to analyzing our **single case study**, which contains **four BMs or mini cases**. Here, we applied an **intra-firm perspective** to shed light on the strategies and tactics to create mutual value in the value proposition, value constellation, and value capture elements of BMs. We compare these strategies with those suggested by Porter and Kramer (2011) to create shared value. Finally, we applied an **inter-firm perspective** to study the strategic management of organizational boundaries to define BMs' content, structure, and governance elements.

**Chapter 7** presents **the final framework**. It is made up of the combination of two interlinked dimensions and nine elements that support the creation of mutual value. Additionally, this chapter offered propositions to facilitate the framework's applicability and spur future research.

❖ **The conclusion presents the contributions, limitations, and future research.**

The general conclusion revisits the main details that inspired this thesis and synthesizes the answers to the research questions. Besides, it presents the contributions, the applicability of the results, and possible avenues for future research.

---

## **GENERAL INTRODUCTION**

---

### **FIRST PART: UNDERSTANDING THE ROLE OF BUSINESS IN SOCIAL DEVELOPMENT**

Chapter 1: The purpose of business

Chapter 2: Organizational value creation

---

### **SECOND PART: BUSINESS MODELS FROM A FIRM AND NETWORK PERSPECTIVE**

Chapter 3: Understanding business models

Chapter 4: The internal and external organization of business models

---

### **THIRD PART: EMPIRICAL ANALYSIS**

Chapter 5: Methodology

Chapter 6: The case

Chapter 7: The final framework and propositions

---

## **GENERAL CONCLUSION**

---

Table 1: The structure of the thesis

## **FIRST PART: UNDERSTANDING THE ROLE OF BUSINESS IN SOCIAL DEVELOPMENT**

---

---

## **GENERAL INTRODUCTION**

### **FIRST PART: UNDERSTANDING THE ROLE OF BUSINESS IN SOCIAL DEVELOPMENT**

Chapter 1: The purpose of business

Chapter 2: Organizational value creation

---

### **SECOND PART: BUSINESS MODELS FROM A FIRM AND NETWORK PERSPECTIVE**

Chapter 3: Understanding business models

Chapter 4: The internal and external organization of business models

---

### **THIRD PART: EMPIRICAL ANALYSIS**

Chapter 5: Methodology

Chapter 6: The case

Chapter 7: The final framework and propositions

---

## **GENERAL CONCLUSION**

---

## INTRODUCTION OF THE FIRST PART

---

*"The modern corporation may be regarded not simply as one form of social organization but potentially (if not yet actually) as the dominant institution of the modern world" (Berle and Means, 1991, p. 313)*

The first part presents half of the theoretical framework underpinning this thesis. Spanning two chapters, this part goes from general to particular to cover the most relevant aspects of the literature on organizational value creation, namely, the purpose of businesses and their role in society and social development, as well as the various approaches that companies employ to reconcile contrasting objectives and create value for both society and them.

Hence, **chapter 1** delves into the evolving role of businesses as crafted by societal expectation, tracing the transformation of their purpose in response to these changing demands, ultimately arriving at the contemporary expectations for companies to contribute to social development. After recognizing social responsibility as an essential aspect of modern business, the rest of the chapter further explores the various approaches for effectively pursuing dual objectives within organizations.

Then, **chapter 2** spotlights market-based approaches to social development, which have emerged as alternatives to the two prevailing theories on organizational value creation: stakeholder and shareholder theory. As a result, this chapter seeks to clarify the often-blurred distinctions between the lexicon related to value creation by for-profit companies: the blended value, the triple bottom line, creating shared value, and the base of the pyramid.

Gaining a more nuanced understanding of the overlap, differences, and relationships among organizational value creation approaches will contribute clarity and direction

to our research project in at least two significant ways. Firstly, by delineating the BoP as a distinct concept and identifying mutual value as the unifying outcome across these approaches, we justify our emphasis on mutual value and the BoP in our central research question: How do multinational corporations create mutual value at the base of the pyramid? Secondly, by answering the questions of how organizational value creation concepts, such as BoP, CSV, BVP, and TBL, differentiate from one another, we address one of our secondary research questions.

## **Chapter 1: THE PURPOSE OF BUSINESS**

### **Chapter introduction**

MNCs are well-positioned to contribute to poverty alleviation as for-profit organizations. This chapter briefly outlines the ongoing debate surrounding the purpose of business and its role in social development and introduces two approaches for creating social value: the emergence of new organizational forms and the development of innovative business practices. The latter approach serves as the foundation of this work, as it aims to understand how incumbent corporations strike a balance between monetization and more commendable objectives.

### **SECTION 1: BUSINESS CONTRIBUTION TO SOCIETY**

---

#### **1.1. Great societal expectations**

In today's interconnected world, societal expectations of business conduct are multifaceted, encompassing both formal legislative requirements and informal channels, such as activist demands for addressing social needs (Justice, 2006). The manner in which MNCs respond to these expectations, either by demonstrating a commitment to addressing social concerns or by displaying indifference, can significantly influence their corporate brand reputation, for better or worse (Adams, 2017). Despite being the for-profit organizations most capable of engaging with social issues, MNCs remain vulnerable to reputational damage stemming from allegations of human rights violations, environmental degradation, or involvement in corrupt practices. Consequently, navigating the complex landscape of societal expectations and maintaining a positive brand reputation are critical challenges for MNCs in the modern era.



For instance, the northern Mexican city of Monterrey recently experienced a severe water shortage, leaving over a million inhabitants without access to water for drinking, bathing, dishwashing, or sanitation. Concurrently, beverage companies like Coca-Cola and Heineken continue to produce and extract billions of liters of groundwater due to existing legal permissions. However, these concessions surpass the state's water capacity, leading to a corruption scandal implicating Monterrey's director of water and drainage (also the founder of Arca Continental, one of Coca-Cola's bottlers) and increased pressure from activists accusing the company of exploitation using the phrase "It's not drought, it's plunder" (No es sequía, es saqueo). To mitigate potential damage to its brand value, Coca-Cola announced that Arca-Continental would reduce its water usage by 28% during the ongoing drought.

Although Coca-Cola is not directly responsible for this situation, operating through third-party bottling facilities, it has been held accountable for the actions and decisions of its strategic partners. This example underscores the heightened expectations that contemporary society holds for businesses, requiring for-profit organizations to scrutinize not only their own performance but also the behavior of actors within their value network.

As CSR becomes increasingly complex, the question arises: what is reasonable to expect from businesses? By examining the purpose and role of business in society, we aim to provide clarification.

## **1.2. The purpose of business: a brief historical perspective**

The discussion surrounding the purpose of business has been ongoing for centuries. Numerous authors have endeavored to answer this question, including Adam Smith in his seminal work, "The Wealth of Nations" (1776). Smith position that:

*"It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities but of their advantages. Nobody but a beggar chooses to depend chiefly upon the benevolence of his fellow-citizens" (Smith, 2007, p. 31).*

According to Smith, societal gains materialize as incidental outcomes of companies' pursuit of self-interest, manifesting in the form of consumption opportunities and employment. Smith's perspective, which seemingly lacks an ethical or moral underpinning, is often cited in arguments that advocate for profit maximization as the sole objective of businesses.

However, recent interpretations of Smith's work have adopted a more comprehensive approach, acknowledging his contributions to business ethics, CSR, and stakeholder theory. This broader understanding is primarily attributed to the reemergence of his book, "The Theory of Moral Sentiments", published in 1759. This work complements Smith's concept of the economically-driven individual by highlighting the importance of considering the consequence of one's actions on others (Brown and Forster, 2013):

*"What is the reward most proper for encouraging industry, prudence, and circumspection? Success in every sort of business. And is it possible that in the whole of life these virtues should fail of attaining it? Wealth and external honors are their proper recompense, and the recompense which they can seldom fail of acquiring. What reward is most proper for promoting the practice of truth, justice, and humanity? The confidence, the esteem, and love of those we live with. Humanity does not desire to be great, but to be beloved. It is not in being rich that truth and justice would rejoice, but in being trusted and believed, recompenses which those virtues must almost always acquire" (Smith, 2005, p. 147).*

Smith's nuanced perspective characterizes enterprises as individual businesses embedded within the larger societal fabric and subject to its moral demands (Gonin, 2015). In a work that *"will perhaps rank with Adam Smith's Wealth of Nations as the first detailed description in admirably clear terms of the existence of a new economic epoch"* (Frank, 1933, p. 989), Berle and Means argue that corporations should serve not only their shareholders and the executives but society as a whole (Hessen, 1983; Jones et al., 2017).

Berle and Means' perspective is grounded in the evolution of businesses from small owner-controlled enterprises, as conceptualized by Adam Smith, to large corporations governed by boards of directors and executives who may not necessarily possess property rights within the organization. Instead, ownership is distributed among numerous stakeholders.

*"The control groups have, rather, cleared the way for the claims of a group far wider than either the owners or the control. They have placed the community in a position to demand that the modern corporation serve not alone the owners or the control but all society".*(Berle and Means, 1991, p. 312)

The emergence of modern corporations has transformed the nature of profit-seeking entities. In the past, the motivation for profits and the risk of loss drove small, individually controlled enterprises to produce goods that were most urgently desired by consumers. However, the separation of ownership and control within contemporary corporations necessitates a balance between various stakeholders' claims, requiring the allocation of portions of the income stream based on public policy rather than private interests (Berle and Means, 1991).

In a similar vein, Barnard, in his book *"The Functions of the Executive"*, posits that *"it is impossible by definition that formal organization can act without the moral element"* (Barnard, 2002, p. 201). He asserts that fundamental purpose of a business

is to serve its clients, employees, and the community, positioning firms as means to larger ends rather than ends in themselves (Jones et al., 2017).

The debate surrounding the social responsibilities of businesses can be traced back to the early works of Berle and Means in 1932 and Barnard in 1938, which served as foundational contributions to the discourse on the role of firms in society. Subsequently, Bowen emerged as a pivotal figure in this area, earning the title of the "father of CSR" (Carroll, 1999) due to his groundbreaking efforts in defining the social responsibilities of business (Carroll, 2008). In 1953, Bowen further solidified his influence in the field with the publication of his book "Social Responsibilities of the Businessman," which asserted:

*"[A] large numbers of business leaders publicly acknowledged and actively preached the doctrine that they are servants of society and that management merely in the interests (narrowly defined) of stockholders is not the sole end of their duties. Indeed, discussion of the "social responsibilities of business" has become not only acceptable in leading business circles, but even fashionable. Many heads of major corporations have made eloquent and apparently sincere expressions of the obligations of business to society at large, introducing a positive and constructive note into the social thinking of businessmen"* (Bowen, 2013, p. 44).

Bowen's proposition that companies should align their policies, decisions, and actions with the objectives and values of society (Bowen, 2013) marked a turning point in the discourse on corporate behavior. In the wake of his work, other authors such as Eells, with his 1956 publication "Corporation Giving in a Free Society," and Selekman, through his 1959 work "Moral Philosophy for Management," contributed to the growing interest in examining the relationship between business and society (Latapí Agudelo et al., 2019). This period, spanning from 1953 to 1967, has come to be known as the "awareness era", characterized by the recognition of the overarching responsibility of businesses in addressing societal needs and engaging in community affairs (Carroll, 2008).

During the subsequent period from 1968 to 1973, referred to as the "issue era", companies started to focus on addressing specific challenges, such as urban decay, racial discrimination, and pollution (Carroll, 2008). However, as this era drew to a close, the classical perspective on the role of businesses in society experienced a resurgence with Milton Friedman's now-iconic statement. In response to the growing discourse on corporate social responsibilities among scholars and practitioners, Friedman asserted, *"there is one and only one social responsibility of business – to use its resources and engage in activities designed to increase its profits"* (Friedman, 1970, p. 7).

Friedman's argument rests on several core principles (Bamber and Borchers, 2020):

1. Businesses, as entities, cannot have social responsibilities; rather, these responsibilities are only attributable to individuals. However, despite being individuals, corporate executives possess a unique responsibility as company representatives; that is, to conduct business to maximize profits while adhering to society's fundamental rules, including legal and ethical norms.
2. When companies allocate funds to social responsibility initiatives, they are essentially using the owners' money, potentially without consent.
3. The guise of social responsibility undermines the foundation of a free society.

Under Friedman's perspective, the ethical guidelines to which organizations must adhere mirror those of the nineteenth-century economy: upholding the principles of private property, adhering to contractual obligations, and avoiding deception and fraud (Bowen, 2013). However, this viewpoint presents challenges when conflicts emerge between individual and societal interests. The recent "dieselpgate" scandal

involving Volkswagen exemplifies the propensity of corporations to engage in deceptive practices that undermine the interest of society at large.

The "dieselgate" scandal, which unfolded in 2015, exposed the misleading actions of Volkswagen, a leading global automaker. The company installed software, known as "defeat devices", in its diesel vehicles to manipulate emissions tests, creating the illusion of compliance with environmental regulations. In reality, these vehicles emitted pollutants, predominantly nitrogen oxides, at levels significantly higher than the legal limits, posing substantial risks to public health and the environment. Volkswagen faced extensive consequences, including billions of dollars in fines and settlements, the recall of millions of vehicles, and substantial damage to its reputation and public trust. This scandal highlights the limitations of adhering to the "avoiding fraud" principle when companies prioritize profit maximization.

In response to such corporate malfeasance, Freeman (1984) proposed the stakeholder theory (SkT) as a means of promoting ethical behavior and a broader commitment to serving society. According to Freeman, beyond profitability, the primary purpose of business is to manage stakeholder interests. The SkT, therefore, *"takes into account all of those groups and individuals that can affect, or are affected by, the accomplishment of organizational purpose"* (Freeman, 1984, p. 25). As each of these groups plays an integral role in the success of a business enterprise, they have a stake in the modern corporation and have the right to benefit from its operations.

The emergence of the shareholder and stakeholder theories has risen to a contemporary debate concerning the purpose of business, marking three distinct stages in the evolution of capitalism: 1.0, 2.0, and 3.0 (Scharmer, 2010). Capitalism 1.0 embodies the free market or laissez-faire approach, where profit maximization is the sole objective. Capitalism 2.0 adopts a more regulated stakeholder perspective, emphasizing redistribution. Meanwhile, capitalism 3.0 envisions an intentional,

inclusive ecosystem economy that enhances collaboration and innovation across all sectors of society.

The two first stages of capitalism's evolution illustrate the divergent viewpoints within the "Friedman-Freeman debate". On one side, proponents of Friedman's perspective advocate the first stage of capitalism, asserting that the primary goal of organizations is to maximize profits. Conversely, Freeman's supporters advocate for the second stage, contending that businesses have a wide range of responsibilities towards various stakeholders.

The third iteration of capitalism is still in its nascent stage. The concept of inclusive capitalism draws inspiration from the work of management scholars, among them John Elkington, Mackey and Sisodia, Roche and Jakub, Bamber and Borchers, and Donaldson and Walsh. Elkington – who introduced the TBL framework – posited that capitalists could hold forks with three prongs: economic prosperity, environmental quality, and social justice, thereby transitioning from an exclusive, shareholder-centric model to an inclusive one (Elkington, 1998a). Consequently, business objectives should not be evaluated solely by profit and loss metrics; instead, they must consider the well-being of billions of individuals and the health of our planet (Elkington, 2018).

Mackey and Sisodia introduced the concept of conscious capitalism, emphasizing the importance of caring for others as a primary motivation for businesses. They argued that a narrow focus on profits could hinder business growth and value creation (Bamber and Borchers, 2020). Consequently, companies should pursue a higher purpose that extends beyond profit generation, encompassing the creation of various forms of wealth and well-being. These include financial, intellectual, social, cultural, emotional, spiritual, physical, and ecological benefits for society, partners, investors, customers, and employees (SPICE) (Mackey and Sisodia, 2013; Sisodia,

2011). By placing society at the forefront, businesses can ensure a positive net impact on the world (Sisodia, 2011).

Roche and Jakub expanded upon the notion of complete capitalism, wherein companies simultaneously pursue profits and mutual benefits for people and the planet by recognizing and managing multiple forms of capital (Roche and Jakub, 2017). They argue that financial capital is only one aspect that frequently limits the business view; hence, firms should broaden their perspective by considering human, social, and natural capital. Bamber and Borchers (2020) proposed using Scriptures as a moral framework to supplement economic gains with deeper spiritual objectives, emphasizing value creation, people care, and earth stewardship.

As the third iteration of capitalism evolves, Donaldson and Walsh advocate for a new business theory capable of *"harboring our dreams for business practice that promotes social harmony, environmental stewardship and at the same time, economic prosperity"* (Donaldson and Walsh, 2015, p. 184). This emerging theory posits that businesses should optimize collective value, that is, the net benefits for all participants minus any aversive business outcomes. In doing so, this approach underscores the various types of value created for different stakeholders. Furthermore, Donaldson and Walsh caution against conflating a firm's purpose with the broader purpose of business. While firms must pursue profits, they should also recognize that their ultimate justification, from a societal standpoint, lies in their contribution to collective value.

A paradigm shift is underway in our understanding of businesses' roles in society. Numerous firms are exploring ways to balance focal and contextual purposes, with some focusing on maximizing shareholder returns within legal boundaries, while others strive for a more direct social impact or adopt a mission infused with a social purpose. Regardless of the approach, "it is very difficult for companies—particularly publicly traded ones—to sustain commitments to virtue over the long run" (O'Toole



and Vogel, 2011, p. 66). Despite numerous companies falling short in their societal commitments, dual-purpose experimentation characterizes contemporary capitalism.

The business landscape has evolved significantly since Milton Friedman's (1970) influential assertion that companies should prioritize shareholder profit maximization. Factors such as a legitimacy crisis, social pressure, increased competition, and shifting mindsets among managers and customers have led for-profit organizations to re-evaluate the extent of their responsibilities. Consequently, a new business approach has emerged that transcends shareholder interests and seek to serve all stakeholders, including marginalized groups (Hart and Sharma, 2004).

The organizational management literature increasingly concurs that the purpose of business extends beyond traditional economic objectives (Santos et al., 2015; Sheth, 2020). This expanded purpose encompasses serving people and preserving the planet, reflecting a more holistic understanding of business's role in society.

### **1.3. The role of business in society**

Defining the role of business in society is a complex endeavor. While most scholars concur that the primary purpose of business minimally involves value creation, contemporary discourse is mired in ambiguity (Donaldson and Walsh, 2015). On one hand, there are those who fear the impact of business; on the other hand, those who seek a corporate contribution to social development. Figure 1 illustrates the decline in business confidence over the past two decades. Despite focusing solely on the United States, this trend reflects a growing global sentiment.

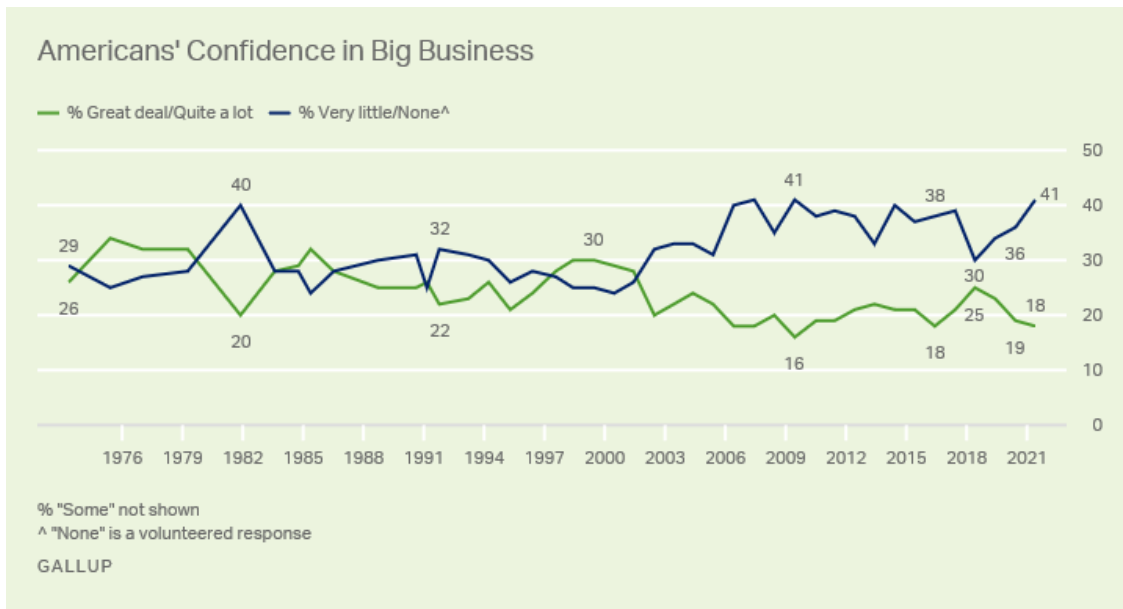


Figure 1: United States' confidence in corporation (Saad, 2021)

While confidence in the private sector has been waning, the 2022 Edelman Trust Barometer indicates that society still expects more from corporations. According to this survey, businesses are the most trusted organizations, surpassing NGOs, government, and media outlets. They are also deemed the most suitable entities for spearheading cross-sectoral efforts to address societal challenges (Edelman, 2022). Despite the prevailing mistrust, society continues to hope that economic actors will play a transformative role in resolving pressing human issues.

This rising demand for businesses to serve as catalysts for sustainable development has gradually altered the prevailing business logic (Sullivan et al., 2018). One of the most notable examples of this evolution is the UN Global Compact, which represents the world's largest voluntary corporate responsibility initiative aimed at advancing the SDGs. Table 2 provides an overview of these goals.

Number	Description of the goal
Goal 1	No Poverty
Goal 2	Zero hunger
Goal 3	Good health and wellbeing
Goal 4	Quality education
Goal 5	Gender equality
Goal 6	Clean water and sanitization
Goal 7	Affordable and clean energy
Goal 8	Decent work and economic growth
Goal 9	Industry, innovation, and infrastructure
Goal 10	Reduced inequalities
Goal 11	Sustainable cities and communities
Goal 12	Responsible consumption and production
Goal 13	Climate action
Goal 14	Life below water
Goal 15	Life on land
Goal 16	Peace, justice, and strong institutions
Goal 17	Partnerships for the goals

Table 2: The sustainable development goals (Department of Economic and Social Affairs and United Nations, 2022)

All 17 SDGs are vital for achieving sustainable development; however, they have not been addressed with equal attention and enthusiasm. Researchers – especially in strategic management- have displayed a greater interest in studying SDGs 7 (affordable and clean energy), 9 (Industry, innovation and infrastructure), 12 (responsible consumption and production), and 13 (climate action) (Mio et al., 2020; Sullivan et al., 2018). Conversely, companies have prioritized SDGs 8 (decent work and economic growth), 13 (climate action) and 12 (responsible consumption and production). The least studied SDGs include Zero Hunger (SDG2), Life Below Water (SDG14), No Poverty (SDG1) and Life on Land (SDG15) (PWC, 2019), underscoring that poverty, the central topic of this thesis, remains under-researched.

The unequal focus on various SDGs has resulted in a scarcity of specific guidelines for directly and indirectly supporting the delivery of each goal (Sullivan et al., 2018). Thus, there remains an urgent need to study and design replicable, scalable initiatives to prevent harm to people and the planet (UN Global compact, 2021). In response to this challenge and the normative pressure on firms to act as agents of global benefit, it is unsurprising that companies have begun adopting diverse CSR initiatives (Donaldson and Walsh, 2015). This trend has led to an expansion in the range of CSR practices (Payaud et al., 2014); with companies increasingly aligning their actions with the overarching goals of sustainable development (Martinuzzi and Krumay, 2013).

The relation between CSR and SDGs has indeed emerged as a central research topic in the literature exploring the role of business in sustainable development (Mio et al., 2020). This relationship offers a promising avenue for companies to address global challenges, wherein the implementation of SDGs could improve CSR (Schönherr et al., 2017) and contribute to the development of the third world countries (Payaud et al., 2014). In this context, several CSR practices for social development have been identified, which include: considering the impacts on diverse societal groups, connecting business processes to macro-ecological processes (Whiteman et al., 2013), incorporating social objectives as an integral part of organizational activities, and devising strategies aimed at reaching the BoP.

This variety of practices has led to the identification of four types of corporate social responsibility: cosmetic, peripheral, integrated, and CSR-BoP (Gimenes and Payaud, 2017; Martinet and Payaud, 2008; Payaud et al., 2014). Cosmetic CSR refers to superficial actions that primarily aim to fulfil legal conditions without a long-term engagement with stakeholders, possessing affective and symbolic meanings. Peripheral CSR encompasses more meaningful actions than cosmetic CSR, yet these actions lack a direct connection with the company's core activities. Integrated CSR activities relate to the business's core competencies and are frequently

included in the KPIs tools. Finally, CSR-BoP comprises advanced strategies designed to assist populations in extreme poverty by offering solutions tailored to their basic needs. While the first two stages focus on doing good or avoiding harm, the latter two guide business strategy and dictate performance.

Economic and business activities undeniably contribute to global improvement (Donaldson and Walsh, 2015). The role of business in society is to act as an agent of change and mutual value creation and serves as a transformational force. In return, proactive sustainability practices offer strategic and economic advantages for firms (Sullivan et al., 2018). Although organizations across various sizes and industries play a role in social development (Mio et al., 2020), it is multinational corporations that possess the substantial capacity to implement large-scale solutions (Sachs, 2012).

Furthermore, the scale of MNCs' operations often results in a significant impact on countries' GDP. Consequently, they possess the power to influence the communities within their operational areas and the entire planetary ecosystem (Szennay et al., 2019). However, further research is needed to comprehend, accelerate, and materialize these opportunities (van Zanten and van Tulder, 2018). Numerous gaps remain concerning the balance and integration of business processes with economic and social sustainability in relation to business models and/or specific industries (Mio et al., 2020).

## **SECTION 2: CONCILIATING ECONOMIC AND SOCIAL OBJECTIVES**

---

A dual purpose characterizes contemporary businesses and shapes society's expectations. However, at some point, managers may confront the critical decision of prioritizing between creating value for the company and generating value for society (Santos et al., 2015). To circumvent such dilemmas, organizations can

explore alternative approaches, including adopting new organizational forms and developing innovative methods of conducting business.

## 2.1. Organizational forms

Organizational forms provide order and structure to distinct spheres of organizational life (Battilana and Lee, 2014). As shown in table 3, traditional organizations can be classified into one of the three economic sectors: private, public, and the third sector.

CORE ELEMENTS	PRIVATE ORGANIZATIONS PRINCIPLES	PUBLIC ORGANIZATIONS PRINCIPLES	NON-PROFIT ORGANIZATIONS PRINCIPLES
1. Ownership	Shareholders	Citizens	Members
2. Governance	Share ownership size	Public elections	Private elections
3. Operational priorities	Market forces and individual choice	Public service and collective choice	Commitment about distinctive mission
4. Distinctive human resources	Paid employees in managerially controlled <i>Firm</i>	Paid public servants in legally backed <i>Bureau</i>	Members and volunteers in <i>Association</i>
5. Distinctive other resources	Sales, fees	Taxes	Dues, donations, and legacies

Table 3: Ideal type sectors (Billis, 2010)

Billis (2010) employs two variables: structural elements and distinctive principles, to describe archetypical organizations belonging to each sector:

- Private organizations adhere to market forces in order to maximize financial return and generate revenue from sales and fees. They are owned by shareholders, governed according to the size of share ownership, and integrated by paid employees.

- Public organizations follow the principles of public benefit and collective choice. They are owned by citizens and the state, founded through taxation, and integrated by public workers.
- NPOs (third sector) pursue social and environmental goals, deriving revenue from membership fees, donations, and legacies. They are owned by members, governed by the private election of representatives, and integrated by a combination of employees and volunteers.

Organizational forms that do not align with the categories mentioned above are hybrids (Austin et al., 2006; Doherty et al., 2014). Hybrid organizations, as the name suggests, combine dual logics of value creation (social and economic), operate across sectors, and run commercial operations to address societal issues. Although their origin can be traced back to the 19th century, with legal forms such as cooperatives or mutual companies (Santos et al., 2015), the number of hybrid organizations has dramatically increased in recent decades, mainly because many traditional civil society organizational forms such as NPOs, NGOs, charities, and for-profit enterprises have begun to identify themselves as hybrids (Trivedi, 2010).

Social enterprises are frequently highlighted in literature as the quintessential example of hybrid organizations. These enterprises seek to achieve social goals through commercial initiatives and BMs. However, reconciling contrasting objectives presents unique challenges to their sustainability. One common pitfall identified in the literature is the inclination to prioritize one dimension of value. This can result in either an excessive focus on the social mission, often to the detriment of economic gains and sustainability, or an overemphasis on the social component, leading to mission drift (saraç, 2021). In the latter case, the goal of advancing the organization may inadvertently become an end itself, at the expense of social value creation (Austin et al., 2006).

Acs and colleagues (2013) address the mission drift tendency by categorizing entrepreneurship into productive, unproductive, and destructive types, with an additional focus on value creation or destruction. Productive SEs represent the ideal type as they generate both social and economic value. In contrast, unproductive SEs generate only economic value without contributing to social value, and destructive SEs not only fail to create social value but destroy it. Evidently, developing productive SEs to achieve hybridity poses a significant challenge in practice. Consequently, further empirical and conceptual research is needed to enhance our understanding of the broader organizational conditions that foster the success of social enterprises (Ebrahim et al., 2014).

In recent years, new legal forms have appeared to facilitate organizations' pursuit of hybridity, such as L3C, CIC, and benefit corporations (Ebrahim et al., 2014):

- The benefit corporation, established in 2010 in the United States, serves as a new entity with the corporate purpose of creating a substantial positive impact on society and the environment. Under this structure, corporations can hold directors accountable for failing to make a positive societal impact or for not considering employees, communities, and the environment in their operational and financial decisions. Furthermore, they can determine which interest (economic or social) carries more weight in decision-making (Artz et al., 2012). It is crucial to distinguish between benefit and B corporations, as the latter represents a private certification evaluating for-profit companies' social and environmental performance.
- The L3C, introduced in 2008 in the United States, exists to deliver societal benefits. Both L3Cs and benefit corporations share the principle that profit cannot be the exclusive driver of the firm. However, L3Cs take it a step further by specifying the order of fiduciary responsibility: societal interests take



precedence, and investor gains are allowed but cannot be a primary purpose (Artz et al., 2012).

- The CIC, or community interest company, was created in 2005 in the UK as a public-purpose social enterprise with an asset lock. This legal clause restricts a company from using its cash assets to benefit private individuals or companies. Consequently, CICs operate exclusively for the community's benefit and reinvest profits in the business or the community at large (Mason, 2020).

As the social business landscape has evolved over time, encompassing various legal forms and integrating a wide range of business techniques (Grove and Berg, 2014), the organizations within this domain have also developed distinct strategies to navigate this dynamic environment. A key aspect of these strategies lies in the management of equity, which can be classified into three primary categories. The first category, also called no-loss, no-dividends business models (Ballesteros-Sola, 2015), tackles various poverty-related challenges such as poverty, education, health, technology access, and environmental issues (Grove and Berg, 2014). This approach precludes dividends distribution, limiting investors' returns to the repayment of their initial investments, while surpluses are reinvested to enhance the product or service quality or fund new social ventures (Yunus et al., 2010).

The second category involves profit-making companies owned directly by low-income individuals or through a trust. Although these businesses generate dividends, they can still be considered social enterprises because the profits accrue to low-income owners, thereby improving their social condition (Michellini and Fiorentino, 2012). Lastly, the third model allows investors to earn profits within a predefined limit and exclusively as a secondary goal, the primary focus is to generate a social impact; this category includes legal forms such as benefit corporation and L3Cs.

In essence, social enterprises may pursue varying degrees of cost-recovery, from partial to full cost-recovery, or even exceeding full cost-recovery (dividends) (Yunus, 2006).

Another form of classifying social enterprises is measuring the degree of integration between the revenue model and the social mission. Under these parameters, research distinguishes three types of hybrid organizations: integrated, differentiated (Ebrahim et al., 2014), and partially integrated (Gamble et al., 2020):

- Integrated: social missions merge with the revenue models. Hence, these SEs achieve their mission by integrating beneficiaries as customers. Microfinance is an example.
- Differentiated: these SEs separate social activities from the commercial revenue model. Therefore, customers and beneficiaries are two distinct groups (Ebrahim et al., 2014). The profits generated by commercial activities - for example, by selling products and services -are used to fund social activities that help beneficiaries who do not pay for the goods or services.
- Partially integrated: the social mission aligns with the revenue model, but the revenue model is not dependent upon the social mission. In other words, the economic and non-economic value propositions recombine resources and create more value (better reputation, positive internal identity); however, they are ultimately separable (Gamble et al., 2020) since they are synergistic but not dependent. For example, a distributor promotes green products; this helps him with a better image. Nevertheless, a significant part of his revenue comes from selling ordinary products.

Similarly, Santos and colleagues (2015) classify social enterprises considering two dimensions - value spillover and degree of overlap between clients and beneficiaries

- they identify four models: market hybrids, blending hybrids, bridging hybrids, and coupling hybrids.

- Market hybrids: beneficiaries are clients that pay for a product or service for which the value spillovers (social benefit) happen automatically without requiring additional interventions. This type of SEs is close to pure commercial models, with the difference being that the organization adopts a social mission. An example is BOP initiatives for access to essential services. As the benefit comes from consumption, the more products sold, the more societal impact is generated. Market Hybrids can thus focus their attention on commercial activities because perfecting and scaling them will generate revenues (and potentially profits) and directly contribute to societal impact.
- Blending hybrids: like market hybrids, beneficiaries are clients that pay for a product or service. However, social benefits do not happen automatically; it requires mentoring actions, that is, additional interventions such as training or community outreach. Examples are microfinance, education, and social inclusion organizations that require changes in behavior on the part of clients for impact to happen. Such a dedicated social-oriented intervention often exposes blending hybrids to a higher risk of mission drift because the additional activities required to generate impact do not contribute to generating revenues and thus face the risk of being neglected.
- Bridging hybrids: integrate the needs and resources of clients and beneficiaries who belong to different groups. A variant is the BM of cross-segment subsidy, in which a high-profit margin client subsidizes the offering to the low-income segment; an example is: buy one, offer one. In this model, the risk of mission drift is significant due to the danger of prioritizing the needs of commercial clients over beneficiaries due to resource dependence patterns.

- Coupling hybrids: also have different clients and beneficiaries. The difference is that social value creation does not happen automatically; it requires specific social interventions alongside commercial operations. Reaching financial sustainability is difficult for coupling hybrids, given the additional costs of the interventions to generate impact. This sustainability challenge usually requires that governments or private donors subsidize the interventions.

Also, inclusive businesses are considered social enterprises that focus on low-income communities (Ingram, 2016; Michelini and Fiorentino, 2012). They are frequently implemented by either commercially viable SEs wishing to serve broader markets and achieve higher returns or highly profitable companies that want to deepen their reach towards more valuable social contributions (Schramm, 2012). Strategically, when MNCs wish for positive social impact, they choose to implement hybrid BMs, frequently inclusive and social business models (Michelini and Fiorentino, 2012). IBMs contribute profitably toward poverty alleviation by including the poor within the value chain as consumers, suppliers, or employees.

Recently, Ranjatoelina (2017) extended the concept to include all human beings suffering market discrimination due to their situation of poverty, labor exclusion, or vulnerability. Accordingly, Michelini and Fiorentino (2012) considered that the target market of IBM includes all economic sectors, whereas, they argue, social BMs predominantly serve the low-income sector. Another relevant difference is their economic features; IBMs focus on profit maximization and dividends, and social BMs focus on repaying investments and reinvesting in the business. Furthermore, in most cases, social BMs imply a new legal structure (third company), while IBM frequently relates to establishing a new strategic business area (Michelini and Fiorentino, 2012). We will go deep into explaining IBMs in the second part of this thesis.

The variation in implementing social and inclusive BMs is summed up by the differences between social and commercial entrepreneurship. First, both aim at

concrete targets: for-profit organizations have a mission of profit, whereas social entrepreneurs always act to reach an objective of social value creation. The second difference relates to profit distribution; a significant part of the economic profit generated by the commercial activities of a social venture is reinvested in the social mission, whereas in a traditional commercial venture, profit is distributed to shareholders or reinvested in the commercial activities of the company (Bacq and Janssen, 2011). Besides, market forces neither reward social enterprises' high performance nor punish poor performance as much or as readily as purely commercial organizations (Austin et al., 2006) many SEs that are inefficient or ineffective at delivering their services can continue operating for some time.

The literature shows that hybridity trespasses legal forms of organizing, covering different sectors and types of business models. As a result, it is not viable to narrow the creation of social benefits to a particular kind of structure.

### 2.1.1. New forms of doing business

As figure 2 shows, a practical method to compare and map different types of organizations is to analyze how they manage the tradeoff between social and economic objectives.

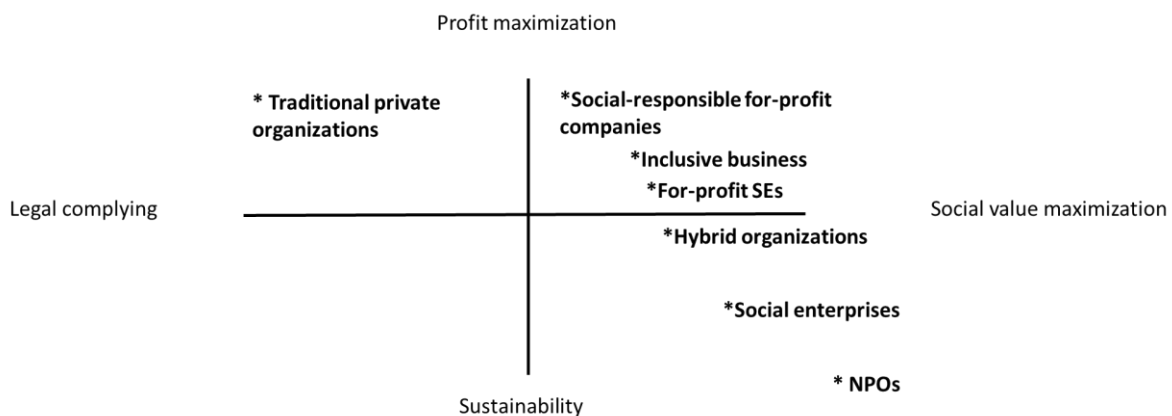


Figure 2: The balance of social and economic goals

As shown in figure 2, all the organizations are involved in economic value creation, except for the NPOs. Besides, all the organizational forms pursue social value creation objectives, except for traditional for-profit companies, which despite having CSR, do not pursue social value creation as an objective but as a tool to control externalities. Moreover, depending on the mission, resources, and capacity, different types of enterprises focus on creating social value at various degrees and levels: They may prioritize social value at the expense of economic gains or try to obtain equilibrium between both. They can also start creating value that could be beneficial at different levels, starting from individuals, community, state, and national to the international level (Singh, 2016).

Another advantage of comparing different organizations on how they balance institutional logics is that it gives a place to socially responsible corporations. Recently, the number of companies engaged with higher levels of CSR has grown, thanks to new forms of understanding of business such as "doing well by doing good", "win-win-win scenarios", or "good ethics pay" (Lynn, 2021). All these terms refer to organizations implementing CSR and environmentally sustainable behaviors while simultaneously pursuing profit-making activities (Camilleri, 2022).

In this scenario, the concept of social intrapreneurship takes relevance. It refers to established organizations leveraging their resources and capabilities to enact social change (Geradts and Alt, 2022). Through social intrapreneurship, for-profit companies can adopt hybrid goals without changing their legal identity. Indeed, the emergence of approaches that capitalize on the self-interest of these types of organizations, especially MNCs, such as CSV, and the BoP, have multiplied the emergence of initiatives aimed at creating social value as a catalyst of higher economic performance, competitive advantage, and innovation.

Recently, Meyer (2015) distinguishes those companies considering "doing good" as a strategic tool for profit maximization from those in which social value creation is a

priority. SEs accept lower profits or slower growth because they want to "do good" since profitability is a consequence and not the primary reason to exist. On the other hand, for corporations, social good is a means for improving economic performance; i.e., benefiting society is often a secondary gain (Certo and Miller, 2008).

Nevertheless, in terms of effectiveness, the most significant agents for sustainable change are unlikely to be well-intentioned social entrepreneurs (The Economist, 2008). It is much more likely that large companies improve more lives than any SE by creating better products or reaching new markets; *"to argue otherwise is to place sentimentality above the hard logic of scale"* (Auerswald, 2009, p. 52). The existence of commercial activities in markets and the eventual reinvestment of residuals do nothing less than creating the possibility for economic growth and social progress (Auerswald, 2009).

The reframing of business as an agent of social development is premised on two assumptions: 1) companies can leverage resources and expertise more efficiently and effectively, and 2) corporate profit and social goals are synergistic (Porter and Kramer, 2011; Schoneveld, 2020; van Westen et al., 2019).

### **SECTION 3: RECONCEPTUALIZING SOCIAL VALUE AS POVERTY ALLEVIATION**

---

In a broad sense, any positive societal or environmental outcome from business activities may be considered social value. Recently, this concept has started to be narrowed as the product of any entrepreneurial activity that, addressing the needs of the poor, brings direct positive impact or various indirect beneficial changes in their lives (Singh, 2016). Consequently, the concept of social value has been linked to social development and poverty alleviation (Sinkovics et al., 2015).

### 3.1. Social development

For most of the 19th century and the early part of the 20th, economists saw themselves as "moral philosophers" and, consequently, qualified to comment on societal processes' equity and efficiency. However, that tradition ended rather abruptly with the publication in 1939 by John R. Hicks of the classic book *Value and Capital*, which asserted forcefully that the field of economics should be based not on the fantasy of measurable happiness but rather on judgments of value as coming from market transactions (Auerswald, 2009). Economic indicators become, in this way, the accepted variables to measure progress in development.

Such was the state of economics until the middle decades of the last century when the concept of social development emerged (Midgley, 2003), introducing new indicators such as reduction in poverty, inequality and unemployment to measure development (Correll, 2008). Social indicators marked a shift in the understanding of development, from purely economic to including the welfare of people. No indicator is more important than the other; both are complementary and indispensable to make communities and countries prosper and adequate places to live.

Sen (1997) reinforces this complementarity in his definition of poverty as deprivation of capabilities. For him, the economic view of development - based on capital accumulation and growth – is complementary to social development, which enhances human well-being:

*"The [eradication of poverty through] expansion of human capabilities, thus, have both "direct" and "indirect" importance in the achievement of development. The indirect role works through the contribution of capability expansion in enhancing productivity, raising economic growth, broadening development priorities, and bringing demographic changes more within reasoned control. The direct importance of human*



*capability expansion lies in its intrinsic value and its constitutive role in human freedom, well-being and quality of life" (Sen, 1997, p. 21)*

More recently, Sinkovics and colleagues (2015) reconceptualized social value creation as social constraint (poverty) alleviation to delineate the root causes that prevent a group of individuals from using their human right to sustenance, self-esteem and freedom from servitude. The universality of these rights ensures that social value creation is comparable across different contexts (Sinkovics et al., 2015). According to Todaro and Smith (2012), sustenance, self-esteem, and freedom represent common goals sought by all individuals and societies in the quest for social development:

- Sustenance (the ability to meet basic needs): all people have certain basic needs without which life would be impossible such as food, clothing, health, and shelter. A condition of absolute underdevelopment exists when any of these is absent or in critically short supply.
- Self-esteem (to be a person): refers to a sense of worth and self-respect.
- Freedom from servitude (to be able to choose): a third and final universal value that constitutes the meaning of development is the concept of human freedom. Freedom here is to be understood as access to an expanded range of choices and emancipation from alienating material conditions of life and social servitude. The underprivileged can be servants of nature, other people, misery, oppressive institutions, and dogmatic beliefs - especially the conviction that poverty is predestined.

According to Sinkovics and colleagues' definition, poverty is a product of monetary and non-monetary elements. In financial terms, poverty is associated with inadequate income and access to essential items for survival (sustenance). In

contrast, non-monetary poverty relates to depravation and marginalization (self-esteem and freedom from servitude) (Jansen et al., 2015). Hence, the three-core values of development address the right to live with dignity (Wettstein, 2012).

Not adequate life conditions constitute a violation of that right and a form of humiliation, that is, any condition that constitutes a sound reason for a person to consider his quality as human neglected (Margalit and Goldblum, 1998). The poor, hence, have suffered chronic humiliation. Ergo, poverty alleviation must be the overarching objective, the desirable outcome, or at least an essential requirement for development (Mestrum, 2003). Furthermore, any development approach must respect the rights of the poor (Easterly, 2013).

### **3.2. Poverty alleviation strategies**

Poverty alleviation strategies may be categorized into five types: good governance, foreign aid, capability development, social protection, and market-based approaches. Governance is relevant to poverty alleviation and has gained top priority in development agendas over the past few decades, mainly because it has become a prerequisite to receiving financial aid from multinational donor agencies and loans from international financial institutions. But what constitutes good governance? Good governance minimizes corruption, considers the view of minorities, and listens to the voices of the most vulnerable in decision-making and during the implementation of the decisions (ESCAP, 2009).

Another well-known strategy to alleviate poverty is foreign aid. Rich country governments, NGOs and private foundations are the three main types of donors that assist developing countries in achieving developmental growth and poverty reduction by transferring physical goods, technical knowledge, donations and loans. Financial grants feed into three channels: 1) a little bit goes directly to households, mainly for humanitarian emergencies, 2) much more goes directly to the budget to

finance public investments, and 3) some finances private small businesses through microfinance programs and other schemes (Sachs, 2015). Despite its popularity, the effectiveness of foreign aid on poverty reduction is not well-documented (Mahembe and Odhiambo, 2019); corruption and mismanagement might be problems that restrict its efficacy. Indeed, Easterly (2006), a fervent critic, opines that foreign aid requires the rigor of business planning.

On the other side, Jeffrey Sachs, a fervent supporter of foreign aid, has developed a method known as clinical economics that consists of diagnosing the possible causes of poverty and designing programs and institutions to address critical barriers (Sachs, 2015). Sachs (2020) relies upon good governance and development assistance to enhance the options of the poor (countries) and consequently overcome the poverty trap and pave the path for development.

Sachs is a "big planner" (Easterly, 2006), thinking about a long-term solution for big problems, while Banerjee and Duflo – Nobel prize laureates - are pragmatists and parsimonious, with attention to the small pieces of the big picture. They understand poverty as a set of concrete problems that, once correctly identified and understood, can be solved one at a time (Banerjee and Duflo, 2012). Their problem-solving method is like medical trials, in which large numbers of participants are randomized to receive either a particular social intervention or a standard treatment (Banerjee and Duflo, 2009). Participants are followed over time to identify differences and evaluate the effectiveness of initiatives.

Similarly, the capability approach focuses on removing barriers that force people to live less or be less (Hick, 2012). The CA is frequently used to evaluate and assess what people can do and be (ends) with their resources (means) to avoid social exclusion. The outcome is often an indicators list containing all the constraints that can limit people's lives and be used to develop micro-project evaluation, randomized experiments for social interventions, poverty assessment tools, human development

reports and policy making. Therefore, CA provides, in many cases, insights into the more established approaches (Robeyns, 2006).

Social protection is an important tool for poverty reduction (Baulch et al., 2006) that designs public policies and programs to reduce poverty levels, vulnerability, risk, and deprivation. SP has five major areas of interest: labor and employment, social insurance, social assistance, microcredits, and child protection (Ahmed et al., 2006). Labor and employment ensure basic standards at work and extend rights to the workers' organization and voice; social insurance protects against life course contingencies - such as maternity and old age - and work-related contingencies - such as unemployment or sickness-; social assistance provides support for those in poverty (Ahmed et al., 2006).

Microcredit provides the poor with a wide range of financial services such as credit, savings, and insurance (Ahmed et al., 2006) to which they would not have access through traditional financial institutions. Opening this new opportunity means several benefits for the poor, especially women: empowerment, income-generating activities, entrepreneurial spirit, and vulnerability reduction (Singh and Chudasama, 2020). Before, only public institutions applied microcredits; just recently, for-profit organizations and social enterprises have adopted and adapted this strategy. In this new context, microfinance needs mentoring actions (Santos et al., 2015) like skill development training, technological support, and better financial education, including livelihood enhancement measures, to be more effective. Finally, child protection looks after children's rights and development and protects them against abuses and infancy labor (Ahmed et al., 2006).

SP has strongly focused on poverty reduction and supporting the poorest in developing countries; in contrast, it emphasizes income maintenance and protecting living standards for all in developed countries (Barrientos, 2011). With poverty driving social protection in developing countries, it took a developmental role with three main

functions: (a) to help protect basic levels of consumption among those in poverty or in danger of falling into poverty; (b) to facilitate investment in human and other productive assets, which alone can provide escape routes from persistent and inter-generational poverty; and (c) to strengthen the agency of those in poverty so that they can overcome social exclusion (Barrientos, 2011, 2009).

Market-based approaches use commercial initiatives to address poverty. According to Sinkovics and colleagues (2015), there are two ways to fight poverty using business logic: bypassing or alleviating it. Bypassing social constraints can generally be associated with symptom treatment; this is what Easterly (2013) calls technocratic solutions; organizations focus on offering technical solutions such as fertilizers, antibiotics, or nutritional supplements. The second way consists of understanding the roots of poverty and designing appropriate BMs. This thesis is based on the market-based strategy; therefore, the different approaches are explained in chapter two.

## **CONCLUSION**

This chapter tries to answer a fundamental question: what can society expect from businesses? Throughout history, many thinkers have attempted to respond to this question. While many consider the prosperity brought to any community by economic activities per se as enough, others believe that organizations must take a more proactive role and make conscious efforts to improve society. Indeed, the emergence of the "Friedman-Freeman debate" about the purpose of business sums up those perspectives. In 1970, Milton Friedman wrote in the New York Times that the sole objective of companies is to maximize profits for the shareholders. Fourteen years later, Edward Freeman posited that organizations must hold responsibilities beyond shareholders' value creation and include all the stakeholders affected by the operations.

Over the past few decades, the balance has leaned towards the stakeholder theory's side, largely due to corporate scandals, ongoing environmental degradation, and rampant human rights violations. The crux of the matter has shifted from whether companies should prioritize increasing shareholder value or incorporate societal impact as a supplementary objective, to the understanding that the traditional mode of conducting business is untenable. We, as a society, have reached a consensus that businesses ought to serve the common good. Moreover, they are expected to take on leadership roles in addressing humanity's most urgent challenges. Either by applying traditional strategies -generating employments and producing offerings – or more innovative ones - coordinating cross-sectoral efforts, aligning CSR strategies with social development goals, and designing new business models.

However, as economic and social benefits are seen as opposite extremes of a continuum, today's challenge lies in deciding how to balance those contrasting objectives and to what degree it is optimal to pursue them. There are diverse ways of approaching this apparent incompatibility. One of these approaches is the emergence of social entrepreneurship as an option over commercial entrepreneurship. Social enterprises pursue social missions by engaging in economic activities. The revenues generated are only to reach sustainability and do not aim to enrich investors. By prioritizing their social purpose, SEs do not lose focus on the true motive of the enterprise, to benefit society, especially the low-income sectors.

The dilemma, however, is that SEs often grapple with achieving economic self-sufficiency and scaling up. As a result, their potential positive impact is insufficient to drive the transformative change needed to address societal issues. The second approach states that only for-profit companies, especially MNCs, have the resources and expertise to contribute to social development by implementing profitable and scalable solutions. An emerging perspective posits that social and economic objectives are not only interdependent but also synergistic. Thus, firms that actively

engage in creating social value can potentially reap greater profits and foster competitiveness.

Alleviating poverty is a pressing issue, necessitating MNCs to step in as agents of change. Among the various strategies to address poverty – including good governance, foreign aid, capability development, and social protection - market-based approaches to social development have shown significant potential. This is mainly because poverty's multidimensional characteristics require a holistic solution that incorporates an income element for needs that can be met monetarily and non-monetary elements for other needs. Reaching such a solution requires levels of resources and expertise that just corporations can manage.

## **Chapter 2: ORGANIZATIONAL VALUE CREATION**

### **Chapter introduction**

This chapter retakes the discussion presented in chapter one regarding organizational value creation. It explains the shareholder and stakeholder approaches superficially to immediately deepen into the emergent conciliatory perspective that considers societies and businesses' interests interconnected and synergistic. Hence, after presenting an overview of CSR and its evolution from tactical to strategical, this chapter tries to offer a comprehensive explanation of the market-based approaches to social development, making a particular emphasis on four essential concepts: the blended value proposition, the triple bottom line, creating shared value, and the base of the pyramid. Furthermore, it compares and delineates those four concepts to clarify their differences and similitudes.

### **SECTION 1: UNDERSTANDING ORGANIZATIONAL VALUE CREATION**

---

Organizational value creation is essentially a theory describing how to manage a business, or more broadly, any organization (Windsor, 2017). Value is the gain or surplus obtained by a company through its commercial activities. This value represents income and wealth for the companies, and ideally, it may spill over to society by creating positive social and environmental benefits. In a nutshell, the study of value creation has three branches with contrasting ideas about what should be the rightful corporate objective (How et al., 2019). Some approaches advocate shareholder value maximization. Others focus on stakeholder surplus maximization. And finally, an emergent third group takes a conciliatory position and focuses on producing a synergistic effect between economic and social objectives.



Deciding which theory better impacts companies' competitiveness is an ongoing debate (Bottenberg et al., 2017), the "Friedman-Freeman debate". At the center of this controversy, a conciliatory approach has appeared to resolve this debate. According to this approach, everything is a question of perspective. The shareholder and stakeholder theory may be competing or substitutes alternatives - which fan the discussion -or they may be interdependent (complements) - which resolves the debate (Windsor, 2017). The difference depends on conceiving economic, social, and environmental value as part of a virtuous cycle of competitiveness and development or as an evolutionary path of profit, responsibility, and collaboration (Halal, 2000).

### **1.1. Shareholder Theory**

In 1958, Theodore Levitt reminded managers that they must be businessmen first, last, and almost always. Levitt (1958) warned about the dangers of compromising the profit motive in the quest for a socially responsible enterprise. Later, Friedman (1970) affirmed that the only social responsibility of a business is to increase profits so long as it engages in open and free competition without deception or fraud. His statement gave birth to the shareholder theory. ST is based on the profit center mode that originated in the industrial age. Shareholder theory presumes that capital formation is the only legitimate role of business (Halal, 2000). Thus, if social goals exist at the expense of profitability, they should be disconnected from a company's fiduciary responsibilities (Lu et al., 2014).

Therefore, corporate executives must conduct the business following the proprietors' desires, which generally will be to make as much money as possible. This aspect of fiduciary duty is often called the shareholder primacy norm, which requires managers to make decisions on behalf of the corporation that further the interests of shareholders (Smith and Rönnegard, 2014). One resultant literature is the agency

theory, which links the idea that managers are agents of shareholders with the obligation of running the business in the principal's interests (Mejia, 2019).

Critics of ST argue that "shareholder primacy" does not impose enough moral obligations (Hsieh, 2017). In this vein, Mejia (2019) offers three versions of ST according to their ethical demandingness: minimal, maximal, and encompassing. Minimal is the most well-known version; it requires managers to comply with the law and respect essential obligations. The maximal proposes that moral obligations to external business parties are equivalent to shareholders' obligations towards these parties. And the encompassing contends that businesses' ethical obligations extend significantly beyond what is required by minimal versions but are still less demanding than the obligations imposed on shareholders and human beings in general.

Throughout his dissertation, Mejia concludes that shareholder theory is not guilty of separating business and ethics (the "separation fallacy") because the non-elective duties imposed on businesses are big enough to discard minimal versions of ST: *"Managers cannot pursue corporate actions that are forbidden by non-elective obligations, they have the obligation to incorporate an evaluation of this ethical dimension in every one of their business decisions"* (Mejia, 2019, p. 537). Also, maximal versions are untenable because of the number of discretionary options opened to managers. Therefore, the best option is a framework encompassing a family of versions where the lower limit is the law, and the maximal limit is the feasibility.

Despite the efforts to legitimize ST, the truth is that much managerial opportunism has occurred under the banner of shareholder maximization (Parmar et al., 2010). For some critics, shareholder primacy is still a major obstacle to corporate social responsibility and the stakeholder theory because it hinders managers from considering the interests of other corporate stakeholders besides shareholders (Rönnegard and Smith, 2018).

## **1.2. Stakeholder theory**

The most prominent alternative to ST is the stakeholder theory, which argues that managers must act in the interest of all who are or can be affected by their decisions (Hsieh, 2017). Although SkT does not deny profitability as a goal of corporations, it considers balancing stakeholder interests as the primary purpose (Rönnegard and Smith, 2018). Consequently, managers have the responsibility and sufficient discretion to create as much value as possible for (Parmar et al., 2010) all persons or groups with legitimate interests participating in an enterprise without any prima facie priority of one set of interests and benefits over another (Donaldson and Preston, 1995).

SkT casts an extensive net of who is considered a legitimate stakeholder (Parmar et al., 2010). Simplifications often differentiate between primary and secondary stakeholders (Clarkson, 1995). A primary stakeholder represents the groups needed by firms to exist, specifically customers, suppliers, financiers, governments, and communities. Secondary stakeholders do not engage in transactions with the corporation and are not essential for its survival. This classification may shift companies' attention towards known, salient, and influential stakeholders (Hart and Sharma, 2004).

Hart and Sharma (2004) introduced the concept of radical transactiveness to reverse the logic of managing powerful stakeholders. RT is a dynamic capability that seeks to identify, explore, and integrate the view of stakeholders on the fringe – the poor, weak, isolated, non-legitimate, and even non-human – to prompt disruptive new business strategies. Congruently, Parmar and colleagues (2010) propose a dynamic conception: stakeholders' importance varies according to companies' objectives. In this sense, stakeholders are not passive recipients of responsible treatment but active actors working with managers to improve their benefits and corporate profitability (Halal, 2000).

Thus, the wealth-creating role of a business arises from integrating stakeholders into a productive whole, a corporate community (Halal, 2000). Scholars have analyzed the positive effects that managing stakeholders have on corporate success. Since 1995, Donaldson and Preston have stated the relationship between the stakeholder-oriented approach and organizational performance by distinguishing between the descriptive, normative, and instrumental branches. Whereas descriptive SkT points out who are the stakeholders of a firm, and normative describes the moral obligations towards them; the instrumental theory concerns whether value creation for shareholders depends on value creation for other stakeholders. Hence, if managers seek to increase shareholder value, they may also need to increase stakeholders' value.

Extant literature links SkT to both economic and normative rationales (Pedrini and Ferri, 2019). Jones and Wicks (1999) propose a convergent stakeholder theory to combine the normative and instrumental elements and, in this way, conciliate social sciences and normative ethics. However, for Freeman (1999), this contribution is useless because stakeholder management has never separated the discourse of business from ethics. On the contrary, as an instrumental concept, Skt is not value-free precisely because it claims that consequences count (Freeman, 1999). Therefore, for pragmatic reasons, managers create value that enables stakeholders to live better lives in the real world (Parmar et al., 2010). Moreover, this value represents long-term benefits that accrue to all parties and go beyond financial resources by including social ones.

However, organizations cannot produce every kind of social value for every stakeholder. Instead, they must create the types most adequate for their identities (Brickson, 2007). This is one of the principal tenets of the strategic approach to CSR, which requires that companies create social value that positively impacts competitive advantage and economic value (Husted et al., 2015). Strategic CSR is a response

to criticism that see CSR and SkT as costs, working to the detriment of the economic success of companies and contrary to shareholders' interests.

### **1.3. The business case for corporate social responsibility**

In the mid-fifties, Howard R. Bowen was recognized as the father of modern CSR. Nevertheless, discussions about the social responsibilities of executives and businesses started long before. Consequently, dozens of definitions exist (Carroll, 2016) to describe all those organizational activities that further some social good beyond firms' interests and legal requirements (McWilliams and Siegel, 2001). Dahlsrud (2008) grouped 37 different definitions of CSR according to the aspects they emphasize. Hence, the first group takes a stakeholder perspective; the second treats the relation between business and society; the third refers to economic factors; the fourth covers volunteerism actions; and the fifth group addresses natural environment issues.

These conceptualizations fundamentally vary in what is recognized as the nature of CSR obligations. They range from voluntary practices that depend on corporate discretion to moral obligations and binding activities that respond to societal expectations (Maon et al., 2010). For example, Van Marrewijk (2003) identified five objectives that go from purely economic motives to higher moral standards:

1. Compliance-driven provides welfare to society within the limits of regulations from the rightful authorities. Besides, organizations might respond to charity and stewardship considerations, moved by a sense of duty and obligation or correct behavior.
2. Profit-driven integrates social, ethical, and ecological aspects into business operations and decision-making, contributing to the financial bottom line. Corporate motivation is a business case.

3. Caring balances economic, social, and ecological concerns with initiatives that go beyond legal compliance and profit considerations. Corporate motivation is human potential, social responsibility, and care for the planet.
4. Synergistic searches for well-balanced, functional solutions that create value in corporate performance's economic, social, and ecological realms that benefit all relevant stakeholders. Corporate motivation is sustainability.
5. Holistic integrates CSR in every aspect of the organization to contribute to the quality and continuation of the life of every being and entity, now and in the future. The corporate motivation is that sustainability is the only alternative since all beings and phenomena are mutually interdependent.

The diverse motives that push corporations to act to benefit society can be summarized in three main goals (Lutz Preuss, 2011). CSR may aim at "doing good to do good" by pursuing little more than an indirect link between corporate philanthropy and stakeholder interests. CSR may aim at "doing good to do well" by applying a strategic approach to produce competitive advantages. And finally, CSR may become holistic and integrated into corporate policy development, technical tools, and performance measurement criteria in such a way that it affects everyday activities and become part of firms' identity.

Modern CSR is heading towards complete embeddedness into the business structure. Indeed, Lutz Preuss (2011) describes three stages in the evolution of CSR: corporate philanthropy, strategic CSR, and mainstream (holistic) CSR. Reaching the holistic phase requires (Maon et al., 2010): 1) a cultural reluctance phase when CSR gets ignored or considered only in terms of constraints. 2) A cultural grasp phase, during which organizations become familiar with CSR principles. And 3) a cultural

embedment phase when organizations take a transformative position by fully embracing morally based CSR principles that influence organizational outcomes.

Holistic CSR is still an abstract concept. Consequently, the literature frequently centers on tactical/responsive and strategic approaches. Tactical CSR responds to external pressures and gains legitimacy by applying philanthropic initiatives or adhering to industry standards and certifications; hence, it depends on demand like any other market product (Windsor, 2017). Accordingly, managers treat social issues in generic ways instead of in the way most appropriate to each firm's strategy (Porter and Kramer, 2006). Without evident benefits, tactical CSR creates the impression of a cost rather than an investment for the firm and society (Ahen and Zettinig, 2015; Lu et al., 2014).

Strategic CSR gives economic justification to CSR by searching for a positive relationship of cause-effect between social initiatives and corporate financial performance. The business case for CSR (Kong et al., 2020; Peifer and Newman, 2020; Wójcik, 2018) or the business case for corporate sustainability (Pedersen et al., 2017b) is a recent brand that analyzes the effects of incorporating social projects on profits (Husted et al., 2015), *"The business case for CSR revolves around the claim that it pays to be socially responsible and that there is a win-win situation in which profits and morality are aligned"* (Hafenbrädl and Waeger, 2021, p. 838).

The debate about whether there is a business case for CSR has spawned many empirical studies. Lu et al. (2014) reported 84 articles published from 2002 to 2010 on the nexus between CSR and CFP. Accordingly, some of the rational justifications for CSR include: 1) the potential for lower costs, 2) improved reputation and legitimacy, 3) better risk management, 4) stronger stakeholder relationships, 5) higher employee retention, and 6) synergistic value creation (Lutz Preuss, 2011; Pedersen et al., 2017b). For Hockerts (2015), CSR may impact CFP in four dimensions: risk reduction, efficiency gains, social branding, and new market

creation. To advance research, Panwar et al. (2017) suggest distinguishing between tangible and intangible benefits and, in this way, developing measurement methods. The idea is that tangible benefits are easy to quantify and measure because their link to CFP (e.g., increased sales) is direct, whereas intangible benefits are difficult to quantify because their connection to CFP is rather indirect.

So far, the positive impact of social projects on CFP is inconclusive. For some scholars, the cause is the lack of embeddedness in the mainstream strategy and alignment with the value-creation process (Ahen and Zettinig, 2015; Parmar et al., 2010). For others, strategic CSR needs a re-socialization because, without social context, companies will limit to strategically responding to primary stakeholders' demands, driving firms away from deeper involvement with society (Barnett, 2019). Indeed, the persistent attention on justifying the financial importance of CSR has shifted the attention from discussing CSR's wider impact on society (Kong et al., 2020).

## **SECTION 2: MARKET-BASED APPROACHES FOR SOCIAL VALUE CREATION**

---

In recent years there has been a surge of interest in the role that markets and the private sector play in social development (Thorpe et al., 2017). In a strict sense, social development refers to improving human well-being in general – through, for example, job creation, education, health access, and land protection -, so every person can reach their full potential. As poverty relates to those and other problems of underdevelopment, many researchers and practitioners consider poverty alleviation the most crucial outcome of development. Consequently, as any initiative to reach social development may undoubtedly impact poverty positively, poverty and social development become synonymous.



One of the initiatives presented in chapter 1 to alleviate poverty is the market-based approach. This strategy relies upon organizations creating social value to improve human lives by melding the social purpose associated with non-profit organizations with the economic purpose and commercial methods traditionally associated with for-profit firms (Wilson and Post, 2013).

## **2.1. The business case for social development**

Neither stakeholder theory nor strategic CSR may effectively manage many of society's pressing problems (Barnett, 2019) such as hunger or poverty. The business case or the market-based approaches for social development<sup>2</sup> highlights the role of the private sector in driving sustainable economic growth, advancing society and protecting the planet (Ghosh and Rajan, 2019). It advocates for a "win-win-win" scenario (Elkington, 1994) that simultaneously generates social, environmental, and economic benefits for all the parties involved. The idea of applying business initiatives to face social challenges has reached a global impact and has permeated different areas and contexts.

Essentially, there are three streams of research. The first refers to the economic benefits that for-profits may obtain through the entrepreneurial pursuit of social initiatives. The second branch studies non-profit organizations applying market-like business models or initiatives to resolve social challenges. Finally, the third branch has a decision-making application and searches to justify the inclusion of social elements in businesses, mainly by highlighting the eventual reduction of costs and risks and the potential benefits.

---

<sup>2</sup> Since social and environmental challenges are summarized in the social development goals, hearing about the business case for SDGs is frequent.

This work focuses on the first stream of research, that is, on for-profit organizations resolving the most pressing societal problems using business logic. Various approaches exist that apply market-based initiatives to social development. Table 4 shows the most relevant: the triple bottom line, blended value proposition, creating shared value and the bottom of the pyramid.

	<b>TBL</b>	<b>BoP</b>	<b>BVP</b>	<b>CSV</b>
<b>Official definition</b>	A sustainability framework that measures positive and negative companies' social, environmental, and economic impacts over a period of time (Elkington, 2018)	A series of strategies to develop value propositions abled to create win-win scenarios that ameliorate the poor's well-being and, simultaneously generate profits for the companies serving them (Prahalad and Hart, 2002)	The greatest maximization of social, environmental, and economic value within a single firm or investment opportunity (Emerson, 2003, 2000)	Policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates (Porter and Kramer, 2011)
<b>Year of creation</b>	1994	1998	2000	2006
<b>Creator</b>	John Elkington	C.K. Prahalad	Jed Emerson	Michael Porter and Kramer Mark

Table 4: Instrumental approaches: TBL, BVP, CSV, and BoP

All these constructs use similar patterns to explain organizational value creation. On the one hand, they take a holistic perspective and deem economic and social benefits as interdependent variables that once harmonize, create a greater total value for businesses, society, and the environment. Yet, on the other hand, each one constitutes an independent line of investigation. Such a bewildering range of options might result in a growing risk of drowning in synonyms and misleading terms (Tullberg, 2012), which could become an excuse for business inaction and incapacity

to benchmark progress (Elkington, 2018). Moreover, it could affect the operationalization and measurement of concepts (Dembek et al., 2016).

In the following paragraphs, we offer a brief introduction to each concept. Then we compare them to find similitudes and differences.

### **2.1.1. The triple bottom line**

The TBL, also labelled the "triple P" (people, planet, and profits), is a management concept coined by John Elkington. TBL refers to a sustainability framework that measures positive and negative companies' social, environmental, and economic impacts over a period of time (Elkington, 2018). Designed to transcend the calculations of classical profits and return on investment (Coşkun Arslan and Kisacik, 2017; Slaper and Hall, 2011) to focus on the total value that corporations add or destroy (Elkington, 2004). The TBL represents the elements of a new equation for assessing and expressing the worth of a company (Elkington, 2018). In the first instance, the TBL refers to an accounting notion (Elkington, 2018, 2004).

The validity of TBL is under scrutiny. Its detractors mainly point out the difficulty of developing a social equivalent of the quantifiable double-entry system of bookkeeping, for which Elkington does not give any methodology or formula (Norman and MacDonald, 2004). Furthermore, the TBL may reinforce business as usual and greater levels of unsustainability (Milne and Gray, 2013) by letting organizations assume that the simple fact of including social and environmental sections in their periodical reports could make them sustainable. Despite the critics, TBL has witnessed a significant increase in research over the last ten years.

Research following Elkington's original definition conceptualizes the TBL as:

- A framework to measure an enterprise's performance through financial, social, and environmental parameters (Anvari and Turkay, 2017; Bewley and Schneider, 2013; Coşkun Arslan and Kisacik, 2017; Cubas-Díaz and Martínez Sedano, 2018; Hourneaux et al., 2018; Kealy, 2019; Lai Ken Tan and Egan, 2018; Macaulay et al., 2018; Öztürk and Özçelik, 2014; Revert et al., 2018; Slaper and Hall, 2011; Svensson et al., 2016; Tullberg, 2012).
- A system recording profit, environment, and people when determining costs and benefits (McWilliams and Siegel, 2001; Tippins, 2012).
- An investment's social, environmental, and economic value (Hammer and Pivo, 2017).
- A decision-making process centered on profit maximization and social and environmental considerations (Winkler et al., 2015).

Overall, this research group focuses on advancing a systematic, standardized, and effective methodology to measure, audit, and report firms' sustainability performance; including efforts to develop:

- The minimum set of measurable indicators (Hourneaux et al., 2018).
- A new measurement system based on a generic value unit (Tippins, 2012) or a net value (Tullberg, 2012) for profits, people, and the planet.
- A comparison model to evaluate CSR strategies (Macaulay et al., 2018).
- A technique to assess the trade-offs between profits, people, and the planet in terms of costs (McWilliams and Siegel, 2001).

- A framework to evaluate and monitor the implementation of sustainable business practices and models (Svensson et al., 2016).
- Analytical and measurement tools that facilitate sustainable investment decisions (Cubas-Díaz and Martínez Sedano, 2018).

The second major application of the TBL in the research group following Elkington's definition incorporates the TBL into the decision-making process to 1) address issues in the facility location problem (Anvari and Turkay, 2017), social housing sectors (Bewley and Schneider, 2013) and recreational homes inside rural communities (Winkler et al., 2015); 2) guide the selection of sustainable suppliers and socially responsible strategic decisions (McWilliams et al., 2016).

Finally, the third group analyses how organizations address public disclosure by identifying the barriers managers face when communicating TBL efforts (Kealy, 2019) and by exploring the effectiveness of applying innovative practices to report public accountability (Lai Ken Tan and Egan, 2018).

Interestingly, some researchers have distanced from Elkington's definition to opt for vague notions. For them, the TBL is 1) the economic, social, and environmental components of sustainability (Abdala et al., 2018; Bohlmann et al., 2018; Coffman and Umemoto, 2010; Guliman and Uy, 2019; Hollos et al., 2012; Hussain et al., 2018; Kealy, 2019; Longoni and Cagliano, 2018; Ozanne et al., 2016; Schroeder and Denoble, 2014; Tate and Bals, 2018), 2) the three aspects of corporate action (Ralston et al., 2015) and performance (Nichols et al., 2019), or 3) the three missions of organizations (Dhakal, 2020; Flores et al., 2017; Glavas and Mish, 2015; Henry et al., 2019; Mish and Scammon, 2010; Rogers and Hudson, 2011). Hammer and Pivo (2017) go further and propose the integration of the TBL to a more holistic definition of development, a triple-bottom-line economic development.

Four research branches emerge from the application of those notions. The first focuses on corporate management and governance. Hence, it contains works trying to determine how financial competencies, decision-making styles, gender (Guliman and Uy, 2019), thinking styles (Dhakal, 2020), top management teams' (TMT) structural composition (Henry et al., 2019), and governance characteristics (Hussain et al., 2018) impact an organization's ability to reach high levels of sustainability performance and conciliate contradictory objectives.

The second branch encompasses investigations exploring the efforts and effects of implementing sustainability throughout the organizational structure. Topics in this group explore tensions (Ozanne et al., 2016), market logics, and practices (Glavas and Mish, 2015) of organizations that strive to manage environmental, social, and economic concerns; as well as the actions performed to foster sustainability in the supply chain (Abdala et al., 2018). Regarding effects, some studies address how the success or failure of supply-chain initiatives and cooperation affects performance (Hollos et al., 2012), customers' perceptions, and purchase intentions (Nichols et al., 2019); while Bohlmann and colleagues (2018) analyze the effects of a positive reputation on increasing organizations' attractiveness for potential employees.

The third branch advances theory by applying different theoretical lenses. For instance, Tate and Bals propose (2018) a social resource-based view (SRBV), Flores and colleagues (2017) the integration of TBL in the international operation literature, and Mish and Scammon (2010) a moral principle-based stakeholder marketing.

Finally, in a fourth and miscellaneous branch, we find the analysis of the relation between time perspective, sustainable innovativeness, and TBL outcomes (Longoni and Cagliano, 2018), the exploration of the values/attitudes of business professionals regarding TBL in BRIC countries (Ralston et al., 2015), and the study

of sustainable frameworks' effects on participatory planning (Coffman and Umemoto, 2010).

The preceding paragraphs show that the TBL concept has moved away from its original notion of measuring, calculating, and reporting. Nowadays, it is mainly employed as a generic word - to describe a type of firm (Glavas and Mish, 2015; Mish and Scammon, 2010; Schroeder and Denoble, 2014) and a business model (Revert et al., 2018) - rather than as a key concept. Furthermore, TBL has evolved to become synonymous with sustainability (Hammer and Pivo, 2017; Milne and Gray, 2013), corporate responsibility (MacDonald and Norman, 2007; Norman and MacDonald, 2004), and blended value (Dhakal, 2020; Hammer, 2013; Hammer and Pivo, 2017). Regarding the blended value proposition, Bugg-Levine and Emerson (2011) affirm that BVP is more than the sum of the parts of a triple-bottom-line analysis; it is relevant enough to be understood, measured, and sought.

### **2.1.2. The blended value proposition.**

Nowadays, a sizable portion of the investment industry screens companies based on their social and environmental performance. In this context, Jed Emerson (2000) introduced the blended value proposition to posit an alternative way to capital and organizational value creation. Overall, BVP communicates concern about businesses' disproportionate allocation of limited attention and resources to the financial aspect of value creation at the expense of its social and environmental dimensions (McMullen and Warnick, 2016). The BVP, therefore, calls for the greatest maximization of social and economic value within a single firm or investment opportunity (Emerson, 2003, 2000).

BVP's basic premise is the non-divisible nature of value. That is, blended value proposition considers a fallacy the incompatibility of wealth creation and social change (Emerson, 2000). This premise follows the following logic: as nonprofit

organizations create economic value and for-profit companies have social impact and worth (Bonini and Emerson, 2005), profit-making and charitable activities must not keep separated in isolated silos of thinking and practice (Bugg-Levine and Emerson, 2011). Therefore, ideally, all investment decisions must impact the broader world beyond generating financial returns (Bugg-Levine and Emerson, 2011), and all organizations must create economic, social, and environmental benefits (Bonini and Emerson, 2005; Emerson, 2010, 2003).

Under these conditions, it is irrelevant to distinguish between for-profits and nonprofits and investments from charity because such differentiation risks missing the larger truth that beneath the legal structure of corporations, value itself already consists of a mix of various components (Emerson, 2003). Instead, what is essential is the degree to which organizations apply strategic decisions to intentionally match the aspirations of investors eager to harness the full power of their capital in economic, social, and environmental terms (Bugg-Levine and Emerson, 2011). Therefore, organizations' attractiveness as investees depends on their capacity to propose a blended value.

For some, the idea of businesses standing alongside philanthropists and civil society to advance the common good and compete for the same capital may not seem fair (Bugg-Levine and Emerson, 2011). However, it allows investors to generate financial returns while positively impacting society and the environment. This possibility may explain the embracement of the blended value proposition in social entrepreneurship literature. Indeed, Bacq and colleagues (2012) posit that social entrepreneurs naturally pursue a blended value approach. Consequently, the BVP should be a framework to enrich business school curricula, train social entrepreneurs (Kickul et al., 2012a) and foster social innovation (Dayson, 2017).

One part of the research working with the blended value concept has moved away from Emerson's definition and applied a generic interpretation that makes the



borders with other constructs difficult to perceive. So, the BVP is conceptualized as creating or balancing social and economic values. The subsequent research focuses on analyzing how senior managers' and entrepreneurs' mindsets (Bacq et al., 2012) and personal and contextual characteristics (Hechavarría et al., 2017) impact the pursuit and realization of economic, social, and environmental objectives.

Another group of authors uses the BVP and the TBL as synonymous or complementary concepts. They describe the BVP as the combination of financial and social outputs and impacts and work in developing holistic accounting practices with the potential of reflecting the total value created by organizations. In this vein, Nicholls (2009) introduced blended value accounting to capture organizational performance complexity by combining financial accounting with social impact reporting.

Following Nicholls's work but situated in an intermediate place between organizations' performance and investment, Manetti (2014) analyzes the strengths and weaknesses of BVA with particular emphasis on the social return on investment. At the same time, Dayson (2017) proposes to use BVP as an evaluative tool for public investments in social interventions. Finally, McMullen and Warnick (2016) discuss the implications of a hypothetical scenario wherein all organizations are required to pursue blended value since all investments have a triple objective.

There is a striking similarity between blended value and creating shared value (Crane et al., 2014). However, Porter and Kramer (2014) assure that CSV is a distinct, powerful, and transformational model.

### **2.1.3. The creating shared value proposition.**

Porter and Kramer coined the concept in 2011 but conceived it in 2006 (Porter and Kramer, 2006). CSV deals with the limitations of strategic CSR by recalling the

interdependence of business and society and stating that the good state of both determines firms' longer-term success. Thus, CSV rejects the presumed trade-offs or the zero-sum game between corporate competitiveness and the health of communities and anchors their interdependence in companies' strategies and activities (Porter and Kramer, 2011, 2006). The principal premise of CSV is to resolve social problems by applying business logic. Therefore, by stimulating social progress, poverty, pollution, and disease would decline; and corporate profits would rise (Kramer and Pfitzer, 2016).

CSV refers to *"policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates"* (Porter and Kramer, 2011, p. 66). In a nutshell, CSV is a principle that aligns corporate self-interest and social progress (Porter and Kramer, 2014) by identifying societal needs that a company can profitably address. Consequently, social challenges must be placed at the heart of business as a lever for innovation and economic value.

A great number of scholars uses the official definition. Thus, shared value represents strategies that search for generating financial returns and meaningful value for society by addressing its critical challenges. Others depict CSV as an effective way to reconceive modern capitalism (Abrahams, 2020; Jackson and Limbrick, 2019), the mutual dependence between business and society (Michelini and Fiorentino, 2012), and a strategy to reduce companies' externalities (Mendy, 2019), buster sustainable development (Nam and Hwang, 2019), and enhance corporate competitiveness (Lee, 2019). Also, some misunderstandings exist; for instance, Pavlovich and Corner (2014) describe shared value as putting social and community needs before profits.

Indeed, many scientists and practitioners cannot distinguish CSV from CSR, and many companies apply shared value as a new interpretation of CSR activities

(Corazza et al., 2017). Furthermore, some consider CSR as CSV's origin, medium and outcome. For instance, Moon and Parc (2019) propose that shared value is a process that leads to a superior form of CSR that they label corporate social opportunity. In contrast, Wójcik (2018) suggests that CSV is an outcome of CSR, while for Lee and colleagues (2014), CSV is a higher level of CSR that requires transforming organizational processes. At the same time, Azmat and colleagues (2019) work under the premise that strategic CSR is the medium to create shared value, and Los Reyes and Scholz (2019) describe CSV as the leading approach for articulating the business case for corporate sustainability.

The confusion between CSV and CSR may have emerged from the debate about the origin of CSV. According to the literature, there are three possible sources: strategy, stakeholder theory, and CSR (Maestre-Matos et al., 2020). In strategic management literature, CSV is a new concept that provides an innovative view to effectively reconcile business self-interest and social progress (Porter and Kramer, 2014). In the stakeholder literature, shared value is a *"restatement of the longstanding jointness of interests tenet"* (Strand and Freeman, 2015, p. 22). And, for CSR, shared value is corporate social responsibility presented in a more fashionable manner or nomenclature (Carroll, 2016; Crane et al., 2014).

To determine if the CSV is an independent construct, an aspect, or a sub-concept of CSR requires a careful and thoughtful analysis beyond this research's scope. Moreover, considering the ongoing debate about whether CSR supersedes or not the stakeholder theory (Barnett, 2019). However, shared value proponents are clear: CSV distinguishes from strategic CSR mainly in three aspects: 1) position, 2) outcome, and 3) means. Hence, as table 5 shows, CSV is at the heart of business (Porter and Kramer, 2014), produces long-term mutual benefits for the company and society at large (Porter and Kramer, 2011; Wójcik, 2018), and requires BM innovation (Pfitzer et al., 2013).

	<b>Tactical CSR</b>	<b>Strategic CSR</b>	<b>CSV</b>
<b>Definition</b>	Context specific organizational actions that take into account stakeholders' expectations and the triple bottom line of economic, social, and environmental performance (Aguinis and Glavas, 2012)	"The consistent, proactive adaptation process of integrating institutionally acceptable day-to-day behavior into dynamic capabilities, governance, and operational systems at all levels" (Ahen and Zettinig, 2015)	"Policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates" (Porter and Kramer, 2011, p. 66)
<b>Position</b>	Context related	At the periphery of the mainstream strategy	Embedded in the core strategy and consequently in the value creation process
<b>Means</b>	Philanthropy, volunteerism, compliance	The strategic application of social programs and policies to respond stakeholders' concerns	Business model innovation to convert society's problems in business opportunities.
<b>Expected outcomes</b>	Cost and risk reduction, reputation, and legitimacy	The same as tactic CSR plus profit maximization and competitiveness	The same as strategic CSR plus mutual value creation

Table 5: Difference between tactical CSR, strategic CSR, and CSV

The CSV has permeated every aspect of the organizational structure; consequently, it has become an umbrella term. For example, according to the literature, CSV connects and achieves sustainability and CSR-related concepts (Corazza et al., 2017), enhances the strategic side of CSR (Lee et al., 2014), and re-legitimize business (Gauthier, 2017). Unfortunately, this over-inclusive meaning has led critics to judge CSV as a management buzzword (Dembek et al., 2016) based on a shallow conception of the corporation's role in society (Crane et al., 2014) that puts social issues as means to obtain economic gains and not as important ethical ends.

However, CSV proponents posit that innovation is the force that links (de los Reyes and Scholz, 2019) societies' and businesses' interests. According to Porter and

Kramer (2011), companies may create social and economic value by applying three innovations:

1. **Reconceiving products and markets:** Meeting needs in underserved markets often requires redesigned products or distribution methods. However, although these requirements can trigger fundamental innovations that also have applications in traditional markets, the inverse is impossible. That is, companies cannot address social problems with the same value proposition they use in those traditional markets.
2. **Redefining productivity in the value chain:** opportunities to create shared value arise because societal problems can generate economic costs in the firm's value chain. CSV reveals that the congruence between societal progress and productivity in the value chain is far greater than traditionally believed; this synergy increases when firms invent new ways of operating to address them. Hence, reimagining value chains from the perspective of shared value will offer significant new ways to innovate and unlock new economic value.
3. **Deficiencies in the surrounding framework also create internal costs for firms.** To improve company productivity, firms create shared value by building clusters - geographic concentrations of firms, related businesses, institutions, suppliers, service providers, and logistical infrastructure in a particular field, among others. To support cluster development in the communities in which they operate, companies need to identify gaps and deficiencies in logistics, suppliers, distribution channels, training, market organization, educational institutions, etc.

To complement them, Pfitzer and colleagues (2013) developed a guide for a successful implementation:

1. Embedding a social purpose: CSV entails embedding a social mission in the corporate culture and channeling resources to develop innovations that can help solve social problems.
2. Defining the social need: companies must conduct extensive research to develop a comprehensive view of the social problem, the number of people affected, the barriers to progress, the options for driving change, and the parties that can help.
3. Measuring progress: firms must anticipate how much social change is needed to unlock business value, install metrics for monitoring intermediate progress, and obtain ultimate social and business benefits produced to expand to new areas and justify additional investments.
4. Creating the optimal innovation structure: organizations need to decide whether the social initiative should be part of the core business strategy, give birth to a semi-autonomous business unit, obtain external (philanthropic or governmental) support, or become a reason to finance independent entrepreneurs.
5. Co-creating with external stakeholders: companies must involve stakeholders in identifying a problem's dimensions and designing and implementing solutions.

CSV takes business compliance for granted (Crane et al., 2014). Thus, it does not deal with business irresponsibility, leaving managers unequipped to face tricky situations such as lose-win or win-lose scenarios. This pitfall makes bolstering CSV with ethical frameworks indispensable (de los Reyes Jr. et al., 2017). If all companies rigidly followed the business case, then much societal demand for corporate social

and environmental initiatives would remain unmet as many social problems may not offer close linkage to firms' strategy nor a clear improvement of their bottom line. Hence, the CSV may not be the precursor of new capitalism (Jackson and Limbrick, 2019) since it may fail to generate the transformative innovation needed to dismantle and displace today's ecologically destructive legacy businesses (de los Reyes and Scholz, 2019).

There is also concern about the applicability of the CSV methodology in all contexts. CSV has been branded as insufficient, putting the feasibility of the concept under scrutiny and spurring formulation to increase its pertinence. For instance, specific strategies exist for the banking industry (Bockstette et al., 2015; Paula Ilmarinen, 2018); the mining industry (Saenz, 2019), the small and medium enterprises (SMEs) (Gautier et al., 2017), circular economy (Akpinar, 2020) and Asian firms (Khurshid and Snell, 2021). Indeed, CSV frameworks may require further elaboration to ensure applicability in developing countries (Azmat et al., 2019), where social and environmental issues are most profoundly felt (Voltan et al., 2017).

Some researchers have suggested that partnerships and alliances may increase CSV pertinence. In this vein, Abrahams (2020) offers a five-step framework to form collaborative communities: stakeholders identification, initial meetings, planning, implementation, and replication; whereas Krame and Pfitzer (2016) analyze the operationalization of multisector coalitions: common agenda, a shared measurement system, mutually reinforcing activities, constant communication, and backbone support. Despite these efforts, cross-sector collaboration requires further investigation. For instance, the collaborative business models (Hartman and Dhanda, 2018; Pedersen et al., 2021) offer news and exciting research lines.

Measurement and disclosure are another research area in development and an essential element for the success of CSV initiatives. A vast range of studies has tried to gauge the impact of social initiatives on corporate performance (Jones and Wright,

2018; Laudal, 2018) and the social value created. Nevertheless, up to now, there is no standardized measurement system that effectively assesses the social value created by organizations. Studies only show positive links between CSV practices, customers' attitudes (Jin, 2018; Nam and Hwang, 2019), and brand reputation (Fernández-Gámez et al., 2020). Conclusive answers regarding comparative effectiveness, efficiency and the influence of social value over economic performance are still lacking. It seems that companies adopt CSV-type practices more in a management fashion and not because of the tangible contribution to the financial performance (Jones and Wright, 2018).

Many authors highlight the similitude of CSV with the base of the pyramid. Even Porter and Kramer (2014) consider the BoP an aspect of CSV.

#### **2.1.4. The base of the pyramid**

Prahalad started to develop the Base/Bottom of the pyramid concept in 1998, when he was studying with Lieberthal the strategies to target the middle-income branch of developing countries. Lately, Prahalad and Hart (2002) enhanced this proposition and underlined the role of the poor as a market promise and potential source of fortune for companies willing to serve them. In a nutshell, the BoP concept represents a spectrum of business models and strategies seeking to create or enhance the well-being of the lowest segment of the economic pyramid (Halme et al., 2016). In this sense, the more social benefits companies create for the poor, the more economic benefits they will capture.

The BoP idea defies conventional managerial logic (Prahalad and Hart, 2002) in such a way that its conception has passed through three iterations: BoP 1.0, BoP 2.0, and BoP 3.0. The BoP 1.0 highlights the untapped potential of the poor as a consumption market and suggests the best approach to enter it: low prices, low margins, and high volume allowed by MNCs' distribution capacity and marketing



strengths. However, in this stage, some companies took a simplistic vision, underestimated poverty complexity, and assumed that social value would be automatically delivered by selling products and services (Calton et al., 2013; Santos et al., 2015). Consequently, companies applied simple innovations such as adaptations, downgrades, and repackaging.

The BoP 2.0 recognizes BoP markets as plural and evolutionary terrains that require more complex forms of innovation than merely exporting adaptations. In BoP 2.0, companies stressed the importance of collaborating with the poor to co-create business models capable of procuring revenues, employment, or entrepreneurship to the base of the economic pyramid. However, BoP 1.0 and 2.0 struggled to produce business profitability and poverty alleviation (Dembek et al., 2019), as is shown by the failure of the major part of initiatives (Hart et al., 2016).

The BoP 3.0 seeks a conceptual shift, away from singular solutions and narrow conceptualizations of poverty (Mason et al., 2017) to understanding how wider innovation ecosystems and engagement through cross-sector partnerships can be developed to co-create sustainable business models that bring transformative change and positively impact the living condition of the poor in more meaningful ways.

The BoP has raised much criticism, primordially on ethical grounds, due to the fragile nature of people living in poverty. Karnani (2017, 2005), for example, asserts that the BoP is a dangerous concept lacking research methodology and rich in hyperbole. Nevertheless, it has aroused the interest of many researchers and practitioners who use different conceptualizations. Then, the BoP is either a socio-economic sector, a market made up of consumers, producers, and entrepreneurs living in or below the poverty line, a series of strategies to generate profits and reduce poverty, and business models that improve the poor's well-being. Indeed, Kolk and colleagues

(2014) emphasize that authors need to be particularly clear regarding their definition of the BoP.

Research that defines BoP as a socio-economic sector can be classified into two types. The first follows Prahalad's original idea and studies how to build BoP markets. Papers in this group explore the links between CSR initiatives with market development efforts (Singh et al., 2015) and the collaboration among firms, governments, and communities to help the poor participate in the market (Aiyar and Venugopal, 2020). The second type treats the BoP in more general terms. Research in this category proposes to include "BoP countries" in the global economic triad (E.U.A., Japan, and Western Europe) (Choi et al., 2010), tests personal characteristics as causal factors of financial exclusion (Wentzel et al., 2016) and examines the cognitive framework of leaders to manage the tensions among the diverse components of sustainability when they face different decision-making horizons (Sharma and Jaiswal, 2018).

Researchers defining BoP as a market analyze shopping behaviors (Gupta and Srivastav, 2016; Sharma and Gupta, 2021), social mission stickiness (Elango et al., 2019), and the ethical implications of selling to vulnerable markets (Gupta and Jaiswal, 2013; Gupta and Pirsch, 2014). A second group centers on identifying key success criteria for innovation (Meira Oliveira and Carvalho Machado, 2017; Morais-da-Silva et al., 2016; Pervez et al., 2013) or studying the mechanisms used to adapt the 4As (affordability, availability, access, and awareness) to develop products and services for the BoP (Lehikoinen et al., 2018; Prahalad, 2012). A third group treats organizational innovation. For instance, Dumalanède and Payaud (2018) study the process and modifications to convert an NGO into a social enterprise, while Gebauer and colleagues (2017b) offer valuable lessons for business model innovation.

Also, at the strategic level, we find works describing the strategies used to cope with contextual barriers (Chikweche, 2013; El Ebrashi and Abdel Aziz, 2017; Gebauer et

al., 2017a; Karamchandani et al., 2011; London et al., 2010; Sarkar, 2018), and the mechanisms that facilitate scalability (Chliova and Ringov, 2017). Furthermore, Payaud (2014a) offers the basis to distinguish genuine BoP marketing strategies, Simanis (2012) an approach to booster margins, and Sungbum Jun and colleagues (2013) a method to choose the most appropriate business model for the BoP. Finally, papers investigating consumer behavior and consumption shed light on the factors facilitating the adoption of social innovations (Hasan et al., 2019; Ilahiane and Sherry, 2012; Kansal, 2016), the individual characteristics, preferences, attitudes, and local context of BoP consumers (Howell et al., 2020; Randrianasolo, 2018), and their consumption patterns (Piacentini and Hamilton, 2013).

Works in the BoP context have transformed the original idea of Prahalad in diverse ways. Originally, BoP was different from CSR (Prahalad and Hart, 2002) because it positively takes advantage of the economic interests of MNCs or for-profit companies. However, analyzing organizations that only pursue economic sustainability has become the rule and not the exception. For instance, London and colleagues (2010) analyzed cooperatives, NGOs, and corporations to determine how these business ventures address local constraints and enhance the value created and captured by BoP producers. Dembek and colleagues (2018) work with for-profit and non-profit structures to capture the hybrid organizations working at the BoP and determine how they create lasting value for multiple stakeholders. Finally, Vassallo and colleagues (2019) investigate the role that various forms of hybrid organizations (not-for-profit, quasi-profit, and for-profit) play in scaling social innovations.

Secondly, the principle of external participation has lost relevance. The entry of an external actor in the informal economy where the poor live and operate (London, 2008) was mandatory. Nevertheless, Hart and colleagues (2016) classified businesses entering and operating at the BoP into two categories: those that emerge from the BoP (Grassroot innovators, social entrepreneurs, or for-profit new business

ventures) and existing corporations that enter the BoP with intrapreneurial initiatives. In this vein, Sarkar (2018) focuses on the genuine fortune brought about by grassroots entrepreneurs who live and work at the BoP.

Additionally, Dembek and colleagues (2019) state: *“What has remained unchanged is the requirement that sets this approach apart from other market-based solutions to poverty alleviation: the role of a profit-seeking external entity in initiating the engagement with the BoP community to create mutual value”* (Dembek et al., 2019, p. 368). Nevertheless, many projects classified as BoP are initiated by small local companies, social enterprises, not-for-profit organizations, or governmental agencies (Kolk et al., 2014).

Besides, the BoP has been segmented; it has passed from referring to people living in poverty to the vulnerable population as war-affected youth (Jebarajakirthy et al., 2015), migrant workers (Sivapragasam et al., 2011), and women (Chatterjee, 2020).

### **SECTION 3: COMPARING THE MARKET-BASED APPROACHES FOR SOCIAL DEVELOPMENT**

---

The base of the pyramid, creating shared value, the blended value proposition, and the triple bottom line explain organizational value creation using similar patterns. On the one hand, they take a holistic perspective and deem economic and social benefits as interdependent variables that, once harmonized, create a greater total value for businesses, society, and the environment. Yet, on the other hand, each is considered an independent line of investigation.

Such a bewildering range of options might result in a growing risk of drowning in synonyms and misleading terms (Tullberg, 2012), which could represent an excuse for business inaction and incapacity to benchmark progress (Elkington, 2018).

Moreover, it could affect the operationalization and measurement of concepts (Dembek et al., 2016). This lack of clarity calls for a deeper analysis to establish the real implication of the BVP, the TBL, CSV, and the BoP. Thus, this chapter section aims to advance the understanding and the application of these concepts by determining their differences and similitudes, using the methodology of Morse (1995) and Morse and colleagues (2002) to develop immature concepts.

### **3.1. Morse's methodology**

Morse's methodology was developed in the nursing field. Inside this discipline, qualitative-derived theory methods focus on expanding the scope of theory by integrating allied concepts that are at least partially mature (Morse et al., 2002, 1996). Immature concepts are those that appear to be part of the same experience or compete to explain the same phenomenon (Morse, 1995; Morse et al., 1996). According to Morse and colleagues (2002) a concept reaches maturity when it covers four principles:

1. The epistemological principle: is the concept clearly defined and well-differentiated from other concepts?
2. The pragmatism principle - does the concept fit with the phenomena common to the discipline? Is it useful to the discipline?
3. The linguistic principle - is the concept used consistently and appropriately within context? Is it decontextualized?
4. The logical principle - does the concept hold its boundaries through theoretical integration with other concepts?

The answer to those questions determines a concept's level of maturity, limitations, issues, and, more importantly, the appropriate method for advancement (Morse et al., 2002). Figure 3 displays the six forms to advance a concept:

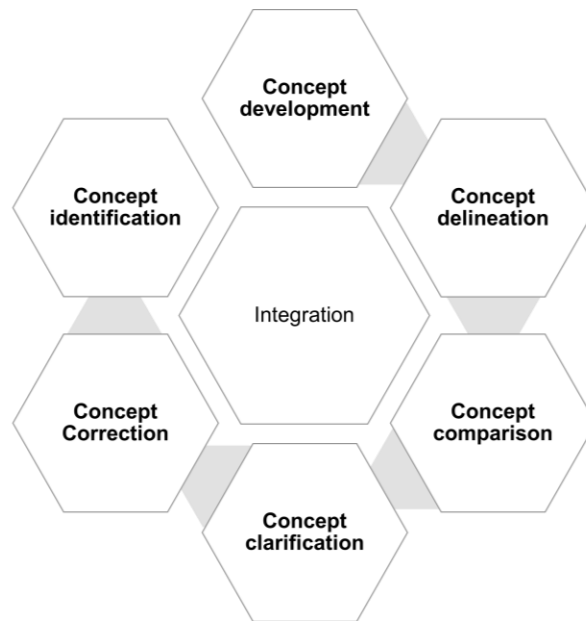


Figure 3: The six methods for concept development (Morse, 1995; Morse et al., 2002)

This chapter focuses on concept delineation and comparison. The former permits the exploration of differences when it is evident that two or more concepts are merged and used interchangeably. The latter helps to identify limitations for explaining a phenomenon when it is noticeable that two or more concepts compete to fill a theoretical void (Morse, 1995). The difference between these techniques is subtle but meaningful. Delimitation breaks down concepts into constituent elements to highlight individuality by describing their differences. In contrast, concept comparison seeks to find links or similarities that connect previously disparate concepts to analyze how each contributes to explaining the same phenomenon.

To the best of our knowledge, the management field does not yet have methodologies specifically designed to study poorly understood concepts because they are still under development. Among the methodologies for comparing concepts in management, we notably find literature reviews, meta-analyses, comparative case studies, and grounded theory. Although these methodologies can offer interesting perspectives on the relationships between concepts and contribute to their understanding, they do not offer the advantages of Morse's methodology:

- A systematic approach: Morse's method proposes a systematic process for advancing concepts, particularly by delimiting and comparing them, thereby facilitating their understanding, integration, and operationalization in research and practice.
- Clarification of boundaries: this methodology aims to clarify the boundaries between similar or overlapping concepts, thus contributing to a more precise understanding of each concept and its distinctive characteristics.
- Identification of underdeveloped concepts: Morse's method emphasizes identifying and developing immature concepts. This allows researchers to identify gaps in knowledge and focus on areas requiring further research.

Morse's methodology meets a crucial need in management research by providing a more nuanced understanding of key concepts and their relationships. MacInnis (2011) also identified this methodological gap and proposed a framework to advance the understanding of underdeveloped or immature concepts. However, MacInnis's framework is specifically designed to evaluate conceptual contributions in marketing, thereby helping researchers grasp the quality and impact of their contributions. It does not provide a detailed method for conducting research, unlike Morse's methodology, which offers a structured approach for delimiting and comparing concepts.

Morse's methodology, widely used in nursing and health for over thirty years (Finfgeld-Connett, 2007; Lawless et al., 2016; Richard and Shea, 2011), is a proven methodology that can be extrapolated to management sciences. Indeed, a large part of current management and organization theory relies on theories borrowed from other disciplines, such as economics, sociology, and psychology (Cornelissen and Durand, 2014). Specific examples of transdisciplinary applications of theories, approaches, and methodologies from nursing and health to the field of management include emotional intelligence (Jordan et al., 2002; Salovey and Mayer, 1990), evidence-based practice (Rousseau, 2006; Sackett et al., 1996), resilience theory (Earvolino-Ramirez, 2007; Lengnick-Hall et al., 2011), and interprofessional collaboration (Cummings and Kiesler, 2008; D'amour and Oandasan, 2005).

Therefore, according to Morse (1995), recommendations for performing a concept delineation and comparison include a four-step approach:

1. Conduct a literature review of each concept separately.
2. Content analysis of the literature.
3. Identify, describe, compare, and contrast the antecedents, attributes, and outcomes.
4. Identify differences (delimitation) and limitations for explaining the phenomenon (comparison).

To apply Morse's delineation and comparison method, we analyze the seminal articles introducing each concept, followed by carefully examining all the papers written on the subject by the creators-authors. We also include scientific articles published in the EBSCOhost database between 2010 and 2020, selected on the criteria of relevance and quality (see appendix 1). Regarding relevance, we chose



papers based on two characteristics, those using the concept label in the title (blended value, triple bottom line, creating shared value, and bottom/base of the pyramid) to assure that the concept is an important element in the research, and those citing the authors introducing the concept.

Regarding quality, we restricted the keyword search to peer-review journals. We made an exception with the Harvard Business Review, which is not editor-reviewed but highly relevant. In addition, we explicitly excluded newspaper articles, conference proceedings, and books because they are often based on research previously published in journal articles.

### 3.2. Similarities and differences between TBL, BVP, CSV, and BoP

After revising the literature, we found the differences and similitudes shown in table 6.

	Similarities	Differences
<b>Antecedents</b>	<ul style="list-style-type: none"> <li>The crisis of capitalism</li> <li>Social pressures</li> <li>Higher levels of market competition</li> <li>A mindset change</li> </ul>	<ul style="list-style-type: none"> <li>Field of origin</li> <li>Corporate Imperialism</li> <li>Focus on high- and middle-income segments</li> </ul>
<b>Attributes</b>	<ul style="list-style-type: none"> <li>A new conception of value</li> <li>Social value at the core of the business</li> <li>People and planet as beneficiaries</li> <li>Renewed time horizon perspectives</li> <li>Business case initiatives</li> <li>Overcoming narrative levels</li> <li>A new leadership</li> <li>Innovation as a key element</li> <li>Cross-sector collaboration</li> <li>A new role of governments</li> </ul>	<ul style="list-style-type: none"> <li>Contrasting conceptions to addressing a holistic value</li> <li>Different means to create a holistic value</li> <li>Linking social and financial performances</li> <li>Low-income markets as a fertile field of innovation</li> <li>Co-creating with customers</li> <li>A new role for beneficiaries</li> </ul>

<b>Outcomes</b>	Mutual value	Higher disclosure, better business reputation
	Positive social impact	An integrated investment portfolio
	Competitive advantage	Increasing profits
		Poverty reduction

Table 6: Similarities and differences between TBL, BVP, CSV, and BoP

### 3.2.1. Antecedents

Antecedents refer to the events that precede the occurrence of the concepts. We found the following similarities:

1. *The crisis of capitalism*: capitalism has led to a system of economic actors pursuing selfish profit maximization interests. This has provoked a diminished trust in businesses where for-profit organizations are frequently blamed as the main ones responsible for social and economic degradation, facing the great challenge of recovering legitimacy. The four concepts under study propose a way to retake the role that businesses once had as agents of social progress.
2. *Social pressures*: the role of business in society is under constant criticism, partly due to a growing environmental-social awareness that has caused a worldwide shift in human and societal values, forcing companies to consider stakeholders' interests. This increasing public pressure on companies' commitments and performances has caused an international call for transparency that puts under intense scrutiny what businesses are going and planning to do (Elkington, 2004). It also has caused a growing demand for companies to act responsibly regarding externalities (a major cause of social and environmental degradation). Hence, nowadays, firms have higher degrees of social and environmental accountability.

3. *Higher levels of market competition:* in terms of more players and level of exigences from customers, investors, and governments to make profits and returns while tracking and assessing the non-financial performance have led companies to search for different kinds of competitive advantage, as well as, for expanding their operations towards non-served or underserved markets.
4. *A mindset change:* the mindset of top managers and investors is changing. It is more frequent to find chief executive officers (CEOs) actively engaged with companies' social and environmental performance. Besides, investors are more attentive about where they are allocating their capital and feel more accountable for the relative value of the non-financial performance of their investment portfolios (Emerson, 2003).

We found the following differences:

1. *Field of origin:* each concept was developed in a specific field of study. The blended value proposition belongs to financial capital markets, the triple bottom line to corporate sustainability, creating shared value to strategic management, and the base of the pyramid to corporate strategy and international business.
2. *Corporate Imperialism:* The imperialistic mindset is an exclusive precedent of the BoP concept and one of the reasons why MNCs do not grow as they expect in low-income markets (Prahalad and Lieberthal, 1998). Corporate imperialism is to think in terms of Western markets and assume that developing markets will follow the same evolutive path as their wealth-developed counterparts (Prahalad and Lieberthal, 1998). As a result, for a long time, most of the entry strategies for low-income markets were, at best, low-quality copies of products and services currently offered in developed markets, if not identical or obsolete versions.

3. *Focus on high- and middle-income segments:* traditionally, for-profits do not pay attention to the lowest socio-economic level because it is not a profitable market. Thus, companies had left this sector's development to governments and civil society organizations. However, the emergence of the BoP changed this assumption, and companies started to recognize the poor's potential as consumers, producers, entrepreneurs, and partners.

### **3.2.2. Attributes**

Attributes refer to the key characteristics that distinguish a concept. In this dimension, we found the following similarities:

1. *A new conception of value:* the four concepts coincide with the necessity of finding more sustainable and inclusive forms of wealth creation. They embrace a multidimensional vision of value that comprises companies' outcomes' economic, social, and environmental aspects. This new definition positively impacts society and the environment. As Porter and Kramer (2011) state, profits involving a social purpose represent a higher form of capitalism that enables society to advance, companies to grow even more, and investors to diversify their returns.
2. *Social value at the core of the business:* the four approaches defy the mindset that places social value at the periphery of business and situates it at the core. For creating shared value and the base of the pyramid, this perspective is represented by the golden rule of doing good by doing well: the more significant the social value delivered, the greater the financial benefit absorbed. This premise gives the basis to the virtuous cycle of higher competitiveness, profits, and social well-being that both concepts use to underpin their propositions.

For their part, the blended value and the triple bottom line utilize a genetic code to highlight the fact that social aspects are inside the DNA of businesses. The TBL was the first to use DNA to represent the triple helix of change - people, planet, and profits- for tomorrow's capitalism (Elkington, 2018) of the chrysalis economy (Elkington, 2004). The BVP retakes this idea to illustrate the interactive (social) and transactive (economic) sides of the Social Capital Market (SCM) (Emerson, 2000), the third way in which the investment industry and organizational actors must operate. The SCM seems to symbolize the transition to the sustainable capitalism envisioned by the triple bottom line approach.

3. *People and the planet as beneficiaries:* The four approaches examined consider people (clients, employees, suppliers, communities, and other groups affected by the company's activities) and the planet as beneficiaries. In the context of TBL and BVP, these beneficiaries are viewed as primary stakeholders, deriving direct benefits from organizations' initiatives and strategies. Thus, people's well-being is perceived as a social benefit, and sustainable practices represent environmental actions favoring the 'planet' element. Regarding CSV and BoP, the beneficiaries are central to the value-creation process. Therefore, by identifying and understanding their needs and challenges, new businesses, business models, and strategies can emerge to achieve commercial, social, and environmental objectives.
4. *Renewed time horizon perspectives:* The four concepts advocate taking a long-term perspective in investments and business thinking and planning. According to Porter and Kramer (2011), CSV represents a long-term alternative to the prevailing value-creation view that focuses exclusively on short-term financial performance. In addition, the BVP considers that "*social and financial value creation may require a re-definition of what is considered*

*to be an appropriate investment period and under what terms specific types of returns will be calculated"* (Emerson, 2000, p. 7).

The creation of multidimensional forms of value requires an equilibrium among short-, medium- and long-term expectations because business and social results have different time horizons. Economic objectives demand shorter periods, while social ones may take more extended periods. This forces managers to think "*across decades, generations, and in some instances, centuries*" (Elkington, 2004, p. 5) to effectively value the impact of business activities.

5. *Business case initiatives*: initially, the four propositions consider for-profits as agents of change in achieving social development. For instance, Bugg-Levine and Emerson (2011) prioritize loans and private equity investments because they are the shorter line between capital allocation and social impact. Indeed, Jones and Wright (2018) found that social benefits are better delivered by already financially successful companies with the capabilities and expertise to achieve the most impact for the least cost. Multinational corporations are the economic actor to prioritize because of their global resources and national responsiveness.

Over time, this perspective changed. Proponents and scholars interested in the field expanded the focus to include -besides MNCs- local entrepreneurs, not-for-profit organizations, and governmental agencies implementing market-based business models in their analysis. Sufficient economic gains to cover operation costs instead of profits become acceptable to classify initiatives as business cases for social development.

6. *Overcoming narrative levels*: The BVP, the TBL, the BoP, and CSV recognize the importance of developing new ways of measuring financial success

(Prahalad and Hart, 2002). Until now, the evaluation of organizations' social and environmental performance was presented on a narrative level without supporting hard facts. This makes necessary to transcend the immeasurable logic of social value to develop concrete metrics (Porter and Kramer, 2011), measurement systems (Bugg-Levine and Emerson, 2011), and new accounting approaches (Elkington, 1998b; Emerson, 2003, 2000) that will connect benefits with the cost incurred. Such a system will help to foster transparency, accountability, and reporting (Elkington, 2004), which are necessary elements for scaling projects and steering capital and attention to the enterprises most adept at creating profits along with social value (Bugg-Levine and Emerson, 2011; Porter et al., 2012).

7. *A new leadership:* another point of convergence is the call for a new type of manager with the skills and knowledge to operate within the tensions of paradoxical objectives. These 21st-century leaders require a complex blend of local sensitivity and global savvy, a willingness to experiment and collaborate, and a capacity to create new sources of competitive advantage and wealth.
8. *Innovation as a key element:* nowadays, it is evident that innovation is essential in business to resolve social issues. Indeed, the TBL, the BVP, CSV, and the BoP dictate innovation as a successful driver to transform society positively. In this sense, the four concepts advocates for a breakthrough change and disruption to develop next-generation market solutions (Elkington, 2018) to open up new markets to serve, new products to offer, new needs to meet, and new ways to configure the value chain (Porter and Kramer, 2011).
9. *Cross-sector collaboration:* new types of cooperation are needed to develop more complex forms of value. The four concepts advocate establishing

strategic partnerships to form networks among complementary actors that share the challenge of maximizing value by creating wealth and social justice (Bonini and Emerson, 2005). These multisector coalitions (Kramer and Pfitzer, 2016) result from a collaboration within the private sector, communities, civil-society organism, local government authorities, entrepreneurs, and NGOs to share costs, win support, gain insight into local culture and knowledge, increase legitimacy, and assemble the right skills to build a commercial infrastructure.

*10. A new role of governments:* so far, governments have played a specific function. They are regulators and responsible for the equitable distribution of wealth and social justice, and environmental damage reduction. However, governmental measures are frequently applied to the detriment of businesses, making the trade-offs between economic and social goals inevitable (Porter and Kramer, 2011). The four concepts call for a new partnership between companies and governments that incentivizes businesses' innovative initiatives that benefit the common good.

Governments, therefore, may stimulate innovation and discourage short-term profits by designing new regulations, identifying new types of impacts, pioneering assessment methods, ensuring the proper costing and internalization of externalities (Elkington, 2004), creating a more hospitable investment climate (Emerson et al., 2003; Prahalad and Hart, 2002), setting clear and measurable social goals, performance standards, reporting systems, and auditing mechanisms (Porter and Kramer, 2011).

We found the following differences:

1. *Contrasting conceptions to addressing holistic value:* subtle but essential characteristics differentiate these concepts from each other. The BVP does



not recognize value's bifurcation or disaggregation. That is, value is by origin merged. Therefore, economic and social-environmental aspects are the two sides of the same coin, operating together, in concert, at all times (Emerson, 2003). Inside corporate governance, this conception is sound because it reduces the inconveniences of conciliating financial and social missions and facilitates reflection on the corporate policy and culture. Paradigmatically, it is easier to link logically two elements, by essence harmonized, than to relate two opposing ones.

For its part, TBL recognizes the complementarity of the three elements of value, but at the same time, it manages them independently. In other words, TBL comprises three disparate - but not necessarily integrated - elements intended to discharge financial, social, and environmental accountability (Milne and Gray, 2013). Balancing separated but related components makes sense inside accountancy because it allows adequate evaluation, assessment, and report. By differentiating economic, natural, and social capital (Elkington, 1998b), accountants can associate specific indicators to each one to express the total value created at a given period of time.

CSV establishes that economic and social benefits are closely intertwined because both define markets and competition (Porter and Kramer, 2011). Consequently, the creation of social value allows companies to create economic value. Due to the actual state of business, where the economic and social dimensions are treated separately and managed by contested actors, a conscient effort is needed to reconnect companies' success with social improvement. CSV allows strategic thinking to identify and expand the connection between profits and social value to create sustainable competitive advantages.

The BoP recognizes a positive interdependence between profits and the poor's well-being. Very similar to CSV's conception of value but more specific, the BoP proposes that for-profit organizations could grow profits, and, at the same time, help lift billions of people out of poverty by doing business with the poor.

2. *Different means to create a holistic value:* there are two ways to create blended value. The first is the intentional search for economic gains and positive social impact through financial asset investments - a term known as impact investment. The second is the integration of paradoxical objectives in organizations' corporate policy, governance, and culture and their pursuit at all levels. It is also vital for concretizing the blended value proposition to develop investment instruments, capital structures, and evaluation tools that comprehensively connect organizational performance and capital allocation (Bonini and Emerson, 2005).

The TBL, for its part, recommends the application of a sustainable framework, primordially an accounting system that measures the financial, social, and environmental performance of corporations over a period of time to take into account the full cost of doing business and the total value-added or destroyed (Elkington, 2018). By increasing the awareness of their impact on society, companies can make meaningful improvements in their performance and influence corporate behavior. According to Peter Drucker's principle, companies can manage what they can measure; the TBL suggests a social and environmental alternative to the current financial accounting system.

CSV articulates three ways of creating shared value: reconceiving products and markets, redefining productivity in the value chain, and building supportive industry clusters at the company's locations (Porter and Kramer, 2011). Reconceiving products and markets redesigns value propositions to

meet societal needs by developing offerings that address unserved or underserved markets. Redefining productivity in the value chain improves companies' internal operations (resources efficiency) and supply chain members' capabilities to take advantage of local resources. And enabling cluster development builds collaboration with related organizations to improve company productivity while addressing gaps or failures in a community to form fair and open markets.

The BoP suggests creating economic wealth and facing poverty. To achieve it, organizations must reconfigure every element of their business models into a sustainable, inclusive, and profitable version capable of covering the 4As: awareness, access, affordability, and availability. Also, they need to develop the four elements of a commercial infrastructure: create buying power by increasing the earning potential of the poor and providing access to credit; shaping aspirations through disruptive technologies; assuring access by designing distribution systems able to reach rural customers; and tailor products and services to cover the needs and specific conditions of low-income markets (Prahalad and Hart, 2002). Finally, they must reevaluate price-performance relationships, cost-cut technologies, and capital efficiency.

3. *Linking social and financial performances*: only CSV and the BoP mention the importance of establishing a cause-effect relationship between social improvement initiatives with business success and vice versa. This measure goes beyond assessing and publishing progress on social objectives as a specific chapter separated from financial performance in companies' reports. To truly know the extent to which companies benefit society and business, they must establish a direct link between meeting social needs and improving business performance (Porter et al., 2012). By intersecting economic and social benefits, companies will have the support and motivation to continue serving the BoP.

4. *Low-income markets as a fertile field of innovation:* for the BoP, low-income markets are a fruitful source of innovation. A palpable proof is the high migration rate to high-income markets of innovations conceived to cover the specific characteristics of BoP markets. Reverse, disruptive, jugaad, low-income, and frugal are some approaches to deal with the difficulties of innovating at the BoP. Consequently, firms have to understand the dynamics therein because they will set the global competitive agenda for the next decades. (Prahalad, 2012).
5. *Co-creating with customers:* the BoP approach reassesses the role of low-income communities by considering them a source of knowledge, resourcefulness, and creativity to co-create a radical wave of innovations and more complex forms of value. Consequently, the BoP people participate throughout the firms' business systems as designers, customers, suppliers, and partners. It is worth noticing that co-creation with customers is in vogue, and a significant amount of research studies it inside diverse contexts, shared value included. However, the difference is that the BoP highlights customer participation as an angular piece of the approach.
6. *A new role for beneficiaries:* Unlike TBL and BVP approaches, CSV and BoP approaches confer a more active role on human beneficiaries. Therefore, within the framework of these approaches, understanding the needs, challenges, and perspectives of the beneficiaries and involving them in the design and implementation of initiatives is paramount to ensure their effectiveness and sustainability. By doing so, businesses can ensure that their strategies are well-aligned with the needs and expectations of the beneficiaries and make a genuine and significant impact.

### 3.2.3. Consequences

Consequences or outcomes refer to events or incidents that follow the occurrence of the concept.

We found the following similarities:

1. *Mutual value*: the BoP is the only approach explicitly claiming to be grounded on the mutual value creation proposition (Dembek et al., 2019; London, 2008; London et al., 2010; Simanis et al., 2005). However, after careful analysis, we state that the four concepts seek to produce it. Organizations through business generate economic, social, and environmental value for all the parties involved: corporations, governments, local communities, environment, among others.

We use the label of mutual value instead of shared value because the latter implies giving part of something that already belongs to someone, whereas mutual highlights communal property. Besides, the word mutual is more appropriate since complex forms of value are a product of a collaborative effort, wherein for-profits' role as agents of change is as important as the contribution of civil society organizations, NGOs, governments, and social entrepreneurs.

2. *Positive social impact*: in this work, social includes environmental aspects. The four concepts aim to produce outcomes that positively impact society and the environment. The base of the pyramid is the only approach targeting a specific social issue, poverty. The others treat the many facets of social development.

3. *Competitive advantage*: The four concepts pledge that all organizations seriously pursuing social objectives will obtain inimitable characteristics. These competitive advantages will help them to be better than competitors.

We found the following differences.

1. *Higher disclosure, better business reputation*: The TBL is a tool to support sustainability goals and foster disclosure through frameworks designed to assess and communicate sustainable performance. Consequently, the triple bottom line increases business reputation. Since this concept focuses on consciously managing the different sustainability levels inside businesses and consistently disclosing the advancements, the subsequent stakeholders' perception of companies' maneuvers to meet social and environmental expectations is significantly more favorable.
2. *An integrated investment portfolio*: the first step to making the management of an integrated investment portfolio less arduous is to assume that all types of organizations create simultaneously and irremediably social and economic value. The blended value proposition helps to obtain triple returns and fulfill the diverse objectives of investors. Consequently, BVP may increase the number of funds and investment pools created with the specific intent of providing capital to investees that address social and environmental challenges and, simultaneously, can return financial benefits.
3. *Increasing profits*: CSV and the BoP promise higher profits, either by growing sales, expanding markets, gaining efficiency, or sharing costs and risks with partners from the ecosystem.
4. *Poverty reduction*: even when CSV, BVP, and TBL tackle the worst social problem of society, the BoP is the only approach specifically centering on

bringing people out of poverty. Furthermore, financial success depends on a business's ability to plan strategies to improve communities' well-being.

### **3.3. Comparing and delineating the TBL, BVP, CSV, and BoP**

The thirty subcategories of similarities (seventeen) and differences (thirteen) allowed us to delineate and compare the concepts under analysis. Despite their coincidences, these four notions possess two essential differences that justify their existence: a contrasting conception of holistic value and different means to create it. Moreover, they have a specific action focus that has evolved over time, which could be explained using the normative, strategic, and operational management dimensions (Bleicher, 1994).

Normative management is the basis for all the other organizational activities and deals with companies' aims, principles, norms, and strategies (Bleicher, 1994). Consequently, corporate policy (missions, vision), governance, and culture are central issues on this level (Breuer and Lüdeke-Freund, 2017). Strategic management aims to identify, achieve, and exploit an advantageous position by describing the creation and capture of value through goal achievement and business model design and innovation (Breuer and Lüdeke-Freund, 2017). Finally, the operational dimension translates normative and strategic objectives into economic processes of performance, finances, and information (Bleicher, 1994).

As figure 4 shows, originally (as they were conceived), the TBL action area was located at the operational management level, addressing financial, information, and accountability issues. The BVP, at the normative level, focused on dual organizational missions and investor relationships. While CSV and BoP clearly belonged to the strategic dimension and centered on finding competitive advantages through innovative strategies and business models. Also, from the comparison, we

found out that the BoP is not only an aspect of creating shared value (Porter and Kramer, 2014) but a target-specific subcategory.

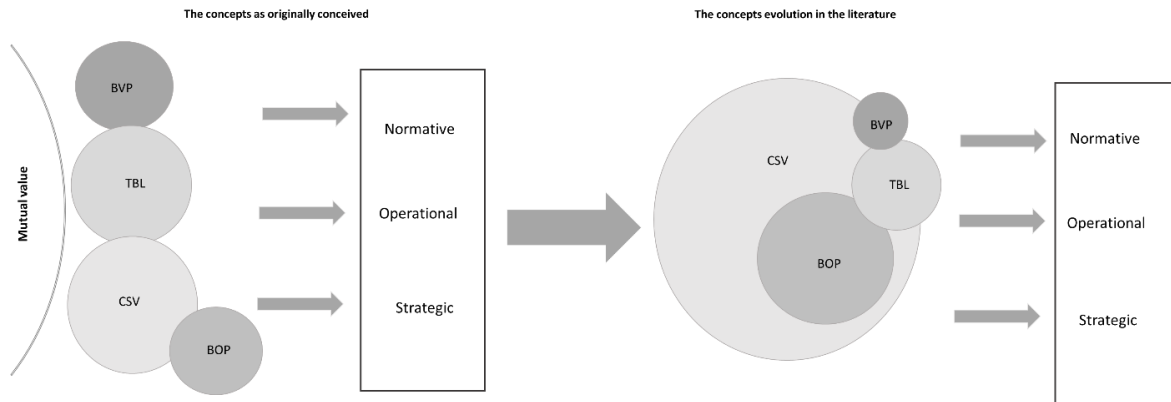


Figure 4: Evolution and focus of TBL, BVP, CSV, and BoP

After the literature review, we found a manifest transition between the concepts' initial propositions and those existing in current managerial research. Although the research's scope concerning the BoP approach is vast, all scientific works coincide in treating poverty-solving issues by applying business initiatives. The BoP practically keeps its domain of action. Thus, it is the most stable and mature concept (among the four concepts under analysis) thanks to a precise definition, well-defined boundaries, relevance for the discipline, and consistent use.

On the other hand, the definition of creating shared value has become so extensive that it is difficult to distinguish where CSV begins and finishes. We corroborate the findings of Dembek and colleagues (2016), who describe CSV as an immature concept. Indeed, borders' fuzziness is what makes CSV an umbrella term. Such general application poses a threat to other notions that could be better qualified to explain certain aspects of a phenomenon, such as the case of sustainability (Elkington, 2012).



Similarly, the downside of TBL is inconsistency. Despite Elkington's (2018) attempts to return attention to the triple bottom line, the truth is that this concept has melted into an ocean of synonymous in such a way that it has lost its essence. Nowadays, TBL is generally applied to discuss sustainability inside the business sphere. The problem with the BVP is a loss of traction. At present, it is not relevant to explain organizational value creation. Moreover, the term has migrated and has become an essential part of portfolio management approaches such as impact investment.

Do we need all these different concepts? The answer is yes if we consider them in their original form. In the beginning, each notion explained organizational value creation in a specific field of action with a distinctive conception of value and the means to create it. For instance, blended value harmonized two contentious elements and efficiently dealt with the tension of having complex policies, governance, and culture at the normative level. The triple bottom line differentiated economic and social value to associate specific indicators to each one and, in this way, express the total value created, dictate internal and external disclosure, enrich information systems, and facilitate decision-making. Creating shared value reconnected companies' success and social development and suggested strategic changes inside business structures. The BoP recognized the interdependence of profits and poverty alleviation and suggested value co-creation, business model innovation, and market-building strategies.

We also found that mutual value is the unifying goal of the four approaches under study. By creating more meaningful forms of value for diverse parts, we are on the way to constructing mutual well-being. However, organizations simultaneously generating economic, social, and environmental value cannot be the panacea for social development. Instead, it represents a small part of the bigger picture, a step inside a systemic and inter-sectoral effort toward sustainable development.

Regarding the comparison and delimitation of concepts, we acknowledge that our literature review is not without limitations. Even more, it is possible that not all relevant articles were examined. Consequently, despite being comprehensive, our review cannot be considered exhaustive. Besides, we applied Morse's (1995) methodology to carry out the literature review and specifically center on antecedents, attributes, and outcomes of the concepts under study. We recognize that there are other perspectives on ontology and epistemology, which could result in different conclusions.

The findings from applying the delineation and comparison methodology have implications for the theoretical development of these concepts. By delineating the frontiers of crucial constructs inside the organizational value creation literature, we contribute to synergizing and advancing research. Besides, a precise understanding and integration of concepts will shed light on the best way in which practitioners could address their objectives and create mutual well-being. Furthermore, we applied Morse's methodology in management research. As far as we know, this is the first attempt to do it.

## **CONCLUSION**

This chapter addresses the topic of organizational value creation. It sums up the two dominant theories: shareholder and stakeholder. The first recognizes the creation of profits for the shareholders as the sole objective of companies and posits acting within the legal boundaries imposed by authorities as the only moral obligation. This perspective leaves a broad margin of maneuver for managers, who may fall into questionable practices and produce dangerous externalities in the quest for capital formation. On the other extreme, the stakeholder theory tries to correct shareholder theory's pitfalls by arguing that managers must balance the interest of all who are or can be affected by companies' performance.

However, the number of actors and entities affected by a company's actions can be significant. When simplifying, stakeholders are often categorized as primary or secondary. Primary stakeholders are essential for the company's existence, and they usually wield significant power and influence. However, a hyper-focus on primary stakeholders may lead to overlooking the impact on secondary stakeholders. Some scholars suggest adjusting stakeholders' ranks according to company objectives as a plausible solution. Alternatively, marginalized stakeholders could be considered strategic allies to stimulate disruptive business strategies.

Hence, the wealth-creating role of a business relies on fostering a virtuous cycle where shareholder value is linked to the generation of long-term benefits for all stakeholders, encompassing both economic and social aspects. However, some critics view the SKT as a burden that harms businesses and shareholder interests. The business case for CSR and the related case for social development have emerged as alternatives to the Friedman-Freeman debate. Although the former has struggled to gain traction within mainstream strategic thinking and value creation processes, the latter holds promise for addressing humanity's most pressing issues by positioning social challenges at the heart of business operations.

Four concepts dominate the instrumental aspect of the market-based approaches to social development:

- The triple bottom line: a sustainability framework that measures positive and negative companies' social, environmental, and economic impacts over a period of time (Elkington, 2018).
- The blended value proposition: the greatest maximization of social, environmental, and economic value within a single firm or investment opportunity (Emerson, 2000; Emerson et al., 2003).

- Creating shared value: *"policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates"* (Porter and Kramer, 2011, p. 66).
- The base of the pyramid: a series of strategies to develop value propositions abled to create win-win scenarios that ameliorate the poor's wellbeing and, simultaneously, generate profits for the companies serving them (Prahalad and Hart, 2002).

We aim to clarify the differences among these approaches and understand how they contribute to the explanation of organizational value creation. The principal finding is that, despite the similarities of these concepts, two essential differences justify their existence: contrasting conceptions of holistic value and different means to create it.

Our findings suggest that TBL, BVP, CSV, and BoP each address organizational value creation within distinct management dimensions. TBL focuses on financial, informational, and accountability issues at the operational level. BVP, which operates at the normative level, emphasizes dual missions of organizations and their relationships with investors. CSV and BoP relate to the strategic level, focusing on the pursuit of competitive advantages through innovative strategies and business models. Notably, BoP appears to be a target-specific subcategory, not merely a facet of CSV (Porter et Kramer, 2014).

In addition, our study identifies mutual value as the common outcome. In the current context, creating meaningful benefits for all parties involved – businesses, society, and the environment – is of paramount importance. The dire economic and social repercussions of the COVID-19 pandemic have highlighted the need to reposition businesses as agents of social progress. However, while the simultaneous creation

of economic, social, and environmental value by organizations is an essential part of this progress, it should not be seen as a catch-all solution. Rather, it is one component of a broader, systemic, and inter-sectoral effort towards sustainable development.

This chapter theoretically contributes by delineating the boundaries of crucial constructs within the organizational value creation literature. One of the most pervasive weaknesses in this area is the lack of empirical evidence. We believe that a precise understanding and integration of key concepts could help to advance research in this direction. In practice, concept clarification will shed light on the best way in which practitioners could address their objectives and create mutual well-being.

## CONCLUSION OF THE FIRST PART

---

This thesis emphasizes companies using business initiatives to create social value, especially in alleviating poverty. Congruently, **chapter 1** presented the role of business in society and how it evolved throughout time to embrace a new conceptualization that links social value with social development and poverty alleviation. It also demonstrated the key role that MNCs have in this task.

On the other hand, **Chapter 2** explained organizational value creation by delineating and comparing four concepts frequently interchanged in the literature: blended value proposition, triple bottom line, creating shared value, and base of the pyramid. The analysis was performed using the methodology of Morse, which has been widely applied in nursing to clarify similar concepts. We found that a contrasting conception of holistic value and different means to create it legitimize BoP as an independent concept. Moreover, we identify mutual value as the general outcome of these four concepts, justifying its adoption as the outcome of MNCs initiatives.



## **SECOND PART: BUSINESS MODELS FROM A FIRM AND NETWORK PERSPECTIVE**

---



---

## **GENERAL INTRODUCTION**

---

### **FIRST PART: UNDERSTANDING THE ROLE OF BUSINESS IN SOCIAL DEVELOPMENT**

Chapter 1: The purpose of business

Chapter 2: Organizational value creation

---

### **SECOND PART: BUSINESS MODELS FROM A FIRM AND NETWORK PERSPECTIVE**

Chapter 3: Understanding business models

Chapter 4: The internal and external organization of business models

---

### **THIRD PART: EMPIRICAL ANALYSIS**

Chapter 5: Methodology

Chapter 6: The case

Chapter 7: The final framework and propositions

---

## **GENERAL CONCLUSION**

---

## INTRODUCTION OF THE SECOND PART

---

*"Analyzing the environmental and social sustainability of organizations using the boundary-spanning perspective [network] on business models provides complementary insights to the traditional component-based view [firm] of the business model" (Brehmer et al., 2018, p. 4514).*

In the second part of this thesis, which serves as a critical component of the theoretical framework, we delve into the business model – our unit of analysis. It adopts a comprehensive perspective, examining the business model as a concept, research subject, and tool. Besides, this section lays the groundwork for understanding the complementarity of the firm and the network perspective in attaining a holistic understanding of how organizations configure their business models to create mutual value for both business and society.

This complementarity is crucial for accomplishing the research objective of this thesis, which is to provide a comprehensive description of the mechanisms MNCs employ to create mutual value at the BoP. Therefore, the primary aim of this section is to justify the adoption of two levels of analysis for business models by emphasizing the significance of integrating both perspectives in our investigation.

To cover this perspective thoroughly, this part of the thesis comprises two chapters, each focusing on different aspects of business models and their relevance to creating value in the context of MNCs operating at the BoP.

Hence, **chapter 3** traces the origin and evolution of the business model concept, highlighting definitions from highly cited articles and categorizing them into distinct abstractions of reality, namely, narratives, archetypes, component-based perspectives, and meta-models. Immediately, the chapter delves into two essential meta-models for this research project: the social business model and the activity-

system perspective. These meta-models form the basis for the framework employed in the analytical phase of this study.

Additionally, the chapter discusses the perspectives adopted by researchers and practitioners when examining BMs and proposes an integrative approach that encompasses management concepts such as business logic, strategy, business model and tactics. Finally, the chapter reviews state-of-the-art concerning the BoP business model, highlighting their significance in the broader context of this research.

**Chapter 4** introduces the two levels of analysis applied in this thesis: the firm and the network levels. Focusing initially on the intra-firm perspective, the chapter explores the internal configuration of MNCs' business models for creating mutual value at the BoP. By drawing on real-world examples and integrating various strands of literature, including organizational value creation (CSV and BoP), the logic of value creation, and social development, the chapter identifies practical actions within three business models components – value proposition, value constellation, and value capture – to create social benefits.

Subsequently, the chapter shifts its focus to the network level of analysis. It commences with an overview of open system theory on organizations, followed by an introduction to the literature on organizational boundaries, primarily emphasizing structural and conceptual boundaries. The chapter then delves into the distinctions between boundary work, boundary management, boundary spanning and boundary permeability concepts. Ultimately, the chapter concludes by examining cross-boundary mechanisms.

By examining the business model from two complementary levels of analysis, this comprehensive approach may shed light on the factors contributing to inclusive

growth, improved living conditions, and the promotion of long-term resilience for vulnerable populations at the BoP.



## Chapter 3: UNDERSTANDING BUSINESS MODELS

### Chapter introduction

*"Whenever a business enterprise is established, it either explicitly or implicitly employs a particular business model" (Teece, 2010, p. 172).*

This chapter aims to provide an overview of the business model literature, addressing its various definitions and research perspectives. It begins by briefly exploring the concept's origin and proceeds to outline the most relevant attempts to categorize the multitude of understandings and research approaches present in this field. Subsequently, this chapter discusses the difference between BMs and other management concepts, such as strategy, tactics, and business logic. In alignment with these discussions, the chapter examines business models that follow heterogeneous logics and pursue multiple values. Congruently, the final part centers on BM innovation in the context of the base of the pyramid.

### SECTION 1: DEFINING BUSINESS MODELS

---

#### 1.1. The origin and evolution of the business model concept

The BM concept has been part of the business jargon for a long time. Although its origins can be traced back to the writings of Peter Drucker, widely regarded as the father of modern management (Casadesus-Masanell and Ricart, 2010; Magretta, 2002), the term first appeared in the academic article of Bellman and colleagues in 1957 (Osterwalder and Pigneur, 2005). However, BMs gained enormous popularity in the past two decades due to the Internet and the digital economy boom of the mid-1990s. During this period, BMs became a symbol of cultural change (Ghaziani and Ventresca, 2005) and became synonymous with e-business until the tech stock

crash exposed that most of the "dot-com" business was mainly "half-baked plans" (Lewis, 2000). I.e., many internet businesses mistakenly assumed that defining a single aspect of their BM was the same as having a complete strategy (Shafer et al., 2005). Indeed, Michael Porter (2001) critiqued BMs as part of the Internet's destructive lexicon, arguing that they only served as an invitation for flawed thinking and self-delusion.

Magretta (2002) countered this criticism by asserting that the distortion and misuse of the term "business model" were the true cause of the e-businesses' failure, not the concept itself. She maintained that *"a good business model remains essential to every successful organization"* (Magretta, 2002, pp. 87–88). Consequently, around 2001-2002, the concept started receiving a much more general meaning in the management literature (Nielsen and Lund, 2014). This shift was primarily driven by the emergence of new approaches that employed BMs as a unit of analysis, such as the knowledge economy, the outsourcing and offshoring of many business activities (Teece, 2010), the commercialization of new technologies and innovations (Chesbrough, 2010), and the rapid growth of emerging markets coupled with a growing interest in BoP issues (Prahalad and Hart, 2002).

BMs have spread across a wider community of management practitioners and business analysts (Ghaziani and Ventresca, 2005), leading to the proliferation of scholarly literature on the subject (Massa et al., 2017). This literature emerged from different disciplinary backgrounds, including information system (technological), organization theory, and strategic management (Alberts et al., 2013; Hedman and Kalling, 2003; Wirtz et al., 2016). Each discipline has a different understanding of the business model concept that has carried over into the literature:

1. Within the technological branch, BMs are operational activities for system modelling, strongly characterized by functional aspects.

2. From an organizational theory perspective, BMs are abstract representations of a company's structure or architecture.
3. In strategic management, BMs are vehicles for implementing strategies and creating value.

The attention researchers have devoted to each interpretation of business models has been uneven. *"Between the years 2000 and 2002, the technologically oriented business model articles have been very dominant in the context of electronic business but from 2002 on, more and more strategy-oriented articles have been published. There are also some organization-oriented articles, but in comparison with the other two currents in scientific discourse, they play a subordinate role"* (Wirtz et al., 2016, p. 38).

Despite the recent surge in interest in business models, this field of research is at a very early stage, and many fundamental questions remain unanswered. There is still no complete clarity in the literature, particularly about what BMs are, how they can be used (Shafer et al., 2005), what their purpose is, their right to exist or how they differentiate from other management concepts (Wirtz et al., 2016), such as strategy, business plan and revenue model.

## **1.2. The different definitions of a business model**

Presently, the concept of a business model lacks a universally accepted definition. This ambiguity is largely attributed to the diverse interpretations presented by researchers and practitioners, whose definitions depend on how they use it (Ovans, 2015), as a performative representation of reality (Perkmann and Spicer, 2010). For instance, for Lewis (2000), BMs explain how companies plan to make money, and



for Magretta (2002), they are stories that illustrate how enterprises work through a mix of narrative and numbers (Goyal et al., 2017).

In their literature review, Zott and colleagues (2011) reinforced this noteworthy lack of consensus regarding the definition of business models among researchers. They discovered that the literature on BMs has predominantly evolved in isolated clusters, leading to a fragmented understanding of the concept. In a subsequent study, Massa and colleagues (2017) extensively analyzed the forty most cited and frequently employed BM definitions between 1996 and 2016. Their findings classify these definitions into three distinct categories.

The first category encompasses definitions that focus on the attributes that differentiate one firm from another, emphasizing the unique characteristics of each organization. The second category includes definitions that describe cognitive frames, i.e., mental models or cognitive schemes that elucidate the underlying logic behind value creation. Finally, the third category comprises definitions that address the functional aspects of a business, highlighting the processes, activities, and mechanisms involved in creating, delivering, and capturing value.

This observed fragmentation in the literature suggests that researchers approach the BM concept from various perspectives, resulting in a highly heterogeneous understanding (Wirtz et al., 2016). To explore further the diverse interpretations of the business model concept, table 7 presents the definitions from the top ten highly quoted papers in business, management, and accounting. These papers appeared in the database Scopus, featuring "business models" in their title, abstract, and keywords.

Author	Definition	Journal	Cited by
Teece (2010)	A business model articulates the logic to create value for customers and describes the design or architecture to entice payments and convert payments to profits.	Long Range Planning	3730
Amit and Zott (2001)	<i>"A business model depicts the design of transaction content, structure, and governance so as to create value through the exploitation of business opportunities"</i> (Amit and Zott, 2001, p. 493).	Strategic Management Journal	2955
Chesbrough (2010)	A BM: articulates the value proposition, identifies a market segment and specify the revenue generation mechanism, defines the structure of the value chain, details the revenue mechanism(s), estimates the cost structure and profit potential, describes the position of the firm within the value network, formulates the competitive strategy.	Long Range Planning	1905
Bocken and colleagues (2014)	<i>"A business model is defined by three main elements: the value proposition, value creation and delivery and value capture"</i> (Bocken et al., 2014, p. 43).	Journal of Cleaner Production	1587
Magretta (2002)	Business models <i>"are, at heart, stories - stories that explain how enterprises work"</i> (Magretta, 2002, p. 86)	Harvard Business Review	1484
Zott and Amit (2010)	Business model is <i>"a system of interdependent activities that transcends the focal firm and spans its boundaries"</i> (Zott and Amit, 2010, p. 216)	Long Range Planning	1476
Johnson and colleagues (2008)	A business model consists of four interlocking elements that, taken together, create and deliver value: customer value proposition, profit formula, key resources, and key processes.	Harvard Business Review	1344
Morris and colleagues (2005)	<i>"A business model is a concise representation of how an interrelated set of decision variables in the areas of venture strategy, architecture, and economics are addressed to create sustainable competitive advantage in</i>	Journal of Business Research	1312

	<i>defined markets"</i> (Morris et al., 2005, p. 726)		
Casadesus-Masanell and Ricart (2010)	<i>"Business Model refers to the logic of the firm, the way it operates and how it creates value for its stakeholders"</i> (Casadesus-Masanell and Ricart, 2010, p. 196)	Long Range Planning	1102
Boons and Lüdeke-Freund (2013)	The business model of a company, whole industry or business philosophy is a mediator for innovations that not only links production and consumption but also embraces stakeholders and their expectations from non-business areas.	Journal of Cleaner Production	1099

Table 7: Definitions used in Scopus highly quoted papers

The primary distinction among these definitions is their emphasis on particular aspects of a BM. While the major part concentrates on the logic or mechanisms by which a firm generates value, on the unique offering provided to customers proposition, and on the revenue generation process, others highlight the structural and architectural components. For example:

- Teece (2010) and Bocken et al. (2014) predominantly emphasize a business model's value creation and proposition aspects.
- Chesbrough (2010) and Morris et al. (2005) concentrate on the design, architecture, or structure of a BM, along with the key resources and processes involved in delivering value to customers.
- Zott and Amit (2010) stress the interdependent nature of a business model and its ability to span beyond the focal firm, reflecting the importance of collaboration and interaction with external stakeholders and partners.

Despite these differences in focus, all definitions share a common understanding of a business model as a means to create, deliver, and capture value for customers and stakeholders. The variation in emphasis reflects the diverse backgrounds and

perspectives of the authors, as well as the evolving nature of the BM concept in the academic and business worlds.

This brief analysis of the most cited definitions aligns with Zott and colleagues' (2011) earlier observation that the BM concept has been employed in various ways: as a statement (Stewart and Zhao, 2000), a description (Weill and Vitale, 2001), a representation (Morris et al., 2005; Shafer et al., 2005), an architecture (Dubosson-Torbay et al., 2002; Teece, 2010; Timmers, 1998), a conceptual tool or model (George and Bock, 2011; Osterwalder and Pigneur, 2005), a structural template (Amit and Zott, 2001), a method (Afuah and Tucci, 2001), a framework (Afuah, 2003), a pattern (Brousseau and Penard, 2007), a set (Seelos and Mair, 2007), a logic (Osterwalder and Pigneur, 2005; Teece, 2010) and a system (Zott et al., 2011).

Morris and colleagues (2005) provided a more structured classification by identifying three general categories of definitions: economical, operational, and strategic. The economic category defines BMs in terms of financial model and profit generation. The operational level focuses on internal processes and infrastructure design that enable value creation. Finally, definitions at the strategic level emphasize *"overall direction in the firm's market positioning, interactions across organizational boundaries, and growth opportunities"* (Morris et al., 2005, p. 727).

Another approach to categorizing BM definitions is through their level of abstraction from reality (vertical dimension) and research perspective (horizontal dimension) (Jensen, 2013). The vertical dimension represents a hierarchical rank of understanding, with each level corresponding to a degree of abstraction that ranges from the simplest to the most complex. Moreover, each level may be relevant for different purposes and audiences. Conversely, the horizontal dimension captures the various perspectives used to analyze and study BMs, providing a complementary lens to understand the multifaceted nature of business model definitions.

In light of this diversity in available definitions, scholars face substantive challenges in determining what constitutes a good BM (Morris et al., 2005). Recognizing this issue, David J. Teece, in his article: "Business models, business strategy and innovation", proposed a version of a good BM: "A good business model yields value propositions that are compelling to customers, achieves advantageous cost and risk structures, and enables significant value capture by the business that generates and delivers products and services" (Teece, 2010, p. 174). The quest for a superior BM has sprouted the literature with different components and typologies. It has recently become accepted that an ideal BM does not exist; instead, a range of viable options whose degree of relevance and effectiveness depends on the context, industry, and firm.

Building on this understanding, Magretta (2002) emphasized the importance of addressing critical questions when designing a successful BM. Therefore, *"a good business model [must] answers Peter Drucker's age-old questions, 'Who is the customer? And what does the customer value?' It also answers the fundamental questions every manager must ask: How do we make money in this business? What is the underlying economic logic that explains how we can deliver value to customers at an appropriate cost?"* (Magretta, 2002, p. 87).

The recurring term "how" in each question refers to the rationale followed by organizations during the value-creation process. Initially, value responded exclusively to a commercial logic; later, it evolved to incorporate heterogeneous organizational value logics that combines commercial, sustainable, and welfare elements (Laasch, 2018). Therefore, the well-embraced definition of Osterwalder and Pigneur (2010), which characterizes BMs as the logic(s) followed by companies to create, deliver, and capture value, appears more comprehensive and relevant to the current business context.

### 1.3. Categorizing BM definitions: the vertical dimension

The definitions of BMs can vary significantly depending on the degree of abstraction from reality and the specific purpose they serve (Massa and Tucci, 2014). At the highest level and without the possibility of seeing the details and specifications, a BM may only make sense to a few. However, in the contrary case, a very detailed level may result in an exact and exhaustive model at the risk of losing generalization (Jensen, 2013). Figure 5 shows BM definitions ranked hierarchically from their degree of abstraction from reality, illustrating the trade-offs between comprehensiveness and generalizability as we move along this continuum.

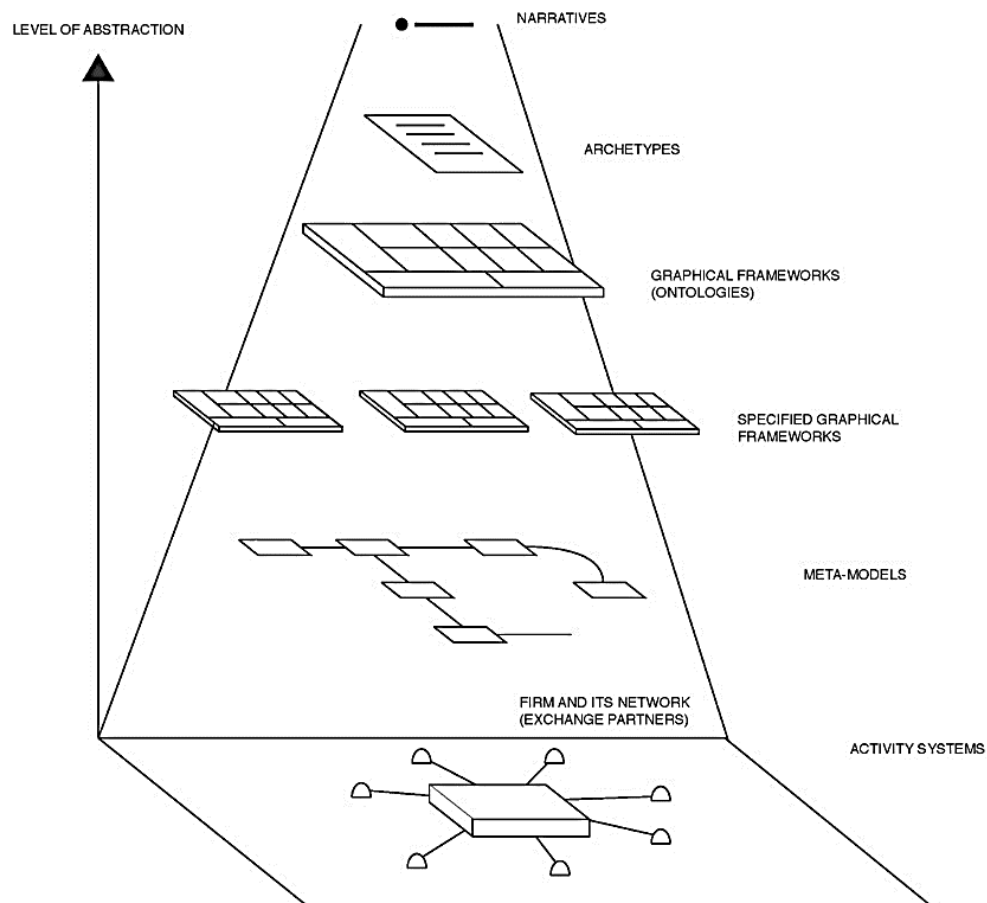


Figure 5: Business models at different levels of abstraction from reality (Massa and Tucci, 2014)

### 1.3.1. Narratives

The narrative paradigm assumes that *"all forms of human communication can be seen fundamentally as stories"* (Fisher, 1989, p. 57) that infuse ambiguous situations with sense and persuade skeptical audiences that their account of reality is believable (Brown, 2000). Therefore, BM as a narrative provides the "information context", i.e., a story that makes visible certain aspects of corporate value-creation processes that are invisible to external observers (Holland, 2004) by illustrating the connections and relationships between various BM elements (Bini et al., 2019).

In terms of representation, narratives can take different forms. Primarily, they can be either verbal or written; and in the most advanced forms, comics or movie sequences (Haggège and Collet, 2010). Managers and entrepreneurs construct and use different forms of narratives for reasons that go beyond simplifying cognition. They also use them as a communication device that persuades potential constituents (Perkmann and Spicer, 2010), improves disclosure (Bini et al., 2019; Holland, 2004) and legitimizes a company (often by drawing analogies between a BM and the BM of a successful firm) (Massa and Tucci, 2014).

The legitimization aspect of narratives is particularly noteworthy, Santos and Eisenhardt (2009) use narratives to position BMs in a nascent market. as a means of positioning BMs within nascent markets. According to their research, companies can convey their unique identity to various stakeholders by disseminating stories that illustrate their value proposition and market positioning. In this way, narratives serve as powerful tools for organizations to communicate, engage, and establish their presence in the competitive landscape.

The significance of narrative extends to the accounting field, where BMs information has been increasingly included in corporate reports to represent the value of intangible resources and intellectual capital (Di Tullio et al., 2021). This integration

has stimulated the debate regarding the most effective form of communication – whether narratives or numerical – to guide corporate disclosure.

### 1.3.2. Archetypes

Classification schemata, such as typologies or taxonomies<sup>3</sup>, *"play fundamental roles in the development of a discipline since they are the primary means for organizing phenomena into classes or groups that are amenable to systematic investigation and theory development"* (Hunt, 1991, p. 176). Although "configuration" has emerged as the predominant term in the context of classification schemes, many researchers use the terms "pattern", "gestalt", "archetype", and "type" as synonymous (Leimeister, 2010). To unify the lexicon used in taxonomy and typology research, Baden-Fuller and Morgan (2010) describe "real types" as representation that emphasizes essential attributes and generic strategies of business models.

Therefore, identifying BMs' ideal types allows the possibility of discovering common characteristics and differences, but above all, expanding understanding, explanation, and prediction of business phenomena (Baden-Fuller and Morgan, 2010). As described by Baden-Fuller and Morgan, the notion of an ideal type is similar to the concept of an archetype since both are linked to taxonomy and typology research and represent idealized or prototypical examples of specific categories.

Archetypes hold considerable value in theory and practice as they contribute to the development of functionally-proven business models (Reinhardt et al., 2020). This, in turn, increases the likelihood of success for entrepreneurs copying them. In this

---

<sup>3</sup> According to Baden-Fuller and Morgan (2010), taxonomy refers to the classes (kinds) of things observed in the world, developed from the empirical world, bottom-up. In contrast, a typology delineates types of things decided theoretically or conceptually by scientists, top down. Business models combine elements of both typologies and taxonomies.



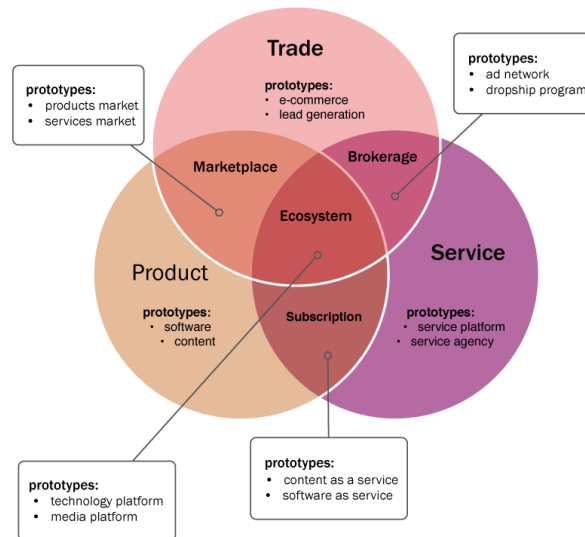
sense, BM is an external identity that a firm assumes to make itself identifiable by associating with a well-known category (Perkmann and Spicer, 2010).

However, there is no fixed number of archetypes with which entrepreneurs can identify, rather a set of kinds that may grow or change over time as ideas and knowledge about things in the world develop (Baden-Fuller and Morgan, 2010). For instance, recognizing patterns in business model structures has given rise to the archetypes depicted in Table 8:

Archetype	Description
<b>Freemium</b>	A basic version is offered for free, while a premium version with additional features or services is sold.
<b>No-frills</b>	Products or services with only the necessary attributes to have a lower price.
<b>The razor-razor blade model</b>	The principal product is inexpensive, but parts or services involve considerable markups.
<b>Sponsorship</b>	A company pays the costs of a sports event or concert in return for advertising.
<b>Licensing rights</b>	The right to use a brand, name or image is sold to another company to be included in its offering.
<b>Leasing</b>	Customers pay for use and not for ownership
<b>Brick-and-click</b>	Companies unify two revenue channels by running both an online store and a physical retail outlet
<b>Disintermediation</b>	Consists in bypassing intermediaries in the supply chain
<b>Direct sales</b>	A network of sales representatives directly contacts customers to sell products or services. Typically, no-fixed retail location exists.
<b>Franchise</b>	The purchase of another successful organization's business strategy
<b>Subscription</b>	A long-term contract that secures repeat purchases of a product or service.

Table 8: Examples of archetypes

To consolidate the various classification approaches found in the business model literature, Cabage and Zhang (2013) state that seven high-level archetypes encapsulate the primary interests and activities of every BM. Among these, three are primary, serving as the foundation from which the other four emerge, akin to the additive color wheel. Figure 6 visually represents these high-level archetypes, demonstrating the interplay between primary and secondary categories and their interconnectedness:



Primary archetypes are:

Products: one-time purchase of an offering.

Service: manually doing something and charging a fee.

Trade: connecting buyers and sellers for commerce.

The secondary archetypes are:

Brokerage: providing trade as a service.

Subscription: productizing and semi-automating a service.

Marketplace – productizing trade with a self-service platform.

Ecosystem – a platform that combines all three (mature).

Figure 6: Business model archetypes (Cabage and Zhang, 2013)

The seven archetypes are the base over which different prototypes arise as a product of their practical applicability in the real world. Ergo, a prototype is a more concrete manifestation of an abstract archetype, representing an actual BM (Cabage, 2015). Building on this idea within digital literature, the authors primarily focus on online examples, such as e-commerce. Similarly, but focusing on sustainable business models, Jonker and Faber (2021) identified three overarching archetypes for organizations pursuing the creation of multiple forms of value: platform business models, community-based or collective business models, and circular business models:

- *Platform BMs* broker access to underutilized capacity. The underlying idea is that using existing capacity more efficiently through datafication and digitalization reduces the pressure on raw materials and the natural environment. This archetype – a classic example of the sharing economy – creates value by facilitating transactions between two or more groups of people.
- *Community or collective BMs* involve groups of people (that simultaneously consume and produce –prosumers), organizations, and companies collaborating to satisfy one or more needs or resolve problems, such as generating local energy or growing food. A whole range of organizations can be distinguished under this archetype, from pure models carefully organized by citizens to the cooperation of citizens with other organizations: NPOs, governmental bodies, or companies.
- *Circular BMs* highlight the idea of designing and manufacturing raw materials, components, and products in such a way that they can be kept in circulation quasi-indefinitely.

Bocken and colleagues (2014) develop a more embracing taxonomy of SBMs' archetypes, in which Jonker and Faber's archetypes are prototypes. Hence, according to this taxonomy, commercial BMs suffer technological, social, and organizational innovation to become sustainable. The technical group includes three archetypes with a dominant technological innovation component: maximize material and energy efficiency, create value from waste, and substitute with renewables and natural processes. The social classification includes archetypes with a dominant social innovation component: deliver functionality rather than ownership, adopt a stewardship role, and encourage sufficiency. Finally, archetypes in the last group have a dominant organizational innovation change component: repurpose for society and the environment and develop scale-up solutions. Interestingly for this thesis, the "base of the pyramid solutions" was identified as belonging to the organizational innovation classification; BoP BMs impact firms' mission to benefit society and the environment.

Increasingly, more studies considered the BoP an archetype of sustainable BMs (Bittencourt Marconatto et al., 2016; Bocken et al., 2014; Boons and Lüdeke-Freund, 2013; Dembek et al., 2018; Rosca and Bendul, 2016). Recently, Schoneveld (2020) classified inclusive business models (IBMs) as sustainable BM. He stated that most, if not all, IBMs fit within the latter two groups of Bocken and colleagues' (2014) taxonomy, particularly the stewardship and repurposing for society and environment archetypes. Exempting some variations that include marginalized and vulnerable groups, original IBMs seek to productively engage income-constrained groups in the value chain and provide solutions to poverty. It has been argued that IBM embeds its origin in the BoP (Michelini and Fiorentino, 2012).

There is a compelling case among academics for consolidating conceptualizations and abandoning the IBM concept in favor of SBM or the BoP (Schoneveld, 2020). Indeed, the strategies underpinning the base of the pyramid BMs are more

comprehensive than mere inclusion in value chain activities. They involve innovation in all BMs components.

### **1.3.3. Component-based perspective**

While narratives and archetypes may serve several important purposes, they tend to be challenging to manipulate. Graphical frameworks offer descriptive accuracy and a more rigorous approach to structuring and organizing BMs by enumerating, clarifying and representing their essential (constitutive) components (Massa and Tucci, 2014). A famous example is the business model canvas (Osterwalder and Pigneur, 2010).

The component-based perspective is also known as ontological. As the name implies, it defines BMs by identifying their constitutive elements. Consequently, the literature on BMs contains various frameworks with different degrees of abstraction and complexity as well as different amounts and selections of elements (Kamprath and Halecker, 2012). For instance, Clauss (2017) identified 73 semantically different components in the literature from 2002 to 2014; this considerable variation in the underlying components prevents a general agreement about which elements constitute a BM.

Table 9 shows some of the frameworks identified in the literature.

<b>Authors</b>	<b>Business models components</b>
Hamel (2000)	Core strategy, strategic resources, value network and customer interface.
Magretta (2002)	Activities associated with making something (design, procurement, manufacture) and activities associated with selling something (markets, sales, distribution and delivery).
Mahadevan (2000)	Logistic stream, value stream and revenue stream.
Gordijn & Akkermans (2001)	Value in, value port, actor, value activity, value exchange, value object, profitability calculation.
Hedman & Kalling (2003)	Customers, competitors, offering, activities and organization resources, supply of factor and production inputs, longitudinal process component
Mahadevan (2004)	Target customers, value propositions, revenue model, and value delivery.
Voelpel, Lelbold & Tekle (2004)	Leadership capabilities, value network (re)configuration for the value creation, customer value proposition.
Morris and colleagues (2005)	Factors related to offering, market factors, internal capability factors, competitive strategy factors, economic factors, and growth/exit factors.
Shafer and colleagues (2005)	Strategic choices, the value network, creating value, and capturing value
Lecocq et al. (2006)	Implemented resources and competences, offered product and services, organization (value chain and value network), volume and revenues structure, costs' nature and level.
Rasmussen (2007)	Value proposition, market segment and revenue model, value chain, cost structure and profit potential, value network, competitive strategy.
Johnson and colleagues (2008)	customer value proposition, profit formula, key resources, and key processes.
Demil & Lecocq (2010)	Resources and competences, organization, value proposition, volume and structure of revenue streams, volume and structure of revenue costs.
Osterwalder & Pigneur (2010)	Customer segments, value propositions, channels, customer relations, revenue streams, key resources, key activities, key partnerships, cost structure.

Teece (2010)	Select technologies and features to be embedded in the product/service, Determine the benefit to the customer from consuming/using the product/service, identify market segments to be targeted, confirm available revenue streams, design mechanism to capture value.
Zott & Amit (2010)	Designing elements (content, structure, governance) and design themes (novelty, lock-in, complementarities, efficiency)
Casadesus-Masanell & Ricart (2010)	Choices (policy, governance, and assets) and consequences (rigid and flexible).
Baden-Fuller & Mangematin (2013)	Customers, customer proposition, monetization, and value chain and linkages
Boons & Lûdeke-Freund (2013)	Value proposition, supply chain, customer interface, and financial model
Wirtz et al.(2016)	Strategic components (strategy model, resource model, network model), Customer & market components (customer model, market offer model, revenue model), Value creation components (manufacturing model, procurement model, financial model).

Table 9: Business models components

Progress in the BM literature has been hindered by a lack of consensus over the key components (Foss and Saebi, 2018). Researchers repeatedly apply the framework of Richardson (2008), who identify as key elements the value proposition, value creation and delivery, and value capture (For example see Bocken et al., 2014; Clauss, 2017; Jonker and Faber, 2021; Reinhardt et al., 2020). Similarly, in social entrepreneurship, Yunus (2010) performed an in-depth analysis of BM components in academic literature and concluded that, among the plethora of definitions, three elements are usually distinguished: the value proposition, the way the company is organized to deliver products and services to customers (value constellation), and the revenue model.

#### 1.3.4. Meta-models

The notion of meta-models comes from the system information literature. They are similar to frameworks or ontologies in that they rely on the component notion to model networked and dynamic business models. The main difference is that ontologies are mainly descriptive, whereas meta-models can be descriptive and prescriptive (Aßmann et al., 2006).

*"In the former case [ontologies], the model describes reality, but the reality is not constructed from it. In the latter case [meta-models], the model prescribes the structure or behavior of reality and reality is constructed according to the model; that is, the model is a specification of reality" (Aßmann et al., 2006, p. 256).*

According to the information system literature, the first step to develop a model – such as a business model – is the specification of the components following by the design of the architecture allowing the implementation phase (Aßmann et al., 2006). Hence, meta-models offer a complete account of the dynamic aspects of a particular BM (Massa and Tucci, 2014).

Albert and colleagues (2013) offer a more intelligible explanation: a meta-model is a set of concepts used to create BMs; at the same time, the subsequent BMs originating from this set of concepts are an instance of the meta-model. For example, a meta-model may define that "a business model consists of a value proposition, organization, and finances". Thus, the meta-model lays out the rules for modelling a BM. Consequently, the resultant BM is an instance of the meta-model following those rules. An example of a meta-model is the business model canvas, which can serve to make a BM of any company. This BM would be an instance of the business model canvas. However, the canvas is itself also a model. It is a model for creating BMs. As such, it is a business model-model or, in modelling terms, a meta-model.

Every meta-model provides a vocabulary for creating, evaluating, and reconfiguring BMs (Alberts et al., 2013). Another famous example of a meta-model is the



conceptualization of BMs as a product of choices and consequences (Casadesus-Masanell and Ricart, 2010). In this framework, managers make decisions regarding policies, assets, and governance structures, each choice leading to consequences that may be flexible or rigid. The latter is a critical aspect to consider when addressing BM reconfiguration.

This perspective employs a hypothetico-deductive approach, and its associated representations often take the form of mind maps or causal loop diagrams (Haggège and Collet, 2010). Causal loops, which include both damping and self-reinforcing loops, facilitate a deeper understanding of how the interrelated choices within a BM influence the overall behavior and result in a specific configuration of consequences. By analyzing the relationship between choices and consequences, managers can better comprehend and manipulate the dynamics of their BMs.

In addition to the choices and consequences model, Vermolen and colleagues (2012) identified ten other meta-models: 1) the activity system perspective (Zott and Amit, 2010), 2) the e3-value methodology (Gordijn, 2002), 3) the RCOV (Demil and Lecocq, 2010), 4) the general BM of Hedman and Kalling (2003), 5) the entrepreneur's BM of Morris and colleagues (2005), 6) the social BM of Yunus and colleagues (2010), 7) the three tools guide for planning BM innovation of Kim and Mauborgne (2000), 8) the 4C (Content, Commerce, Context, Connection) for BM adaptation (Wirtz et al., 2010), 9) the internet value-adding activities of (Lumpkin and Dess, 2004), 10) the research framework of Pateli and Giaglis (2004).

Among them, the framework of Yunus and colleagues and the activity system perspective of Zott and Amit are relevant to the purpose of this thesis. We explain them below.

#### **❖ The social business model of Yunus and colleagues**

Yunus and colleagues developed a framework to create a social business. As such, it covers a prescriptive role, becoming a model for developing other models (meta-model). Taking inspiration from the commercial BMs, Yunus social business (YSB) contains four elements (see figure 7):

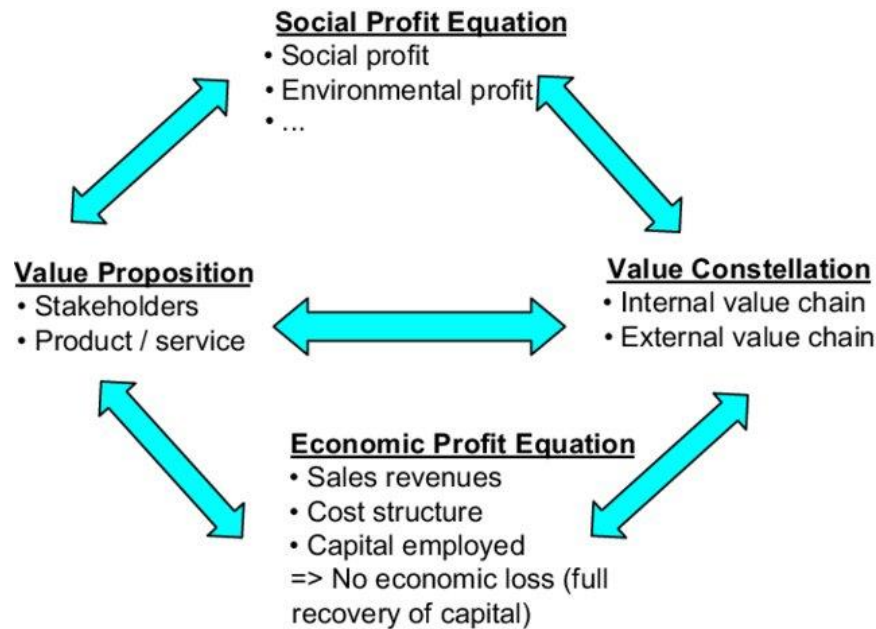


Figure 7: The four components of a social business model (Yunus et al., 2010)

Social business models emerge by finding new ways of combining or changing the components shown in figure 7. However, according to Yunus and colleagues (2010), there are minimum requirements for a BM to be considered social, such as the specification of targeted beneficiaries and the provision that the value proposition and constellation do not focus solely on customers but encompass all stakeholders. Also, they require defining desired social profits through a comprehensive ecosystem view that considers the community, environment, and society at large to calculate the social profit equation. Finally, managers must remember that the economic profit equation targets only the full recovery of cost and capital, not financial profit maximization.

In light of the minimum requirements and considerations for a social business model, as outlined by Yunus and colleagues (2010), it is important to recognize how the evolving landscape has expanded the initial conception of social business over time. Initially,

*"The distinction between social business and conventional business, that is, money-making business, [was] totally de-linked from the idea of making personal profit. It is imperative to underline the words 'very idea'. Because once you keep the idea of profit, you get back to the old logic" (Kickul et al., 2012b, p. 456).*

As the field of social entrepreneurship has grown, the perception and understanding of what constitutes a social business have evolved. This progression has allowed for more diverse and innovative approaches to addressing social and environmental challenges, fostering a more comprehensive and inclusive view of how businesses can contribute to the greater good.

As a result, different organizations have embraced the notion and applied social BMs. Ballesteros-Sola (2015) developed a typology in the function of the agent driving the social business. Those agents are MNCs (denoted as A in figure 8), NPOs (denoted as B), social entrepreneurs (denoted as C) or organizations under the umbrella of the Grameen family.

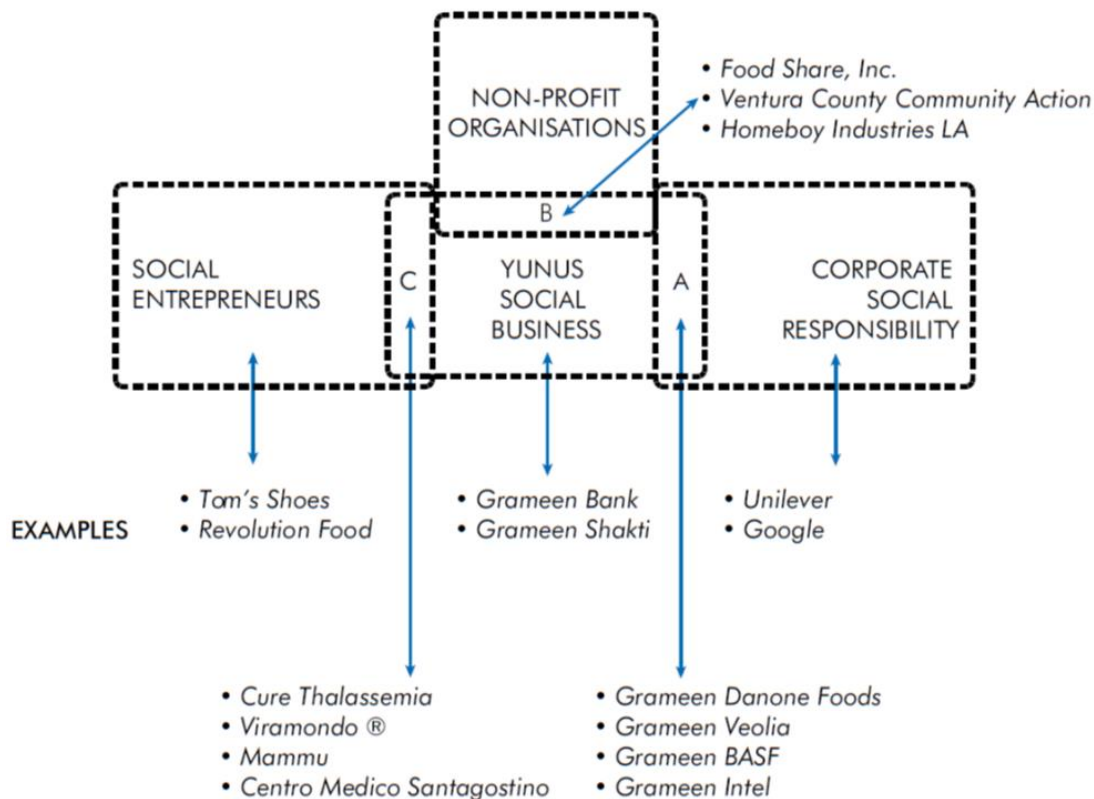


Figure 8: Yunus social business typology (Ballesteros-Sola, 2015)

Ballesteros-Sola's typology distinguishes between social enterprises and businesses. "Social enterprise" and "social business" are often used interchangeably but can have slightly different meanings. The main difference between them is the way profits are used.

SEs correspond to a broad spectrum (Grove and Berg, 2014), including voluntarism, not-for-profit organizations, dividend generation, and social businesses. In an interview with Kickul and colleagues (2012b), Yunus clarified that a social entrepreneur might not necessarily be involved in a business; their activities could include neighborhood improvement, healthcare enhancement, or supporting others in finding innovative solutions. In cases where social entrepreneurs run an enterprise, dividends may be distributed to investors, which is not characteristic of social businesses.

In contrast, social businesses' primary aim is to address and solve social problems without focusing on making money for investors. Given that social businesses are a type of social enterprise, a social entrepreneur may apply a social business model and follow the principles of non-loss, no-dividends. Similarly, nonprofit organizations may engage in revenue-generating activities while maintaining their focus on social impact and mission-driven objectives.

Grameen family is a conglomerate of profit and non-profit organizations, which owe their name to Grameen bank, the first social business founded by Muhammad Yunus. MNCs also apply social business models since they display several advantages over traditional CSR activities. Among these benefits are the recovery and potential reinvestment of corporate funds, measurable financial objectives, the concentration of new ventures on existing core competencies, and the enrichment of organizational knowledge derived from new social ventures (Ballesteros-Sola, 2015).

Presently, a diverse range of organizations—from non-profit organizations to traditional profit-driven enterprises—apply social business models in their operations, demonstrating the growing importance and versatility of social entrepreneurship and its impact across various sectors.

#### **❖ The System-activity perspective of Zott and Amit**

In a few years, the perception of business models expanded to emphasize their systemic, boundary-spanning nature. The system activity definition "allows describing and conceptualizing BMs with considerable depth and accuracy" (Massa and Tucci, 2014, p. 434). This approach perceives business models as boundary objects playing an important sense-making and sense-creating role for various stakeholders (Jensen, 2013). For instance, Zott and Amit (2010) propose a system-activity perspective that understands BMs as "a system of interdependent activities

that transcends the focal firm and spans its boundaries" (Zott and Amit, 2010, p. 216). Consequently, the focal firm and its network operationalize the business model.

Activity systems defy the traditional understanding that a business model exclusively related to an organization, firm, or company; and instead position it within the network across organizational entities, thereby partly disconnecting from the firm. This perspective highlights the interconnected nature of modern business models and the importance of considering the broader network within which a firm operates.

As figure 9 shows, the framework of Zott and Amit has two elements. The first contains three components labelled as design elements: content, structure, and governance; they represent the architecture of the BM. The second element, known as design themes, describes four possible combinations of the BM's components (design elements) to create value: novelty, lock-in, complementarities, and efficiency.

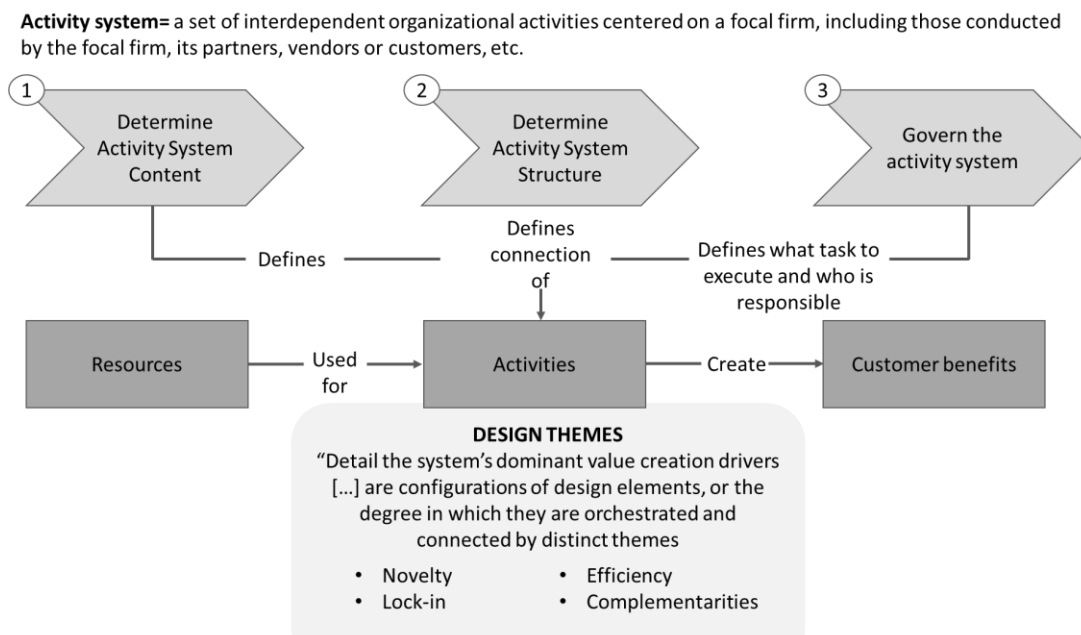


Figure 9: The elements of the system-activity perspective (Gassmann et al., 2016)

According to Zott and Amit (2017), *content* refers to the selection of activities to be performed, also named the "what" of the activity system. The *structure* describes "how" the activities are linked, in what sequence, and if they are core, supporting or peripheral. *Governance* refers to "who" performs the activities. The design themes that orchestrate and connect the elements of BMs to create value are 1) *novelty* adopts new content, and-or new structure, and-or new governance. 2) *Lock-in* refers to innovation on BM's elements to switch costs or enhance incentives for business model participants to stay and transact. 3) *Complementarities* refer to the value-enhancing effect of the interdependencies among BM elements; that is, they are present whenever bundling activities within a system provide more value than running activities separately. And finally, 4) *efficiency* refers to cost savings through the modifications of the elements.

Content, structure and governance are highly interdependent among them and with the revenue model, which could be referred to as the *raison d'être*, or the "why" of the business model (Zott and Amit, 2017). Foss and Saebi (2018) argue that system activity is unifying because it highlights the essence of business model: the architecture (components) and the logic linking those components to create value. Consequently, they are handy in explanatory tasks because they capture the fundamental nature of a phenomenon and allow for clear explanations and predictions.

#### **1.4. Reconciling the different levels of abstraction**

Is any abstraction better than the other? Non, each abstraction relates to a specific business reality, i.e., they represent how a firm pursues its business at a certain point in time (Kesting, 2021). For example, in the earlier stages of the exploration process, the BM is a mental attraction presented to others through stories intending to make sense of the business idea (Haggège and Collet, 2010). So, the relevance of abstraction over others must be judged on its ability to reflect the real world of

business better than alternative approaches. E.g., some people understand the reality of 5 as five itself or by seeing it as the sum of  $3+2=5$  or  $I+I+III = V$  (Jensen, 2013); any of those perspectives is wrong, only more or less accurate and purposeful for a determined audience.

Rather than trying to achieve one single, generally applicable and exhaustive definition, the various complementary perspectives can contribute to and build upon a core understanding of the business model (Jensen, 2013). Congruently, Jensen (2013) offers an integrative perspective of BM as *"a focal firm's core logic for creating, delivering and capturing value within a stakeholder network"* (Jensen, 2013, p. 67). This author argues that the critical attributes remain in this definition:

- The phrase "focal firm" is included to maintain a firm perspective.
- The network aspect highlights the boundary-spanning nature of BMs, emphasized by the stakeholder term rather than the narrower value network.
- The unit of analysis and manipulation is the business model.
- "Core logic" is maintained to emphasize the systemic nature related to governance, strategic decision, activities, or something different.

This thesis agrees with the above definition and posits that a comprehensive understanding of the business model requires considering the firm and network levels of analysis.



## **SECTION 2: THE DIFFERENT RESEARCH PERSPECTIVES IN BUSINESS MODELS**

---

As we mentioned, the second form of classifying the diverse definitions of business models is through the perspectives applied in research.

### **2.1. BMs perspectives in research**

BM literature is developing mainly in silos, according to the phenomena of interest of the researchers (Zott et al., 2011) and practitioner communities. They focus on different aspects, each representing a local and subcultural interpretation of the global category of BMs (Ghaziani and Ventresca, 2005). Many classifications exist. For instance, Foss and Saebi (2017) identified three streams: the first uses the BM as a basis for enterprise classification, the second sees the BM as an antecedent of heterogeneity in firm performance where successful examples are worth imitating, and the third considers the BM as a potential unit of innovation.

In the same vein, Massa and colleagues (2017) centered their classification on BMs' functions in research. In the first group, BMs are an empirical phenomenon or attribute of real firms; efforts in this line of investigation have frequently supported the identification of archetypes and value-creation sources. In the second group, BMs are cognitive/linguistic schemas that represent the thinking pattern of managers in organizations; this mental representation or image is used to make decisions such as evaluating new business opportunities. Finally, the third stream of research uses BMs to represent and explain how a company does business formally; the outcomes are frequently pictorial, mathematical, or symbolic representations that give sense to the complexity of BMs.

Gassmann and colleagues (2016) talk about schools of thought, clearly delimited research groups follow specific understandings of BMs:

- 1) *The activity-system school* is based on the work of Zott and Amit (2010) and considers that BM is a set of interdependent activities spanning firm boundaries
- 2) *The process school* follows the work of Demil and Lecocq (2010) and understands BMs as dynamic processes of balancing revenue, costs, organization (internal and external), and value.
- 3) *The cognitive school* follows the seminal paper of Baden-Fuller and Morgan (2010): "Business models as models"; consequently, a BM is a logic of how firms do business.
- 4) *The technology-driven school* takes inspiration from the work of Henry Chesbrough and David J. Teece. Hence, researchers in this group see BMs as a way to commercialize novel technology.
- 5) *The strategic choice school* sees BMs as a product of strategic choices. The paper of Casadesus-Masanell and Ricart (2010) highly influences this research group, which pursues the connection between BMs and existent streams of theory in strategic management
- 6) *Recombination school* is based on Gassmann, Frankenberger, and Csik's framework that structures BMs in four dimensions: customer, value proposition, the value chain dimension, and the revenue model to answer the business questions: What do customers value? How to build and distribute the value proposition? Why is the business model financially viable?
- 7) *Duality school* focuses on managing parallel BMs by interlinking BMI with literature on organizational ambidexterity. An additional aspect central to their research is the topic of resource constraint innovation and BMs for emerging markets.

For his part, Jensen (2013) identified four different perspectives in a more comprehensive classification. Table 10 presents the representational, functionalist, pragmatic, and systemic views.

View	BM as representation of reality	BM serve specific functions	BM as an outcome of relations between actors	BM (open) systems
<b>Purpose</b>	Objective representations, “snap shots” Search for general and causal relations – grand theory	Theory refinement - fit with role, hierarchies, and consensus Insights and/or normative	Understand practice of problem solution Challenging established theories, new insights Understand interplay between actors	Holistic understanding of different systems, their components, interactions, and dynamics at macro and micro level Integrative platform
<b>Examples of presence and usage</b>	Theoretically driven research, business model frameworks, business model typologies	Theoretically based research on existing, renewed, and new business models in established companies	Grounded research in entrepreneurial and change oriented situations Exemplary cases for inspiration	Understanding of interplay between businesses and their environment, e.g., ecosystems, clusters, complementarity, multisided markets
<b>Role of theory</b>	Theory driven / testing Linear, planned, deductive, causality	Theory testing / driven, causality, deductive, linear	Theory creation / application / challenging - Looking for the unfamiliar Abduction	Integrative views / dependencies Integrative platform for research programs
<b>Context</b>	De-contextualized	Contextualized by disciplines and institutional frames	Contextualizing within stakeholder environment	Contextualizing and contextualized within focal system(s)
<b>Nature of business model construct</b>	Unit of analysis - objective, measurable, depicting (actual and possibly latent)	Construct fulfills objective (real), general functions	Boundary object Frameworks and facilitation may guide business model	Emphasis on part-systems, components, linkages, and feedback

	components and configurations Exact, stable construct and identifiable causal linkages	Flexible construct within boundaries of generic purposes	conceptualization Dynamic construct under transformation	Boundaries / open closed / levels / Static - dynamic Multiple business models
<b>Timing: Availability of construct</b>	struct ready before research – desk	Predefined assumptions on function desk Business model becomes conceptualized in process	Business model becomes conceptualized and/or modified in interactive processes in field	Ex ante perception or creation through explorative investigation
<b>Actor role</b>	External (silent)	Silent - adapting to institutional regime	Actors as creators	Self-regulating or actor influenced systems
<b>Risks</b>	Too narrow - lack in comprehensiveness and practical applicability	Too constrained by existing knowledge	Reinvention of existing knowledge	Too general, losing relevance and meaning

Table 10: Business models research perspectives (Jensen, 2013)

### 2.1.1. The representational view

According to Jensen (2013), the representational view depicts what BMs are. Researchers working from this perspective aim to develop a perfect, general, objective (and ultimately valid) representation of reality. Frequently by adding components, configurations, and boundaries or developing templates or typologies. This perspective has roots in natural sciences, consequently, tends toward positivism. New knowledge is created cumulatively and builds on an advanced, consistent, and stable system of language and methods which emphasize generalizations, de-contextualization, validity, rigor, causality, and replication. The research process is linear, and constructs are determined before data collection. Generally, it is silent on business models' actors and the sensemaking and narrative character.

### 2.1.2. The functional view

The functional view focuses on the role of the BM (Jensen, 2013). According to the literature, BMs are means of commercialization (Chesbrough, 2010, 2007), cognitive instruments (Baden-Fuller and Mangematin, 2013), and part of the strategic process to produce, deliver and capture value, and ensure competitive advantage. Moreover, they are powerful tools for analyzing, implementing, and communicating strategic choices (Shafer et al., 2005). Recently, BMs have started to support the pursuit of environmental and social objectives by designing them appropriate to this purpose. Indeed, BMs are considered a new dimension of innovation. As Chesbrough (2010, p. 356) stated: *"I would argue that a company has at least as much value to gain from developing an innovative new business model as from developing an innovative new technology"*.

Massa and Tussi (2014) propose that BM innovation involves the creation of novel BMs and the reconfiguration of existing ones (see figure 10):

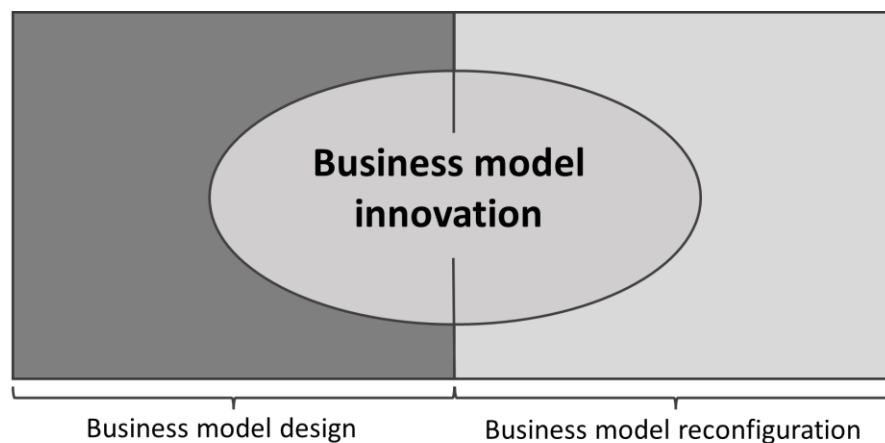


Figure 10: BM innovation as a subset of business model design and reconfiguration (Massa and Tucci, 2014)

BMI is an extension of BM (Foss and Saebi, 2017) that involves changing its components (Foss and Saebi, 2018). In other words, BMI is about developing new ways to capture, create, and deliver value (Pedersen et al., 2021) through incremental adjustments to more radical advances (Schaltegger et al., 2012). Therefore, the innovation process may mean minor adaptations, the transformation from one business model to another, or the creation of entirely new business models (Chesbrough, 2010). However, incremental and radical BMI represents two ends of a continuum between which several combinations can be observed (Pedersen et al., 2018).

In this vein, Foss and Saebi (2017) suggest a typology based on scope and novelty (see table 11). Scope describes whether innovation impact BMs' components (modular) or the functional relations and activities underlying those components (architecture). Novelty refers to the newness of innovation to the firm and the industry; in this dimension, the more novel an innovation, the more significant the disruption caused.

Novelty	Scope		
		Modular	Architectural
	New to firm	Evolutionary BMI	Adaptive BMI
	New to industry	Focused BMI	Complex BMI

Table 11: Business model innovation typology (Foss and Saebi, 2017)

Evolutionary BMI involves voluntary and emergent changes in individual components of the BM, often occurring naturally over time. Adaptive BMI involves changes in the overall BM that are new to the firm but not necessarily new to the industry. In focused BMI, the firm innovates within one component of the BM, e.g., targeting a new market segment that the competitors have ignored. As a result, the firm creates a new market while keeping its value proposition, value delivery, and value capture mechanisms intact. In contrast, complex BMI affects the BM in its entirety.

Creating a new BM for a new business does not necessarily mean the current model is threatened or should be changed; new models can reinforce and complement the core business (Johnson et al., 2008). Recent research highlights the use of BMI to reduce costs, optimize processes, introduce new products, access new markets (Foss and Saebi, 2017), and create sustainable value (Bocken et al., 2019; Pedersen et al., 2018). According to Jonson and colleagues (2008), five circumstances often require BMI:

1. Address the needs of large groups of potential customers who are shut out as a market because existing solutions are too expensive or complicated; this includes the opportunity to democratize products in emerging markets or reach the bottom of the pyramid.
2. Capitalize on a brand-new technology or leverage a tested technology by bringing it to a new market.
3. Fulfill an entirely unmet customer need.
4. Fend off low-end disrupters.
5. Respond to changes in the competitive context that modify what is considered an acceptable solution in a market.

Innovation involves an iterative process of experimentation. Consequently, many researchers and practitioners assume that BMs are dynamic and subject to change and modifications. However, on the opposite side, another group highlights the character static of BMs. For them, every structural change led to a new business model different from the original (Doz and Kosonen, 2010). Lecocq and colleagues (2010) point out the importance of pledging a more holistic perspective on the topic by reconciling the static and dynamic views. They stated that the static view, which

aims to describe the configurations of elements producing (or not) good performance, and the dynamic view, which tries to grasp the ways in which a BM evolves over time fulfil different functions.

Hence, the functionalist view frequently involves the use and development of design and instrumentalist tools that contribute to theory refinement and improvements. Further, the classic functionalist view emphasizes the institutional context, and it is silent on the role of actors as they act within the institutional frames (Jensen, 2013).

### **2.1.3. The pragmatic view**

The pragmatic view assigns value to concepts by their successful practical application, tending to avoid the definition challenge (Jensen, 2013). From this research perspective, BMs are solutions – undertaken by entrepreneurial activities – to problems caused by imperfect markets and competition (Teece, 2010). In some cases, markets may not even exist, so entrepreneurs may have to construct new markets – such as the case of the BoP. Consequently, the emergent business model is frequently a mix of narratives and calculative devices manifesting in business plans, elevator pitches, and budgets (Jensen, 2013).

Therefore, the BM serves as a boundary object created and changed in the process between the actors. The resulting BM is fundamentally subjective due to the linkages with the surrounding actors. Existing theories and reviews play a less dominant role than in the other views but may provide the first input (e.g., frameworks) for initiating a process. The research process shifts between practice and theory (abduction) and is often very close to the field. Although research in this view is local and emergent, the final model and findings can still be mirrored against more general definitions or used for analytical generalization (Jensen, 2013).



#### **2.1.4. Systemic view**

Many studies stress the system-activity definition of BMs (Foss and Saebi, 2018) and analyze the relationship between a focal firm and its environment in creating, delivering, and capturing value. More precisely, the systemic perspective explains how value is created and appropriate in concert with many stakeholders (Zott et al., 2011). Researchers under this perspective assume that BMs imply a set of activities that can be performed within the firm or beyond through cooperation with partners, suppliers or customers (Zott and Amit, 2010); it depends on who possesses the resources and capabilities to perform them. Hence, studies center on a focal firm but acknowledge that BMs have wider boundaries and function at a system level.

Network participation differentiates the systemic view from prior perspectives that cannot sufficiently address questions about total value creation (Amit and Zott, 2001); nor explain how firms without significant resources and operating under unfavorable industry conditions survive and prosper. Instead, the systemic perspective has an explanation indeed. It suggests that those companies are successful because their BMs are (1) based on a critical mass of stakeholders that (2) are connected in an intricate system of complementary activities (Foss and Saebi, 2018).

Zott and Amit developed the system-activity perspective by elaborating on their original BM definition: a set of interdependent activities that span a firm's boundaries (Zott and Amit, 2010) and comprises three components - content, structure, and governance - to create value through the exploitation of business opportunities (Amit and Zott, 2001). The activity system perspective is widely accepted within academia (Gassmann et al., 2016), but it has yet to be addressed explicitly (Jensen, 2013). Some exceptions, are the work of Kulkov (2021), who applied the system-activity design framework to understand value creation for multiple stakeholders in artificial intelligence companies' BMs. In a similar line of investigation, Dembek and

colleagues (2018) and Brehmer and colleagues (2018) also use the system-activity design framework in the sustainable BMs literature to explain how companies create, transfer, and capture value in networks.

As current research shows, this school of thought (Gassmann et al., 2016) combine two common themes in the business models literature:

*"What businesses do (e.g., what product and services they produce to serve needs in addressable market spaces) but also on how they do it (e.g., how they bridge factor and product markets in serving the needs of customers). The business model perspective thus involves simultaneous consideration of the content and process of doing business" (Zott et al., 2011, p. 1037).*

Both interpretations are mutually beneficial. Hence, distinguishing between these views could be a way to structure the topic and provide clarification. These two suggestions would improve the research of BMs by bringing a conceptual consolidation among researchers worldwide (Gassmann et al., 2016).

### **SECTION 3: LOGICS OF VALUE CREATION**

---

In a bid to dissect the complex machinations of organizational value creation, this section embarks upon an analytical exploration of the concepts that underpin this process, allowing the understanding of the principles and premises guiding the creation of value within an organizational context.

### 3.1. Difference between business model, strategy, and tactic

The diversity of definitions for the BM concept has led to confusion in terminology. Consequently, business models and other management concepts are not well distinguished and often used interchangeably. Following the work of Casadesus-Masanell and Ricart (2010) we focus on clarifying the differences between BMs, strategies, and tactics in this section. These three concepts are different, and their differences are more transparent and relevant in complex environments such as the BoP.

- Strategy is a plan that faces competition. It includes, among other actions, the choice of BMs, potential reconfigurations on them, and the development of advantages (differentiators) that reinforce effectiveness and increase chances of success.
- Business models are an intermediary construct between strategy and implementation (Schoneveld, 2020). They are the direct reflection of a strategy (Casadesus-Masanell and Ricart, 2010) and the means for its coherent implementation (Dahan et al., 2010).
- Tactics are *"the residual choices open to a firm by virtue of the business model it chooses to employ"* (Casadesus-Masanell and Ricart, 2010, p. 196). BMs constrain the range of tactics available; however, tactics play a central role in the quantity and quality of value a firm can create and capture.

The three are complementary and must align to avoid inconsistencies. Indeed, if the strategy changes but the business model remain the same, the innovation process fails (Schaltegger et al., 2012). Ergo, although BMs can be a source of competitive advantage, developing a successful one may not be sufficient because once

implemented, the gross elements of a BM are often quite transparent and easy to imitate. Indeed, it is usually just a matter of a few years, if not months, before a successful new BM elicits imitative efforts and becomes, to some degree, shared by multiple competitors (Teece, 2018, 2010) as an archetype.

Strategy is what makes BMs hard to imitate. It maps out how the company will perform better than its rivals—being better means competing differently by doing something no other business does in ways that no other business can duplicate (Magretta, 2002), such as choosing the proper BM. In some cases, executives can directly translate one set of strategic choices into a single business model, which they then analyze, test, and validate. In other cases, executives consider a range of BMs simultaneously, each representing a different set of strategic choices before concluding the best business model for their organization (Shafer et al., 2005).

Using this same line of thoughts, Casadesus-Masanell and Ricart (2010) developed the hierarchical framework shown in figure 11, where strategy, BM, and tactics are first, second and third-order concepts as an analogy of the military activity that takes place on three levels: strategic, operational, and tactical (Williamsson et al., 2019). Besides, the three management concepts function in relation to a fourth concept: business logic - which encompasses the three levels and functions as a communication vessel between them (Williamsson et al., 2019).

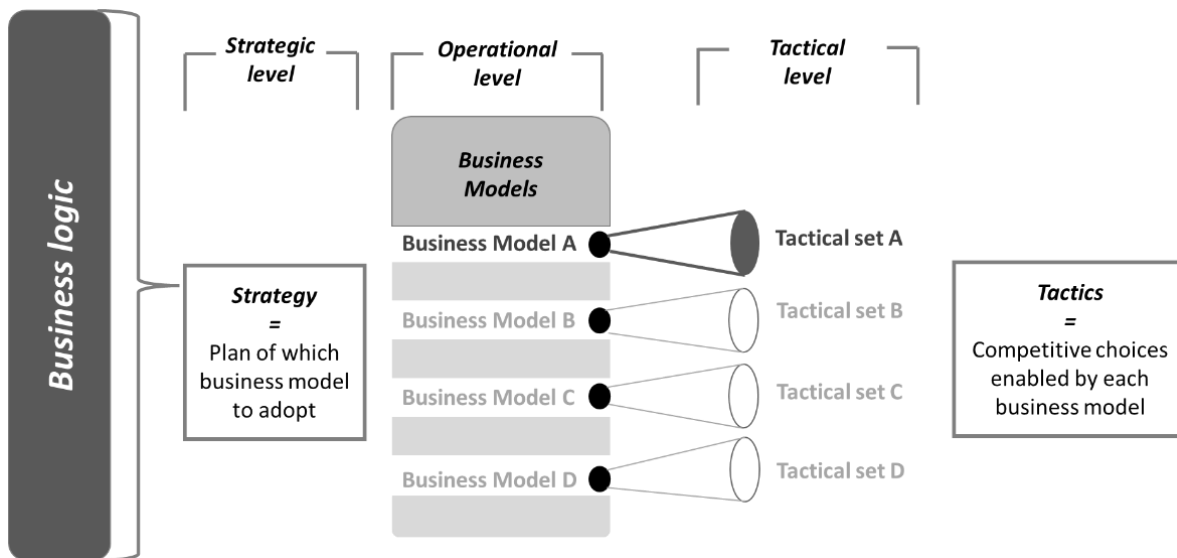


Figure 11: Strategy landscape, adapted from (Gassmann et al., 2016)

Therefore, according to this framework, business logic underpins strategy, BM, and tactics. In strategic management, *logic* refers to the decisions (choices) to deliver competitive advantages by creating, delivering, and capturing value better than the rivals. Congruently, strategy becomes a plan of which BMs to adopt; that decision is affected by the dynamic capabilities (Teece, 2018). Dynamic capabilities are organizational processes by which managers acquire, shed, integrate and recombine resources and capabilities to generate new value-creating strategies and sources of competitive advantage (Eisenhardt and Martin, 2000). Such processes may be agile and radical or slow and superficial. In other words, firms with weaker dynamic capabilities will be more likely to adopt BMs that lean on past investments and existing organizational processes, even if that means not seizing a good opportunity. Contrastingly, a firm with solid dynamic capabilities has greater freedom to contemplate BMs that entail radical shifts of resources or activities.

Once the decision is taken, BMs become the means to implement the chosen strategy, whereas tactics are the competitive choices the BM enables. As an analogy to understand the difference between those concepts, we retake the customized home of Shafer and colleagues (2005). Initially, the architect consults with the future

homeowners to understand how they envision the home and their life within it; he searches for structuring future owners' desires in a coherent logic. Then, based on this logic, he considers options in several areas (e.g., main level or second-story master bedroom) and creates a design to fulfil customers' vision; this corresponds to the strategy. Next, the architect prepares a detailed floor plan and elevation based on the choices made during the design process; this corresponds to a business model. Finally, the remaining choices regarding less structural decisions, such as selecting the kitchen's color and finishes, correspond to tactics.

When strategy maps one-to-one onto the business model, there is no utility in separating them. The substantive difference arises when the firm's contingent strategy demands business model modifications (Casadesus-Masanell and Ricart, 2010). In this case, strategy and BM no longer coincide, regardless of whether the business model modifications involved are substantial or only minor. As a corollary, another difference between strategy and BM is that, while every organization has some BM, not every organization has a strategy or a plan of action for different contingencies that may arise.

However, Teece (2018) affirm that once a BM is established, it can shape the strategy. For instance, by determining costs and profitability, a BM impacts the very feasibility of a strategy. Consequently, in the event of a conflict between strategy and the BM, top management must determine which of the two should change. The difference between these two perspectives is conciliated by the concept of tactics – those choices, such as prices, that are relatively easy to change. On the other hand, the strategy involves a set of no easily reversible choices about policies, assets, and governance structures to set the BM. Therefore, BMs are constrained by the strategy and tactics by the business model, and the three of them respond congruently to the business logic.

Even when the debate about the independent character of business models over strategy continues, this thesis agrees with the side that portrays the BM as an independent concept, clearly separating it from other established concepts. Even more now that BM and strategy appear to be the two primary constructs that managers and researchers rely on when exploring business's past, present and future (Williamsson et al., 2019).

### 3.2. Beyond the purely commercial business model

Organizations may follow heterogeneous logics to shape their business models (Ocasio and Radoynovska, 2016). Stabell and Fjeldstad (1998) affirm that the different activities performed inside a single enterprise can follow a specific value creation logic: chain, shops, or networks. These logics explain what creates value, what contains the value, and the stakeholders' role (see table 12).

	<b>Chains</b>	<b>Shops</b>	<b>Networks</b>
<b>Value creation logic</b>	Converting inputs into products	Solving problems by looking for the optimal solution	Linking stakeholders
<b>Value container</b>	Offerings	Solutions	Interactions and interchanges Co-creation of
<b>Stakeholder position</b>	Peripheral	Open innovation	value through usage

Table 12: Value creation logics, adapted from (Stabell and Fjeldstad, 1998)

The framework consists of three logics. Under a chain logic, value is created by transforming inputs into outputs. In shops, value creation depends on resolving customers' problems by repeating iterations towards an optimal solution. In networks, value creation resides in linking stakeholders and facilitating interactions

and exchanges (Stabell and Fjeldstad, 1998). Therefore, in chains, the offering - whether a product or a service - contains value. In shops, the solution to the problems carries value. In networks, the interactions and interchanges deliver the perceived benefits. Besides, stakeholders have a specific position in each logic. In chains, they are in the periphery; in shops, they participate with ideas; in networks, they work with the organization and between them. Figure 12 depicts the idea:

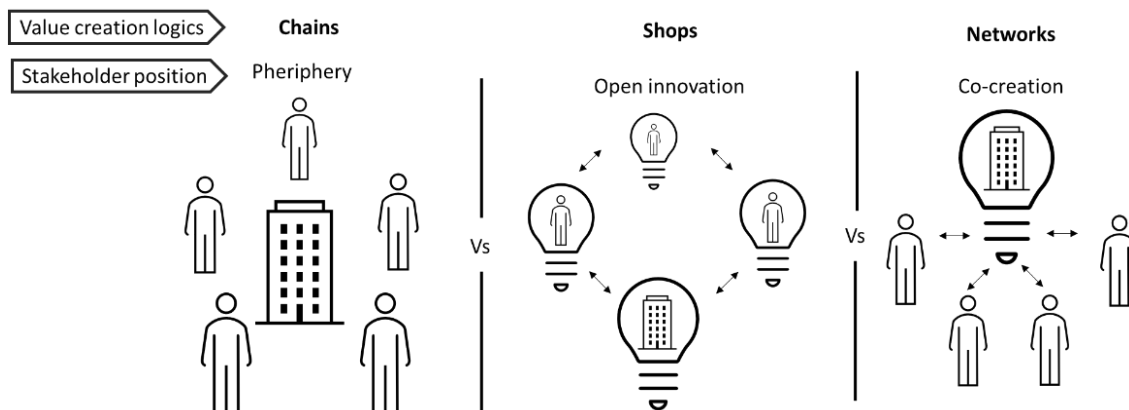


Figure 12: Stakeholders' position, adapted from (Neumann, 2017)

The three value logics represent rooted ideas, and their relevance has not diminished. They have been applied to study BMs innovations (For examples see: Dembek et al., 2018; Ramsdal and Bjørkquist, 2020). We state that Stabell and Fjeldstad's (1998) value configuration framework is useful for exploring different logics when they intend to deliver mutual value at BoP. Hence, they help understand how organizations embed a more comprehensive range of societal cares, concerns, and values (Randles and Laasch, 2016).

Indeed, value creation can refer to different forms of value, such as social or economic. Consequently, the underlying conceptual structure of an organizational value logic (BM) can be applied beyond a purely commercial context to partially commercial and even noncommercial organizations (Laasch, 2018). Randles and Laasch (2016) connect this wider understanding of value to stakeholders. They



suggest that a variety of values may translate into benefits accruing to the groups affected by an organization. For instance, in the context of sustainability business models, there is the notion of a blended value proposition, a shared value or mutual value for the company and multiple other stakeholder groups (Laasch, 2018).

In those approaches, stakeholders are not passive recipients but active actors that can transform how BMs create value. Indeed, Bocken and colleagues (2014) argue that organizations must innovate how they and their value network create, deliver, and capture value to tackle society's pressing challenges. For instance, Decker and Obeng Dankwah (2022) analyzed the partnership between MNCs and microentrepreneurs to co-opt BMs to enter the BoP market. Whereas, Verwaal and colleagues (2021) consider that the participation of indigenous producers, suppliers and consumers increases the adaptive capacity of a BM at the BoP.

### **3.2.1. Business model innovation at BoP**

In BoP markets, the value creation logic is distinct from conventional models. Companies operating in these markets must adapt their BMs to harmonize profit-oriented objectives and social goals (Laasch, 2018). To better understand this dynamic, BoP field researchers have modified traditional commercial component-based frameworks to account for mutual value creation. For instance, Yunus and colleagues (2010) added the social value dimension to what they considered the most concise conceptualization: the offering proposed to customers (value proposition), the way a company delivers the value proposition (value constellation), and the profit equation.

Meanwhile, Angot and Plè (2015) further expanded on Demil and Lecocq's framework (2010) by introducing a shared value dimension, thus capturing the social contribution of MNCs and social enterprises serving BoP customers in developed countries. Gebauer and colleagues (2017a) applied the framework of Yunus and

colleagues (2010) to describe the reconfigurations of business models to overcome BoP contextual barriers. However, they modified the economic profit equation to include the value capture in terms of the revenue model and other sources of income (e.g., donation, philanthropy, or external funding).

Sánchez and Ricart (2010) applied the cause-effect model of Casadesus-Masanell and Ricart (2010) to distinguish between interactive and isolated business models. The first privileges to develop connections with actors and resources belonging to the environment, while the second takes an independent position. Ausrød and colleagues (2017) used the components of Boons and Lüdeke-Freund's (2013) components to identify business models that adapt to the context from those that shape it. Dembek and colleagues (2018) used the activity system perspective of Zott and Amit (2010) to analyze how companies create value for multiple stakeholders. Finally, Themaat and colleagues (2013) combine the blue ocean strategy's framework and the business model canvas to design BMs for BoP markets.

Researchers have classified business models in typologies using various frameworks with different degrees of abstraction and complexity as well as different amounts and selections of elements. Table 13 shows some of them:

Author	Criteria	Types
Sugawara (2010)	Essential elements	<ol style="list-style-type: none"> <li>1. Satisfy the Poor's needs.</li> <li>2. Satisfy the Poor's needs and generate incomes and independence for the locals in the middle-income bracket.</li> <li>3. Satisfy the Poor's needs and generate incomes and independence for the locals in the low-income bracket.</li> </ol>
London et al. (2010)	Sourcing from the BoP	<ol style="list-style-type: none"> <li>1. Source products produced locally.</li> <li>2. Encourage producers to develop new offerings.</li> </ol>
Sánchez and Ricart (2010)	Pattern of entry	<ol style="list-style-type: none"> <li>1. Isolated: leverage in firms' current resources and capabilities for taking advantage of existing opportunities.</li> <li>2. Interactives: require firms to combine, integrate, and leverage internal resources and ecosystem's capabilities to create new business opportunities.</li> </ol>

Govindarajan et al. (2012)	Target market	<ol style="list-style-type: none"> <li>1. Targeted at BoP in developing countries.</li> <li>2. Targeted at BoP in developed countries.</li> </ol>
Santos et al. (2015)	Contextual factors	<ol style="list-style-type: none"> <li>1. Overcome inability to pay.</li> <li>2. Overcome difficulty of access.</li> <li>3. Overcome unwillingness to pay.</li> </ol>
Hart et al. (2016)	Origin	<ol style="list-style-type: none"> <li>1. Created from BoP markets.</li> <li>2. Adapted for the BoP markets.</li> </ol>
Gebauer et al. (2017a)	Contextual barriers	<ol style="list-style-type: none"> <li>1. Designs: overcome low-income and poverty penalties.</li> <li>2. Renewals: overcome low-payment rates and heterogeneous needs</li> <li>3. Expansions: overcome little profitability.</li> <li>4. Diversifications: overcome risk inherent in entering to BoP markets.</li> <li>5. Replications: overcome limited growth.</li> </ol>
Ausrød et al. (2017)	Context	<ol style="list-style-type: none"> <li>1. Adapt to the context.</li> <li>2. Shape the context.</li> <li>3. Adapt to and shape the context.</li> </ol>
Dembek et al. (2018)	Activity performed	<ol style="list-style-type: none"> <li>1. Delivering: provide access to offerings.</li> <li>2. Sourcing: source from the BoP communities and offer them to non-BoP markets</li> <li>3. Reorganizing: create new or modify existing systems and ways of life to benefit BoP communities.</li> </ol>

Table 13: BoP business models' typologies

Most attempts to describe and classify BoP business models have been developed from observations in a single industry, often conflating various types of organizations like social enterprises, MNCs, SMEs, and NGOs. Moreover, some authors, worried about assuring mutual value creation, take as a discriminatory characteristic that their study cases search, at least, for non-economic loss. Consequently, these attempts rarely deal with all the dimensions of the internal-external organization and monetization that face MNCs.

Additionally, relying upon traditional theories represents a weak point in the BoP literature and strategy because one can assume that minor adaptations in BMs can resolve poverty (Dembek et al., 2018). Ergo, firms interested in creating a fortune

with the Poor face the great challenge of meeting the specific conditions of BoP markets in sustainable ways by applying meaningful innovations (Joyce and Paquin, 2016; London and Hart, 2004; Schuster and Holtbrügge, 2014) that allow balancing contrasting value creation logics (Laasch, 2018).

Apparently, those business models capable of embracing multiple layers of organizational actors and conciliating different ideologies can create mutual value in a much broader sense (Dembek et al., 2018; Quélin et al., 2017; Zondag et al., 2017). This is in line with the most recent iteration of the base of the pyramid approach, the BoP 3.0, which seeks a conceptual shift, away from a singular solution of poverty to understanding how broader ecosystems and engagement through cross-sector partnerships can achieve higher levels of well-being (Dembek et al., 2019; Mason et al., 2017).

## **CONCLUSIONS**

Although, the BM is not a new concept, its importance has grown significantly over the past two decades, particularly as a tool for analysis and innovation. Many researchers and practitioners have embraced the notion, bestowing it with definitions that match their objectives. Consequently, several conceptualizations and research perspectives are working in silos. Generally, those silos correspond to the precursors of the BM literature: 1) information systems, 2) organizational theory, and 3) strategic management. Therefore, a priority for the BM literature is to legitimize its existence and develop a theory that unifies and provides congruency to the diverse approaches.

Different attempts have emerged to reach consensus and develop a unifying theory. A prevailing notion is that any understanding of business models reflects reality. Consequently, depending on the state of the business or user's objectives, BMs can

be seen as narratives, archetypes, frameworks, and meta-models. Indeed, these four levels of abstraction can be situated in a continuum (see figure 9) that goes from a higher level of generalization to descriptive depth.

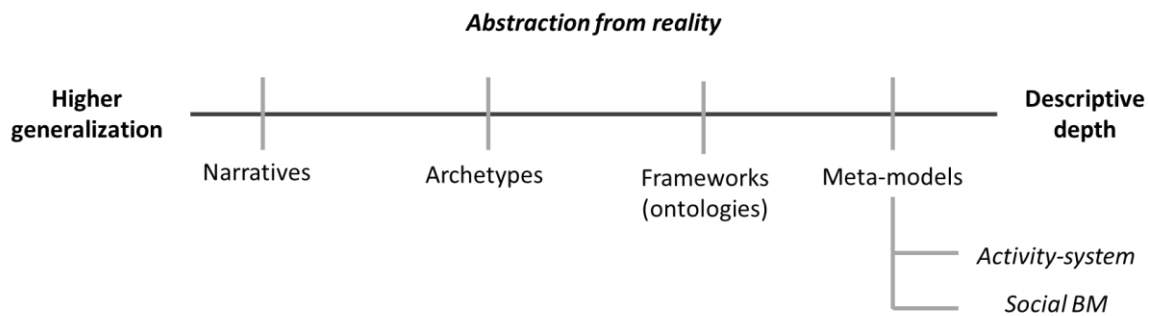


Figure 13: BMs as abstractions from reality

The same BM can be represented using the four levels of abstraction. For instance, in an early stage, an entrepreneur may apply narratives to communicate and convince potential participants by presenting the business logic as a story. He also may take inspiration from a successful example, i.e., an archetype. Then, with the help of a framework, design the BM by developing each component individually and finally implementing it with the aid of meta-models. Indeed, meta-models are the only understanding of BM with a double function; they can describe what BMs do and how they do it. Two of the meta-models identified in the literature stand apart: the activity-system perspective and the social business models. Both have been widely accepted by scholars; however, they still need more practical application. Furthermore, we state that these two meta-models are complementary and helpful in understanding BMs' internal and external organization. They are, consequently, of great relevance to this thesis.

The social business model is comprised of four components: the value proposition, the value constellation (which includes the value chain and network), the social profit equation, and the economic profit equation. This framework conciliates heterogeneous objectives and serves as a guide to implementing social BMs

successfully. Although initially, social BMs did not generate dividends for investors, their use has evolved; nowadays, for-profit organizations, such as MNCs, have started to implement them.

The system-activity perspective considers business models as interdependent activities performed inside and outside a firm's boundaries. Content, structure, and governance allow us to understand how companies create value with stakeholders. That is, the activity system contradicts the traditional understanding that a BM is related to an organization and positions it in the network, thereby partly disconnecting from the firm. Zott and Amit's framework helps understand those BMs whose success depends on the collaboration of multiple stakeholders, such as those business initiatives searching to resolve humanity's most pressing problems.

These two perspectives – the social BMs and activity-system framework – are complementary and mutually beneficial. The former allows for the analysis of innovations in BMs as a source of economic and social value creation, while the latter explains how a firm cooperates with its stakeholders to create such values. Hence, the distinction between "what" and "how" can structure and explain BM comprehensively.

As such, the business model literature could benefit significantly from scrutinizing business models from a variety of perspectives. Among these perspectives, viewing business models as a fresh dimension of innovation has gained considerable traction. It is posited that a key reason for the failure of many companies lies in their inability to innovate and identify novel methods of capitalizing on business opportunities. As a result, minor adaptations, transformations from one business model to another, or the birth of entirely new business models have gained heightened importance. Furthermore, the process of innovating business models is identified as an integral necessity in both CSV and the BoP literature.

Another important line of research is the effort to clarify BMs from other management concepts as a prerequisite to combine them in a solid theory. Recently, logic has emerged as the glue that allows the integration and development of a hierarchy formed – in order – by strategy, BMs, and tactics, each operating at the strategic, operational, and tactical levels, respectively. Like a well-structured war plan, where the enemies are the competitors, and the battles take place in the market. Consequently, business logic refers to the strategic decisions made to gain a competitive edge by more effectively creating, delivering, and capturing value than competitors. Strategy becomes a plan of which BMs to adopt, BMs the means to implement the chosen strategy, and tactics the competitive choices, relatively easy to change, that the BM enables.

This "strategy landscape" becomes particularly interesting when a company is pursuing heterogeneous logics – such as chains, shops, and networks – and different types of value – including economic, social, and environmental. Research in this aspect can increase and synergize our understanding of how the few companies succeeding in BoP markets operate. Indeed, research on the intersection of the BoP and business models has increased significantly. Scholars working in this area have proposed frameworks, archetypes, and meta-models to explain the conciliation of contrasting objectives. However, they have mostly limited to describing the components of BM and confined inside of the firm. Furthermore, the fewer attempts to explain how those BMs create value in coordination with the network have excluded the monetization aspect that characterizes for-profit companies' business logic, especially of MNCs. Therefore, there is a clear gap in the literature: a need for an integrated approach to business models, one that can provide a comprehensive understanding of both inter- and intra-organizational arrangements that allow commercial companies to pursue diverse forms of value and business logics.

## **Chapter 4: THE INTERNAL AND EXTERNAL ORGANIZATION OF BUSINESS MODELS**

### **Chapter introduction**

*"Understanding how managers frame their business models and put them to work in their organizations and wider business network, stands to generate valuable insights"*  
(Mason and Palo, 2012, p. 3)

This chapter introduces two levels of analysis in business models: the firm and the network. The former zooms in on the value creation logic of a firm, and the latter zooms out on its network organization.

### **SECTION 1: THE FIRM AND NETWORK LEVEL OF ANALYSIS**

---

The significance of business model analysis from both firm and network-level perspectives can be best exemplified through an anecdote highlighting the complementary nature of these two approaches. For example, consider the case of an MNC striving to create social impact alongside financial returns through its operations in the BoP markets.

From a firm-level perspective, the MNC must carefully design its business model to address the unique challenges and opportunities inherent in the BoP market. This involves tailoring its value proposition, value creation and delivery processes, and value capture mechanisms to meet the target population's needs while ensuring its operations' financial sustainability. Examining BM at the firm level offers researchers and practitioners valuable insights into the strategies, tactics, and logics employed by the MNC to navigate the BoP market's complexities successfully.



Nonetheless, more than the firm-level perspective is needed to fully comprehend the dynamics of creating mutual value for both the business and society. Instead, the network-level view comes into play, emphasizing the importance of external relationships and boundary management in achieving social objectives. By considering the MNC's interactions with various stakeholders, such as local communities, suppliers, customers, and governmental organizations, researchers and practitioners can develop a more nuanced understanding of how the MNC leverages these relationships to foster inclusive growth, improve living conditions, and promote long-term resilience for vulnerable populations at the BoP.

Ultimately, the integration of firm and network-level perspectives provides a holistic and scientifically grounded approach to analyzing the business model of an organization operating in the BoP market. This comprehensive viewpoint facilitates a deeper understanding of the factors contributing to mutual value creation for both the business and society, guiding researchers, practitioners, and policymakers towards more effective and sustainable solutions.

### **1.1. Two levels of business models**

BMs are helpful analytical instruments (Williamsson et al., 2019) thanks to their complementary, transversal, and integrative attributes (Lecocq et al., 2006). Moreover, they facilitate the efficient elucidation of complex business ideas (Preghenella and Battistella, 2021). Some researchers view the business model closer to the firm, others place it closer to the network, and for others still, it is nestled between the firm and the network (Bankvall et al., 2017). The BM is, therefore, a holistic unit of analysis capable of integrating a company's strategic choices (Foss and Saebi, 2018) regarding the internal and external organization of BMs, bridging traditional levels of analysis, such as the firm and the network (Zott et al., 2011).

Palo and Tähtinen (2013) differentiate between two levels of BMs: the firm level, where actors interact through their business model, and the network level, where actors plan and conduct business with a collective BM. Similarly, Bankvall and colleagues (2017) argue that the diverse definitions of business model address two types of BMs: the firm-centric and the network-embedded. The former pertains to the traditional type that centers on the firm and its value creation through its offering, while the latter refers to situations where individual firms cannot govern all relevant resources and activities. Hybrid approaches also exist, concentrating on a specific firm and examining the network through that actor (Bankvall et al., 2017; Palo and Tähtinen, 2013).

A critical pitfall of emphasizing a hub firm is that the role of other actors in the business networks is not adequately explained (Palo and Tähtinen, 2013). To overcome this limitation, it is essential to analyze the focal business models from both the firm and network levels of analysis, as these two levels entail complementary analytical challenges (Brehmer et al., 2018) (see Table 14):

	<b>Firm-level analysis</b>	<b>Network-level analysis</b>
<b>Internal organization</b>	Value proposition and exploitation considering a focal firm	Firm's relationships with stakeholders
<b>External organization</b>	The role and position of a specific firm within a network	Value network configuration to create and deliver a shared value proposition

Table 14: Firm-level and network level of analysis, adapted from (Bankvall et al., 2017; Laya et al., 2018)

The firm-level helps describe a BM and create a general understanding of the strategies, tactics, and logics to create value. In contrast, the network level facilitates understanding how those strategies, tactics and logics can be operationalized in collaboration with multiple actors. In essence, these two levels refer to the internal and external organization of BMs, encompassing inter- and intra-firm perspectives that fulfill descriptive and prescriptive functions, often seen as two parts of the same

story. That is, analyzing the internal organization describes the structure of a business model, whereas the external perspective shows how value is co-created (Dembek et al., 2018) and put to work (Mason and Palo, 2012) with and for all the parties involved.

The internal organization is commonly depicted through graphical frameworks that identify, enumerate, and explain the critical components of a BM. From this point of view, a BM is confined within corporate legal limits. Contrastingly, the external configuration takes a network perspective, portraying BM as a system of activities that extend beyond the firm's boundaries. As a result, the participation of external actors is crucial for the BM's function and value creation. For instance, the activity system perspective, with its boundary-spanning nature, provides complementary insights to the traditional component-based view (Brehmer et al., 2018; Dembek et al., 2018; França et al., 2017; Laya et al., 2018), particularly in sustainable BMs innovation; where pursuing social and environmental objectives involves radical reorganizations at both internal and external levels (Velter et al., 2020)

It is essential to note that the theoretical understanding of BMs that underpins this thesis combines the activity system perspective (Zott et al., 2011) with the normative typology of components of social enterprises (Yunus et al., 2010). Accordingly, this work applies firm and network levels of analysis to zoom in on the value creation logic of a firm and zoom out its network organization.

## **1.2. Firm level of analysis**

Certain BM conceptualizations focus primarily on the independent firm operating under the market assumption, i.e., they describe how the firm, independently, defines or articulates its value delivery or value propositions to a market segment or a customer (Bankvall et al., 2017). Examples of such understandings include BMs definitions as a cognitive instrument (Baden-Fuller and Mangematin, 2013) that

represents a firm's business logic (Wirtz et al., 2016) and strategic choices (Casadesus-Masanell and Ricart, 2010; Dahan et al., 2010) for creating, delivering, and capturing value. These conceptualizations allow researchers to center on how components are structured predominantly under a commercial logic (Laasch, 2018).

This emphasis on the descriptive function of BMs positions value creation inside firms' boundaries as a unidirectional flow between the focal business and its customers (Bankvall et al., 2017; Freudenreich et al., 2020). In this sense, the BM adopts a closed system perspective (Hanna, 1997). Consequently, the firm level of analysis addresses the internal organization, such as the strategic and tactical decisions organizations make to design and reconfigure their BMs to enhance their capacity for capturing, creating, and delivering value. An important limitation of the firm level is that it provides a snapshot of a firm at a single point in time, neglecting the influence of the business network (Mason and Palo, 2012; Palo and Tähtinen, 2013).

Despite this limitation, the intra-firm perspective remains a valuable component of the overall story (Berglund and Sandström, 2013).

### **1.3. Network level of analysis**

Over the past decade, an emerging consensus has recognized that BMs are complex, systemic, serve different stakeholders and extend beyond firms' boundaries (Berglund and Sandström, 2013; Massa et al., 2018). Moreover, they connect resources, capabilities and activities (Velter et al., 2020) with external actors. However, up to now, the focus has predominantly remained on individual firms, overlooking three critical factors:

- 1) Firms and networks are interdependent (Bankvall et al., 2017).

- 2) The value creation process is rather co-created by a firm and its network (Laya et al., 2018).
- 3) A single firm typically lacks the necessary resources and capabilities to create sustainable value alone (London and Hart, 2004).

Thus, there is a need to broaden the focus on BMs from a single point of view to a network perspective (Leminen et al., 2015).

The network perspective on BMs studies the value creation between stakeholders (Bankvall et al., 2017). It acknowledges that BMs have a broader scope than firm boundaries since it encompasses the capabilities of multiple actors (Lindgren et al., 2010). Indeed, the activity-system of Zott and Amit (2011) captures this perspective by considering BMs as activities distributed among a focal firm and its network of actors. Håkansson and Snehota (1995) have already distinguished internal activities as those that not directly involving others outside the company, and external activities as those directed towards or involving others.

Value networks are thus composed of activity-focused relations, with structures and processes that enable leveraging the resources and capabilities of the network (Richardson, 2008). Central to the network-level perspective are the value network and business ecosystem concepts. According to Heikkilä and Kuivaniemi (2012), the key primary distinction between business ecosystems and networks is the variety of actors involved. While business networks are regarded as firms collaborating to deliver value to a customer, business ecosystems usually include competitors, suppliers, potential collaborators, public bodies, and investing firms.

We argue that the concepts of network-centric business model (Bankvall et al., 2017), open business model (Coombes and Nicholson, 2013), network-based business model (Lindgren et al., 2010), networked business models (Palo and

Tähtinen, 2013), ecosystem business models (Leminen et al., 2015), and interconnected business models (Jocevski et al., 2020) reflect the same viewpoint of developing and aligning the value creation process from a networks perspective. In this thesis, we refer to them as a network-level or inter-firm perspective for analyzing BMs. The inter-firm or network perspective has important implications for the analysis of BMs since collaboration with stakeholders has often been under-represented in dominating frameworks and theories (Pedersen et al., 2017a).

Consequently, there is a call to address collaborative models that defy well-defined boxes and clear-cut boundaries (Pedersen et al., 2017a). Specifically, at the BoP, there is abundant evidence of BMs (see Dahan et al., 2010; Dembek et al., 2018; Hartman & Dhanda, 2018) that transcend organizational boundaries (Dembek et al., 2018; Hart and Sharma, 2004) and use collaborative strategies to enhance value creation potential at levels unattainable by a single party (Zondag et al., 2017). Literature on the BoP and cross-sector partnerships has started to address the network aspect of business models. Some scholars have offered a description of a new type of BM that is a product of collaboration: the collaborative business models (Pedersen et al., 2021, 2017a), the cross-sector social partnerships business model (Hartman & Dhanda, 2018), and the values-based business models (Breuer & Lüdeke-Freund, 2017).

Those BMs go beyond the demarcation between the firm and its environment and touch different organizational boundaries (Velter et al., 2020). Consequently, a business model's expected, unexpected, direct, indirect, positive, and negative impacts vary depending on how boundaries are traced (Bocken et al., 2019). Thus, firms strategically manage their borders to access the resources and capabilities of third parties, harness external ideas, knowledge, and technologies (Berglund and Sandström, 2013) and increase value creation potential and competitive advantages (Mezias and Fakhreddin, 2014).

In this vein, Brehmer and colleagues (2018) applied a boundary-spanning perspective in sustainable business model innovation to study how value is created and captured across organizational boundaries. They found that environmental sustainability is mainly addressed in the value creation content, whereas social sustainability is in the value capture content. They also observed that for-profit and non-profit organizations often reach social sustainability by having an imbalance in value exchange that is compensated (subsiding) elsewhere in the BM (Brehmer et al., 2018). However, the core idea of creating social value at the BoP relies on business logic to transform poverty into a lever for profit maximization. Hence, theoretically, subsiding in any way the consumption of the lower socio-economic sector does not classify as a BoP strategy.

Addressing the BoP context, Mezas and Fakhreddin (2014) develop a three-step process - transferring, translating, and transforming - to build boundary capabilities that allow companies to organize markets and link BoP communities to formal market institutions. Therefore, if the current actors and practices match the BM's activities, firms only need to transfer it to the context; but, if the existing actors and practices in the context are insufficient to support the BMs' activities, firms need to alter them by fostering new behaviors and actors. These assumptions are supported by Ausrød and colleagues' (2017) research. According to these authors, when companies enter the BoP market, they adapt the context by using a provisional (interim) BM that softens the introduction of gradual alterations until the context is finally changed.

In this same line of thought, Sánchez and Ricart (2010) describe two types of BMs: isolated and interactive. The isolated BM leverages firms' current resources and capabilities to take advantage of current opportunities. The interactive BM combines, integrates and leverages internal resources with the ecosystem's capabilities to create new business opportunities (Sánchez and Ricart, 2010). In most cases, the collaboration between firms and network actors depends on accessing

complementary capabilities. For instance, Dahan and colleagues (2010) describe the three archetypal scenarios shown in figure 14:

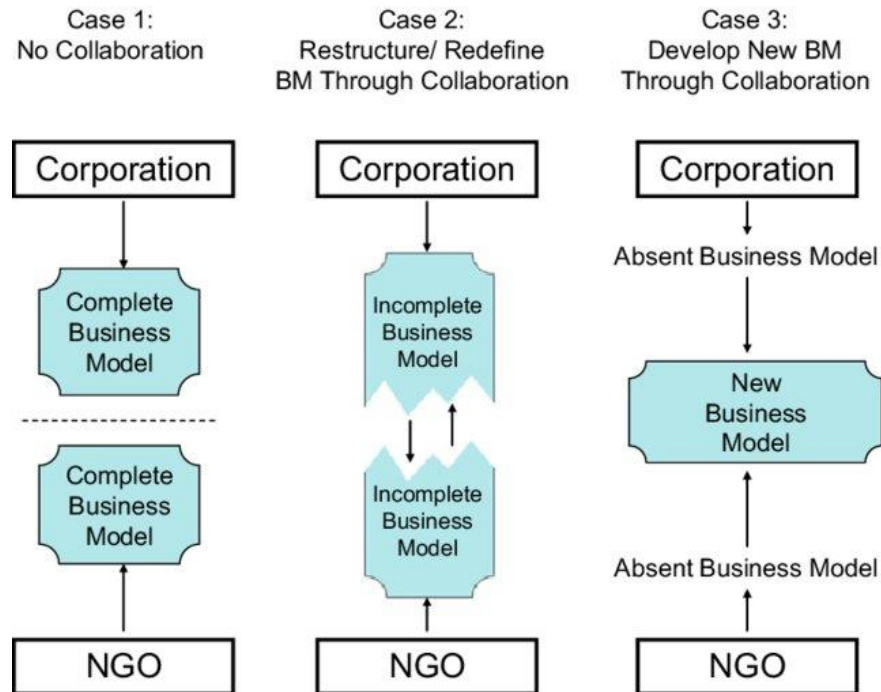


Figure 14: Corporate-NGO collaboration for developing BMs (Dahan et al., 2010)

In case one, the corporation and the NPOs have complete business models they can carry out alone. In case two, one or both parties possess incomplete business models that require the capabilities of the other partner to function. Finally, in case three, a completely new business model emerged as a product of resource contribution from both partners (Dahan et al., 2010). Although the collaboration between corporations and NGOs frames the investigation, the three archetypal scenarios can be applied to other cross-sector collaborations.

For instance, Hartman and Dhanda (2018) studied business models that emerged from the collaboration of MNCs and NPOs. They found that successful BMs were those that achieved higher levels of alignment. Indeed, according to Austin and Seitanidi's (2012b) framework: partners reach organizational integration when they



share the same mission, strategies, and values; and reach transformative integration when the levels of convergence are so high that they can change each organization and its people in profound, structural, and irreversible ways. Furthermore, in transformative integration, the distinction between norms and working practices of the parties becomes blurred (Harris, 2012), showing a higher potential for producing societal betterment (Austin and Seitanidi, 2012b).

Unfortunately, in some cases, MNCs – as the financially stronger partner – may exert more significant influence and negatively affect the social mission of the weaker counterpart. However, the scholarship supporting the value of cross-sector partnerships affirms that financial aspects cannot continue as the only basis for assessing value contributions (Harris, 2012). and determining power dynamics. Tangible and intangible resources brought to the table by NPOs in the partnership are equally valuable. Moreover, although power imbalance is a crucial downside that could affect partnership success, research rarely addresses the cases in which corporations increase their dependence or contradict the logic of efficiency to gain the benefits of ecosystem participation (Santos and Eisenhardt, 2005).

The analysis of mutual value creation requires examining firms as part of an ecosystem and the strategic use of boundaries. Scholars have started to consider the boundary-spanning characteristic of BMs to understand the creation of social and environmental value. However, it is still unclear how executives use boundary logics to take decisions regarding the content, structure, and governance of their BMs. A recent investigation by Dembek and colleagues (2018) explores the value creation mechanisms to deliver value to various stakeholders using a system activity perspective. Whilst this work is relevant, data comes from for-profit, non-profit, small and medium-sized organizations, which leaves the strategic management of the boundaries of MNCs still waiting for further analysis.

Although practitioners and researchers have started to understand the need for collaboration in BM's design and implementation, there are no explicit indications of how-to use of business model frameworks as part of the coordination activities within the networks. Furthermore, the existing business model templates and tools are not well suited for the interdependent nature of companies because they have been designed to deal with the challenges faced by single firms (Leminen et al., 2015).

## **SECTION 2: THE INTRA-FIRM PERSPECTIVE IN BUSINESS MODELS**

---

This section addresses two interconnected objectives. The first is to analyze the internal organization of Multinational Corporations' BMs to identify the forms in which they create mutual value at the base of the pyramid markets. The second is to determine the social value those business models can deliver. The information presented here is appropriate for understanding how firms create mutual value through the internal organization of their business models. It draws on current research and multiple examples from real-world MNCs to bridge different pieces of literature: organizational value (CSV and BoP), the logic of value creation, and social development to identify the practical actions carried out in three components of business models (value proposition, value constellation, and value capture) to create social benefits.

Ergo, this section deepens the intra-firm perspective by explaining how MNCs organize internally to create mutual value at BoP. Such a task is realized by, first, comparing two market-based approaches for social development: creating shared value and the base of the pyramid. Second, explaining poverty as a multidimensional concept and highlights the definition of social value as a function of social development. Third, providing an overview of business models' innovation and evolution and the diverse logics followed to create value. And fourth, bridging all

those constructs to identify four strategies and eleven tactics applied by MNCs to create mutual.

### **1.1. Relating two concepts: creating shared value and the base of the pyramid**

The role of business in society is not a recent topic of interest, but it has experienced a renovate attention (Peifer and Newman, 2020). The emerging global agreement is that companies can play an indispensable role in resolving critical global challenges by better developing scalable solutions if they align their commercial and social objectives (Ghosh and Rajan, 2019). This idea - known as "mutual value" - connects private enterprises and the public interest to produce a profitable and sustainable change (Michelini, 2012). Mutual value, therefore, unleashes the power of businesses to create value for all tangible and intangible parties involved.

Creating shared value and the base of the pyramid are arguably the two most prominent constructs inside the business case for social development. Instead of considering social value creation as a necessary expense to improve business reputation and situating it at the periphery of businesses, BoP and CSV put the progress of societies at the heart of companies' competitive strategy to increase profits and develop inimitable capabilities. These two approaches advocate a higher form of capitalism, where profits involving social value enable societies to advance and companies to grow faster (Moore, 2014). Austin and Seitanidi (2012b, 2012a) conceive this mechanism as a virtuous cycle of higher competitiveness and economic value that, sequentially or simultaneously, has a transformational impact on society.

Both approaches spotlight the role of for-profit organizations, especially MNCs, in facing long-standing social problems by stopping considering the poor as a recipient of humanitarian aid and recognizing them as valuable consumers, producers, and a

source of capabilities and knowledge to leverage innovation in source-restricted environments. In this sense, BoP represents a spectrum of business models seeking to create or enhance the well-being (Halme et al., 2016) of the lowest segment of the economic pyramid (Prahalad, 2012; Prahalad and Hart, 2002) while generating profits for shareholders.

The BoP and CSV literatures share several similitudes (see table 15). Both envisage a win-win situation between enterprises and societies:

Characteristic	BoP	CSV
Social value creation	At the core of business	At the core of business
Bridging economic profits with social development	Mutual value	Shared value
Social value role	Driver of economic value, generator of competitive advantage	Driver of economic value, generator of competitive advantage
Capitalism's form	Inclusive capitalism	Sustainable capitalism
Market	Lowest level of the economic pyramid	Advanced economies and developing countries
Economic actor better suited	Multinational corporations	Multinational corporations

Table 15: Similarities between the BoP and the CSV

Unlike the BoP, CSV have apparently abandoned the debate about how to create mutual value and moved towards finding a way to measure the quantity of value produced and to verify the causal link between social progress and economic profits (Jones and Wright, 2018; Laudal, 2018; Porter et al., 2012). It seems that the three ways to create mutual value proposed by Porter and Kramer (2011): reconceiving products and markets, redefining productivity in the value chain, and enabling cluster development, have been generally accepted (Alberti and Belfanti, 2019; Collazzo Yelpo and Kubelka, 2019; Hills et al., 2012; Moore, 2014; Pfitzer et al., 2013).

It is very interesting to notice how, despite the closeness of these two theories, the strategies to create mutual value are not evident in the BoP approach, while inside

CSV theory, seem very clear. We believe that the strategies of CSV to balance economic and social value are a good starting point to identify the strategies that MNCs are applying to create mutual value at BoP.

## **1.2. Poverty's multidimensions**

A recent research stream points out a narrow conceptualization of poverty as one of the reasons for the inefficacy of BoP initiatives. Traditional solutions to poverty have centered straightly on the economic definition, letting aside the multifaceted character of poverty (Chmielewski et al., 2018; Mason et al., 2017). The emergent BoP 3.0 seeks a conceptual shift away from a singular solution of poverty alleviation to higher levels of well-being (Mason et al., 2017). BoP 3.0 coincides with Payaud and Martinet's (2010) remark about not simplifying and reducing the BoP strategy to a Trojan horse for capitalism.

A successful solution to poverty requires a higher level of corporate responsibility, interdependence among sectors, and a recognition that social value does not come automatically from overcoming underconsumption and increasing purchase power of the poor but from a set of interchain activities (such as education, training, microfinance) that involves several actors and require a change in behavior on the part of clients for impact to happen (Santos et al., 2015). In other words, the level of income or the ownership of certain goods does not indicate that people can benefit from them (Hirvilammi et al., 2013). Poor people require capabilities to take advantage of them and do valuable things (Ansari et al., 2012; Santos et al., 2015; Sen, 1999).

Therefore, poverty has multiple factors. Congruently, Sinkovics and colleagues' (2014) define social value as an activity that leads to the three core values of development: sustenance, self-esteem, and freedom from servitude (see figure 15).

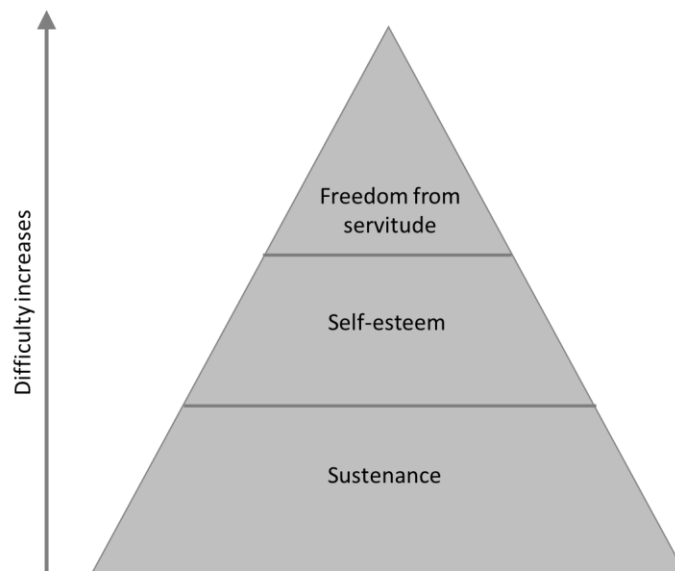


Figure 15: The multidimensions of poverty

Sustenance alludes to the coverture of basic needs such as food, clothing, and shelter, necessary to sustain an average human being at the bare minimum level of living. Self-esteem is the sense of worth and self-respect that a person feels when he is considered valuable. Freedom from servitude goes beyond the concept of unfree labor to include the development of capabilities to expand the range of choices (Todaro and Smith, 2012) and allow people to decide better the kind of lives they want to live (Sen, 1999).

### 1.3. The three value logics

Business logic has been presented as the construct linking crucial concepts in strategic management: strategy, business models, and tactics (Williamsson et al., 2019). However, what business logic is still needed to be clarified. In business model literature, it is used to represent a BM, that is, "the logic to create, deliver, and capture value". Traditionally, business logic is attached to the idea of singularity, it is just recently that researchers have started to talk about heterogenous logics: a combination of commercial and noncommercial logics in a single BM (Laasch, 2018).

Nevertheless, the notion of multiple logics co-existing in the same enterprise is not new. Already in 1998, Stabell and Fjeldstad suggested the existence of three logics: chain, shops, and networks to explain what creates value, what contains the value, and the role that the stakeholders play. In a nutshell, under a chain logic, value is created by transforming inputs into outputs. In shops, value creation depends on resolving customers' problems by repeating iterations towards an optimal solution. Finally, in networks, value creation resides in linking stakeholders and facilitating interactions and exchanges between them.

In each logic, stakeholders have a specific position. For example, in chains, they are at the periphery, just observing what companies do; in shops, they share ideas with the company in open innovation; and in networks, they act as co-creators of value.

## **1.2. The analytical framework**

The CSV literature is precise in the means to create social and economic value: reconceiving products and markets, redefining productivity in the value chain, and enabling cluster development (Porter and Kramer, 2011). Whether this general classification can dictate how the business models of MNCs are creating mutual value at BoP or not is not clear yet. To reach our objective, we analyzed business models' internal organization using the four generic elements of social organizations (see figure 16): value proposition, value constellation (chain and networks), value capture (how money is raised), and social value (Yunus et al., 2010) but with a slight difference, instead on reducing value capture to a simple recovering of capital, we highlight the need for profit and dividend generation.

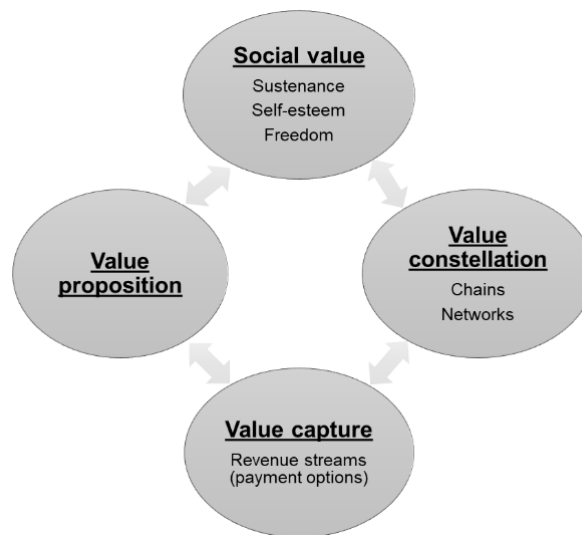


Figure 16: The four internal elements of business models, adapted from Yunus and colleagues (2010)

Recognizing the potential of BoP as a market is in itself a reconception. Therefore, we focus on offerings. After analyzing the different dimensions of BMs, we distinguished four strategies to create mutual value: reconceiving offerings, redefining efficiency in the value chain, nurturing ecosystems, and changing revenue streams.

### 1.3. The internal organization of business models to create mutual value.

Table 16 summarizes the combination of strategies, tactics, and value creation logics applied in the three different dimensions of business models; as well as the type of social value delivered:



Table V		Creating mutual value			
	Strategies	Tactics	Value creation logic	Type of social value	Examples
Value proposition	Reconceive offerings	Adapt products currently sold	Chain	Coverture of basic needs	P&G (Pantene shachets, Pamper diapers 2 packs), Kimberly-Clark (2 pack Huggies diapers), Nestlé (Nescafé, Masala Noodles, Nido sachets), Unilever (Knorr 2 cubes, and Annapurna sachets), Kellogg's (Cereal Econobolsas), Novartis (smaller package, Arogya Parivar)
		Fortify			Unilver (Annapurna, and Knorr) Nestlé (Masala Noodles, Cerelac, Nido, and Milo)
		Tailor offerings to cover specific needs			GE (Mac 400 handheld electrocardiogram), P&G (Naturella, and Pur), Amanco (Drip irrigation system); Kimberly-Clark (Suavel, and Delsey)
Value constellation	Redefining efficiency in the value chain	Sourcing from BoP producers	Shop	Coverture of basic needs Self-esteem	Starbucks (C.O.F.E. practices), ITC (E-Choupal), Heineken (2SCALE), Nestlé (Farmer Connect), Coca-Cola (Cocoa plan), Unilever (Annapurna), Danone (Milk Collection Communities)
		Integrating BoP into value chain activities			Unilever (Shakit Ammas and Shatimaan), Nestlé (Asesoras del Bienestar), CEMEX (Patrimonio Hoy's promoters), Coca-cola (Ekocenter and Colectivo entrepreneurship), Novartis (Arogya Parivar's Health educator/Health supervisors)
		Ensuring traditional partners' participation and enthusiasm			CEMEX (Patrimonio Hoy), Coca-Cola (Retail colectivo).
	Nurturing ecosystems	Building physical infrastructure	Network	Freedom from servitude	CEMEX (Construyo contigo), ITC (e-choupal), Danone (Milk Collection Communities)
		Bridging stakeholders with complementary objectives			Amanco (reached agreements with microfinance and cooperatives to assure credit and technical assitance); SC Johnson (health posts in collaboration with universities and Rwanda Ministry of Health); Coca-Cola, Ericsson, Medshare, Pentair, Philips, Solarkiosk, SC Johnson, Society for Family Health Rwanda, and TIGO (Ekocenters)
		Encourage positive behavioral changes			Unilever, UNICEF, and Ghana Healt Service (increase iodine use); SC Johnson, Society for Family Health and Rwanda Ministry of Health (Malaria education); Unilever and Earth Institute (change handwashing behavior); Novartis, Cardiology Foundation, and Services of Health (Cùng Sông Khỏe)
Value	Changing revenue stream	Adapting payment options to BoP resources	Shop	Coverture of basic needs	Casas Bahía, Elektra, and Coppel (extending consumption credits)
		Creating new payment options		Coverture of basic needs	CEMEX (Saving-credit systems with frozen prices; transfer of payments; payment in kind)

Table 16: Strategies and tactics to create mutual value at BoP by MNCs

### **1.3.1. Value proposition**

After analyzing the value proposition dimension, we distinguished reconceiving offerings as the dominant strategy.

#### **❖ Reconceiving offerings**

Reconceiving offerings implies that companies cannot enter the BoP markets with the same value proposition that they use in wealthier sectors of society. A fundamental principle of the BoP notion is that the Poor are complex and value-conscious consumers. Thus, a certain degree of innovation is mandatory to success and be a positive change force in this market. Frequently, companies apply this strategy by adapting offerings or tailoring them in concordance with the needs of BoP consumers.

Product adaptation happens in two ways: reducing packaging and adding nutritional additives to fortify products. In the first case, we have examples from Procter & Gamble (P&G), Kimberly-Clark, Nestlé, Unilever, Novartis, and Kellogg's, which offer single-serve sachet of edible, hygienic, or medical products to allow better prices per unit, and consequently affordable for BoP consumers. This strategy has been severely criticized (Karnani, 2007; Simanis, 2012) because the price per kilo is high, and hence, the Poor end up expending more. However, as we will see in this section, companies rarely apply packaging reduction as an isolated action. They commonly support it with other activities in other dimensions of business models that increase the total social value created.

Food companies can also adapt their offerings by adding nutrients to fortify products. A crucial element in this initiative is the alignment of additives with the market's nutritional deficiencies. For example, Annapurna salt of Unilever was enriched with iodine to cover iron deficiencies in India and Ghana. While the Annapurna super Atta wheat flour contains iron, folic acid, and vitamin 12 to cover the Indian population's

nutritional vacuum. Another well-known brand that Unilever has ameliorated is Knorr seasoning granules. Unilever enriched it with vitamin A for Vietnam and iron for Nigeria. Nestlé also applies this strategy by adding iron to its Masala noodles in India. This company also added iron to Cerelac, Nido milk, and Milo beverages in Africa.

The second way to reconceive an offering is tailoring it, that is, to develop new products to cover the specific needs of BoP markets. Procter and Gamble (P&G) developed Naturella, a fresh, long-lasting, and more natural sanitary napkin to satisfy low-income Mexican women's living conditions and preferences (Govindarajan et al., 2012). General Electric (GE) developed the Mac 400 handheld electrocardiogram that can work under the infrastructural constraint of India: limited access to electricity or trained doctors (Angot and Plé, 2015; Govindarajan et al., 2012; Prahalad, 2005; Radjou et al., 2012). Amanco innovated a drip irrigation system targeted at the BoP producers of Guatemala to give them a more professional option to assure constant watering. Such innovation will ameliorate the harvest's quality and quantity (London et al., 2010; Reficco and Márquez, 2012; Sánchez and Ricart, 2010).

The value logic creation behind reconceiving offerings is, dominantly, chains. The product/service is still the medium containing and transferring value, even when, to some degree, there is an intention to resolve customers' constraints (such as lack of disposable incomes, infrastructure, and technical training) and problems (nutrition and health). Thus, although a valuable offering implies the identification of customers' needs, chains become the dominant logic once the innovation is done. Hence, the value perceived by customers comes from usage, and this is precisely the social value dimension covered by this strategy: the coverture of basic needs through consumption.

Frequently, companies do not create mutual value by only innovating their value propositions. They complemented it by internalizing structural and institutional vacuum. Companies do this by modifying one or two of the elements of the value

constellation. So, when the degree of available resources in the context is high enough, firms can redefine internal activities (value chain) to reach higher efficiency. When the degree of available resources in the ecosystem is not enough, companies face the necessity of building them.

### **1.3.2. Value constellation**

Value constellation comprises value chain and networks. We identified redefining efficiency in the value chain and nurturing ecosystems as the two dominant strategies.

#### **❖ Redefining productivity in the value chain**

Porter and Kramer's second proposition states that when companies internalize contextual insufficiencies to increase productivity and efficiency, they can create social and economic value. At BoP, multinational corporations implement this strategy by sourcing from BoP producers, including them in their value chain activities, or ensuring participation and enthusiasm from their traditional partners. The first, sourcing from BoP markets, has been widely described and studied since the apparition of the BoP concept. Indeed, London (2010) and Dembek and colleagues (2018) considered business models that source products from BoP markets as an archetype. Thus, several companies apply this initiative at the heart of their business models, such as Starbucks with C.A.F.E. practices, ITC with e-choupal, Nestlé with Cocoa plan, and Heineken with 2SCALE. The basic principle is to improve the quantity and quality of fields through farmers' technical skills development to assure high standards in supplies. Sometimes, firms also eliminate intermediaries to increase the margin of farmers.

The second way to generate mutual value is by including the poor in value-chain activities. Companies can involve them as sales agents to offer their products on a commission basis. As they are part of the community, they will not have any problem

accessing and gaining the trust of other members. Commonly, in addition to sales, these agents inform the benefits of offerings and show how to use them. Thanks to this strategy, firms gain access to remote areas where the lack of physical infrastructure prevents traditional distribution channels from reaching and also facilitates brand positioning because the final consumers recognize themselves in the representatives. A famous example of this strategy is Shakti Ammas (for women) and Shaktimaans (for men), developed by Unilever in India. Nestlé replicated this model with Bienestar en Casa (wellbeing at home) in Peru, and CEMEX used it as part of Patrimonio Hoy.

Other variants are Novartis with Arogya Parivar and Coca-Cola with Ekocenters. Novartis created two positions. BoP inhabitants can work as health educators, often local women in charge of advising about minor diseases or, otherwise, suggesting visiting a doctor. Or they can be health supervisors to act as local sales forces. Coca-Cola, for its part, allows women from Rwanda to develop their entrepreneurship by managing one of the Ekocenters mini retail stores where people get potable water, solar energy, and basic products. Frequently, when companies include the BoP population in their value-chain activities, they also give technical training to develop the necessary skills to perform these activities with success.

The third way is to ensure the participation and enthusiasm of traditional partners. CEMEX assured suppliers and distributors' agreement for Patrimonio Hoy. The first gave CEMEX better prices in raw materials, and the last reduced their margins to offer affordable prices to BoP consumers (Prahalad, 2005). Colectivo retail of Coca-Cola is another example. A vital part of this model lies in the key accounts (B2B clients) of Coca-Cola, such as Subway, Walmart, and McDonald's. Colectivo trains Brazilian youth and young adults for the retail sector in some areas such as stocking, promotion, merchandising, and pricing. Then, to gain field experience, the participants are paired precisely with the key accounts (local retailers) to tackle specific improvement projects (Dembek et al., 2016; Pfitzer et al., 2013; Smith et al.,

2014). Colectivo allows Coca-Cola to increase sales by strengthening its distribution channels and raising awareness.

The value creation logic on this dimension is primordial because it depends on the selection, combination, and order of application of resources and activities to resolve the problem at hand (Stabell and Fjeldstad, 1998). In other words, the solution proposed to BoP problems such as unemployment, stable revenue streams, and lack of technical skills, among others, creates social value. This is thanks to a change of perspective. BoP communities are not just potential consumers but also valuable human resources. Consequently, the social value delivered is twofold. In this dimension, companies are helping BoP people to cover basic needs, principally through income generation, and gain self-esteem by developing technical skills and empowerment.

Companies partner to gain efficiency and make business initiatives more profitable, and BoP ventures are not the exception. So, it is frequent to find that non-traditional partners help to train BoP sellers. As each social action involves a cost partnerships become the ideal solution when firms want to maximize mutual value. Therefore, companies at BoP cannot work alone because the search for balancing social and economic value is a team effort.

#### **❖ Nurturing ecosystems**

The third way to create social value is by enabling cluster development (Porter and Kramer, 2011). Porter (1998a) defined clusters as geographic concentrations of interconnected companies and institutions in a particular field relevant to competition. Clusters include suppliers of specialized inputs and services, providers of specialized infrastructure, manufacturers of complementary products, and companies in industries related by skills, technologies, or common inputs. And finally, governments and other institutions -such as universities, standards-setting agencies, think tanks, vocational training providers, and trade associations- that

provide specialized training, education, information, research, and technical support. The keyword is specialized, which denotes expertise, and points out the triple helix: industry, government, and universities, as the best qualified to encourage social and economic development.

Nevertheless, at BoP, collaboration extends beyond the triple helix to include marginalized stakeholders or non-traditional partners. The term ecosystem defines better the kind of partnerships necessary to create mutual value, that is, a collaboration built upon principles and values, a shared vision, and shared goals that place people and the planet at the center (Roser and Ortiz-Ospina, 2018). Additionally, the word cluster frequently refers to industry grouping, while ecosystems represent the overall environment where the industry exists (Ellingson, 2019). We state, therefore, that instead of creating mutual value by developing clusters, companies can produce it by nurturing the ecosystem collaboratively.

One way to do this is by building physical infrastructure. CEMEX partners with Mexican states' governors to build bricks factories to hire poor people for payment in kind (50% of brick production) to make their houses, in an initiative known as Construyamos Juntos. Mexican local governments buy the remaining 50% of factory production to construct streets, schools, hospitals, etc. ITC, for its part, installed internet kiosks (called E-Choupal) managed by trained local farmers who help other agriculturists to have information access on weather, prices, and best practices in their local language. Another example is Danone and its local partner CARE Egypt. They are setting up new collection centers and renovating existing ones as part of the Milk Collection Communities project, which aims to support small-scale farmers to increase milk quality and volume.

A second way to nurture ecosystems is by bridging stakeholders with complementary objectives. For instance, Amanco's business model supports the drip irrigation system's adoption by relying heavily on partnerships with microfinance institutions to motivate Guatemalan farmers to invest in technology (its offering) and

cooperatives to attract more producers. These two partners help Amanco increase sales and profits (Sánchez and Ricart, 2010). Something similar did Coca-Cola with the Ekocenters. By partnering with Ericsson, Medshare, Pentair, Philips, Solarkiosk, SC Johnson, Society for Family Health Rwanda, and TIGO, Coca-Cola help women entrepreneurs open their own businesses and give the community the opportunity to get drinking water, solar energy, and internet access almost always free. All while sharing costs and resources with partners and selling its sodas brands.

Bridging stakeholders can also encourage positive behavioral change. Unilever, for example, partnered with UNICEF and Ghana Health service to carry out a nationwide campaign that fosters the use of iodized salt. This company also collaborated with Nigerian state governments and NGOs to promote the Knorr Force Food Program to educate about the importance of cooking more iron-rich nutritious meals. In collaboration with universities and the Rwanda Ministry of Health, SC Johnson developed medical posts to offer health care access, malaria education to reduce the potential risk of mosquito-borne diseases, family planning, and access to clean water and nutrition. Each health post has SC Johnson's mosquito repellents in stock. As a part of the Cùng Sông Khỏe's business model, Novartis launched in 2012 a public-private partnership with Vietnam's Services of Health and Cardiology Foundation to educate rural people on the prevention of the most prevalent diseases, promote better hygiene and nutrition, and offer health screening.

Recently, firms are relying on cross-sector partnerships to develop capabilities in BoP communities that go beyond technical skills. For instance, Colectivo Coca-Cola includes the development of soft capabilities such as leadership and self-confidence as part of its training program. Coca-Cola and its local partners decided to enrich the program after realizing that personal issues were a significant barrier limiting participants from getting a job. Another example is Construyo Contigo of CEMEX. With the collaboration of universities and the Mexican government, this model encompasses a community workshop that looks to achieve the integration of future



neighbors and foster a safe environment. In a country where security is a public concern, all the initiatives promoting harmony are more than welcome.

In this dimension, the dominant value creation logic is networks because value resides on the exchanges between complemented parts that firms help to allow. Ekocenters of Coca-Cola bridges diverse mass consumption companies looking for alternative distribution channels capable of reaching markets of difficult access, an NGO searching to educate about water, sanitation, and hygiene, and women from the BoP communities eager to find a source of income. The medium to transfer value, thus, lies in the organization and facilitation of interactions between stakeholders.

The nature of social value varies according to interactions' objectives. Although, in general terms, these strategies have the potential to create the three levels of social value, the most important is that they can deliver freedom from servitude. Initiatives on this dimension open a set of alternatives for BoP communities that could help them improve their living conditions in more profound ways. This is also thanks to a change of perspective. BoP inhabitants are not just consumers and valuable resources but also individuals in need of information to make better decisions and capabilities to have a broader range of options.

### **1.3.3. Value capture**

Companies change revenue streams as the dominant strategy at the value capture dimension.

#### **❖ Changing revenue streams**

Value capture involves more than just pricing, includes timings of payment and methods to collect revenues (Baden-Fuller and Mangematin, 2013). In this dimension, we distinguished two ways to create mutual value, adapting payments to

BoP resources and creating new payment options. The usual form of adapting payments to BoP resources is extending consumption credit. Casas Bahía did this in Brazil, while Elektra and Coppel did it in Mexico. This strategy is considered exploitative because the annual interest rates are high, 49.46%, 61.6%, and 30%, respectively. However, for better or worse, this allows low-income consumers to access some essential goods such as fridges, clothes, ovens, etc.

The second approach is creating new payment options. CEMEX does it in three ways. First, Patrimonio Hoy offers a saving-credit system with frozen prices. That is, participants agree to buy products at a determined price. Then, they save by paying a weekly fee. After five weeks, CEMEX delivers raw materials worthing the equivalent of 10 weeks. CEMEX effectively extends credit to customers by advancing the worth of five weeks of raw materials (Albert et al., 2014; CEMEX, 2019; Prahalad, 2005). Secondly, Construmex allows Mexican migrants to pay in dollars for cement and other building materials in physical offices placed in strategic locations in the United States. Their remittances are automatically sent to distributors to deliver the purchase to the Mexican address of clients. This option avoids risks and commissions related to sending money by external agents and helps to assure the use of the sent money (Prahalad, 2005; Serrano González, 2011; Smith, 2005). Third, Construyamos Juntos implements payment in kind. In the brick factories, opened in specific locations to promote self-employment, people receive 50% of their production to build their homes. CEMEX sells the remaining 50%.

The dominant value logic creation behind is shops. Value is in the solution given to consumers that lets them consume goods that otherwise would not be available. The social value created is unidimensional, coverture of basic needs by allowing consumption.

As we saw, MNCs organize their business models to create mutual value by innovating three components: value proposition, value constellation, and value capture. They:

- a) Apply four strategies: 1) reconceiving offerings, 2) redefining efficiency in the value chain, 3) nurturing ecosystems, and 4) changing the revenue streams.
- b) Apply eleven tactics: 1) adapting products currently sold in developed markets, 2) tailoring offerings to BoP specific needs, 3) sourcing from local producers, 4) integrating poor people into value chain activities, 5) ensuring participation and enthusiasm of traditional partners, 6) building physical infrastructure, 7) bridging stakeholders with complementary objectives, 8) encouraging positive behavioral changes, 9) developing personal capabilities in BoP inhabitants, 10) adapting payment options to BoP resources, and 11) creating innovative ways of recollecting money.
- c) Incorporate different value creation logics: chain, shop, and network inside the same business model.
- d) Combine those strategies, logics, and tactics to contribute to different levels of social development: coverture of basic needs, self-esteem, and freedom from servitude.

The firm-level analysis is helpful to visualize the enormous potential to create mutual value by combining multiple strategies, tactics, and value-creation logics in a single business model.

### **SECTION 3: THE INTER-FIRM PERSPECTIVE IN BUSINESS MODELS**

---

This section offers an overview of an emergent perspective to analyze BMs that center on the network rather than on a single firm as the locus of value creation. It appears because of the increasing number of BMs that rely on stakeholders' collaboration to create meaningful forms of value. Given that those BMs span the firm's boundaries to increase value creation potential, the organizational boundaries literature takes relevance. Yet, despite their importance, few studies have addressed organizational boundaries, and those relating them with BMs are considerably fewer.

#### **1.1. The open system theory on organizations**

The open system theory posits that organizations depend on the external environment to survive and, consequently, are open to influences and transactions with the outside world (Hanna, 1997). Organizations face three scenarios: they may ignore the environment (closed system thinking), control the environment (hard to do), or balance the need between themselves and the environment (Hanna, 1997). Previous experience shows that balancing is the most fruitful option. However, finding the optimum equilibrium requires building relationships with surrounding actors under conditions of interdependence and competing interests.

As organizations control different bundles of resources and perform specific activities, networks of firms emerge, where no one is in complete control over their operations (Berglund and Sandström, 2013) or their business models. Indeed, a network's fate is bound to the roles played by its members (Tan et al., 2020). As a result, businesses are no longer driven solely by economies of scale of a value chain but also by a value network.

A value-creating system, such as a value chain or a value network, is a process of interfirm arrangements that involve several actors and create value (Parolini, 1999). In them, the partners' capabilities combine to improve the competitive advantage of

one or more parties (Borys and Jemison, 1989). Hence, the total value created in a value chain or a value net equals the sum of all values appropriated by the participants (Amit and Zott, 2001).

On one hand, The value chain construct consists of sequential interfirm business relationships encompassing the entire value creation process, starting with raw materials and ending at the final point of value creation (whether another firm or the final consumer) (Zondag et al., 2017). The value chain distinguishes between primary activities that directly impact value creation and support activities, which affect value only through their impact on the performance of the primary activities (Amit and Zott, 2001). From a value chain perspective, the strategy consists of positioning a firm in the right place on the value chain – the right business, the right products and market segments, and the right value-added activities (Normann and Ramirez, 1993).

The view of the supply chain as consecutive arm's-length transactions has received criticism for three reasons. The first reason is the consistent focus on an ordered dyadic perspective of inter-organizational exchange without considering further removed value chain partners, other stakeholders, and environmental factors. The second is ignoring that firms are simultaneously involved in multiple value chains. The third problem is placing customers outside the value chain (Zondag et al., 2017).

On the other hand, the business network paradigm extends the value chain construct and draws on the value net model, collaborative business models and business networks (Möller and Rajala, 2007). Contrary to the linear value chain theory, value network posits that firms intentionally engage with many stakeholders simultaneously in a network-style structure to pool their capabilities and competencies. These arrangements go beyond improving the efficiency of exchanges; they entail orchestrating resources owned by external actors for value creation (Leong et al., 2019).

The value network places the firm's customers at the center, surrounded by all the stakeholders contributing to creating value. From this perspective, the strategy consists of reconfiguring roles and relationships among actors' constellations to mobilize value creation in new forms and by new players (Normann and Ramirez, 1993). This inherent dynamism of value networks facilitates companies to make the opportune changes needed to meet dynamic customer demands and supply chain responsibility.

Indeed, value networks are the most opportune vehicle to improve sustainable performance (Zondag et al., 2017) because sustainability requires companies to develop an entrenched collaboration with their ecosystem. Consequently, interactions and relationships are essential to determining how any organization works (Hurth, 2017) to create different forms of value. Since a granular view (the firm), seven elements are critical in an open system: boundaries, goals-purposes, inputs, transformations, outputs, feedback, and environment. We center on boundaries since they pose significant issues around organizations' participation in business ecosystems (Tan et al., 2020). Figure 13. displays the open system's elements.

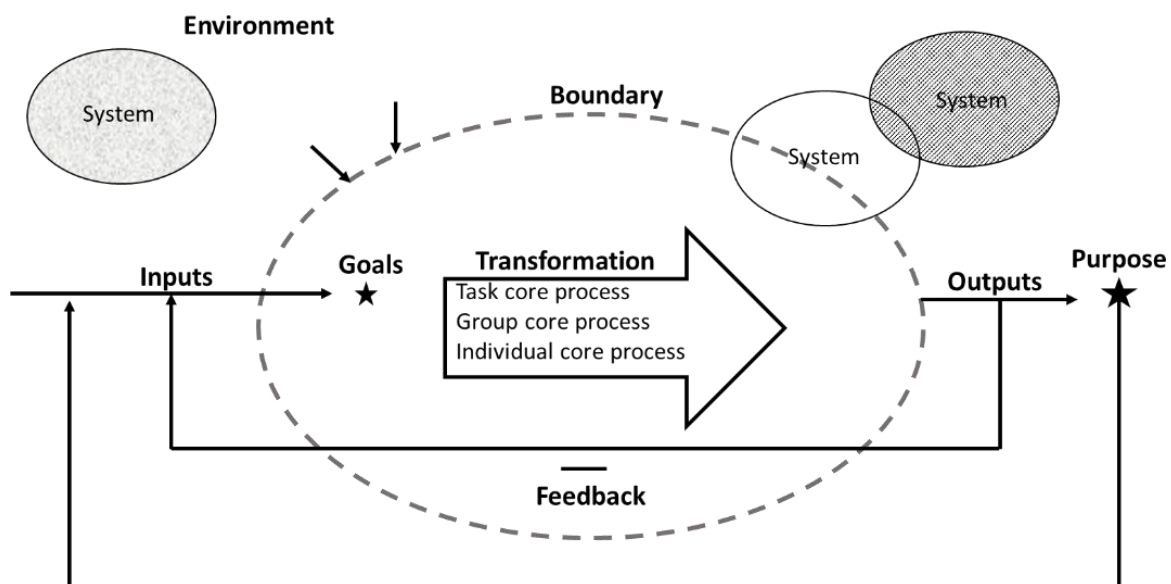


Figure 17: Model of an open system (Hanna, 1997)

## 1.2. Organizational boundaries

*“The notion of boundaries involves a paradox. On the one hand, it is omnipresent in the social sciences and in particular in management science; on the other hand, it is rarely elaborated as such, and in its various dimensions”* (Dumez and Jeunemaître, 2010, p. 153). Understanding boundaries starts with the realization that they have multiple meanings (Jæger and Pedersen, 2020). We follow Santos and Eisenhardt's (2009, 2005) inter-organizational view and define organizational boundaries as strategic tools that demarcate firms for their environment and reflect the essence of their internal organization. However, extensive research work exists studying physical, cognitive, and social boundaries, especially in innovation, research and development (R&D), technological business models, and knowledge management literature. A comprehensive stream also analyses intra-organizational boundaries and collaboration between internal communities.

Different types of boundaries coexist in the organization. Some of them are easy to perceive, such as those with recognizable artifacts associated with members belonging to one side or another, like names or symbols (Wolfberg, 2017). Others are harder to see because they are invisible or conceptual and respond to the logic behind their establishment. Wolfberg (2017) divides organizational boundaries into structural and conceptual (see figure 18).

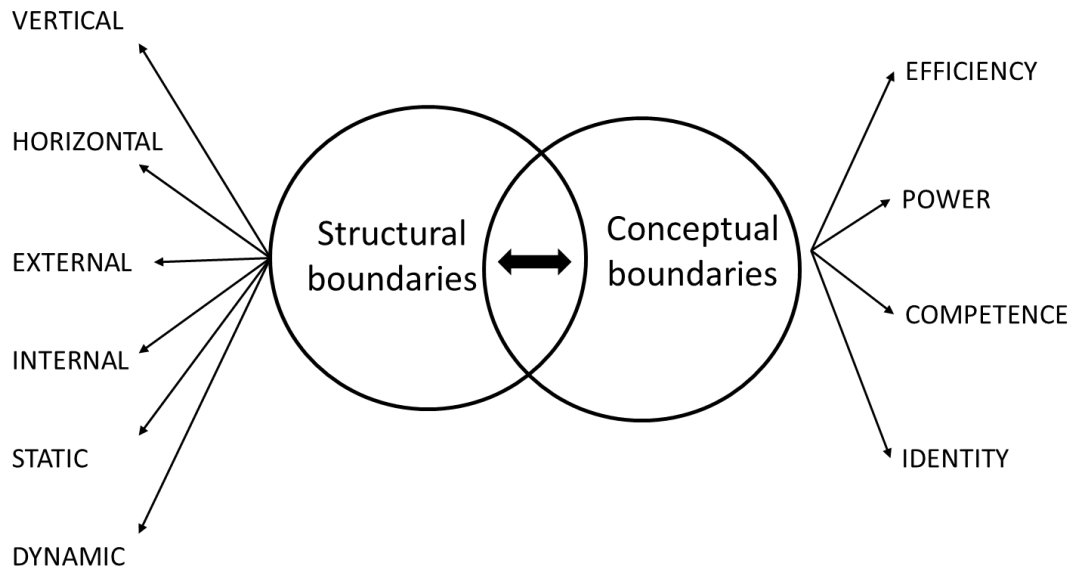


Figure 18: Types of organizational boundaries, adapted from (Wolfberg, 2017)

The relationship between structural and conceptual boundaries is bi-directional: structural boundaries can serve as the basis for conceptual boundaries to emerge, maintain, and strengthen over time, but it also works the other way; conceptual boundaries can be the basis for making changes to the organization using structural boundaries (Wolfberg, 2017). That is, reconfigurations on one boundary may generate changes or conflict on the other (Leong et al., 2019). It follows the subsequent process: when a boundary emerges, it tends to become stable and entrenched; then controversies intensify and strategies to change the boundaries develop, and strategies to maintain them appear in response (Dumez and Jeunemaître, 2010) in a recursive, self-repeating, dynamic cycle (Wolfberg, 2017). Managers control this dynamism by coordinating resources, activities, and business processes within the boundaries of a firm (Capurro et al., 2021).

### 1.2.1. Structural boundaries

Structural boundaries configure organizations. Vertical boundaries are the most common type. It defines the scope of a firm and the extent to which it is open to final and intermediate markets. In other words, it refers to the configuration of



transactional choices along a firm's value chain (Jacobides and Billinger, 2006), such as insourcing or outsourcing. Therefore, vertical boundary management has a strategic implication. It includes the choice of 1) where to participate in the value chain; 2) how to interface with internal and external suppliers and buyers at each stage of the value-added process; and 3) vertical and horizontal relations, including transfer prices, resource allocation among strategic business units (SBU), and managing divisional incentives (Jacobides and Billinger, 2006).

Vertical integration, either upstream or downstream, may help firms improve governance and exploit strong internal capabilities (Brahm et al., 2021). For a long time, it was considered the most efficient model. However, hierarchical governance can limit the benefits of vertical integration due to the costs and difficulty of controlling transactions performed externally. Indeed, integration is influenced not just by a firm's resources and capabilities but also by the dynamism of markets (Fortes and Souza, 2020). Therefore, a highly uncertain environment favors integration instead of outsourcing.

Horizontal boundaries refer to the scope of products and markets addressed by a company. Research has found that horizontal breadth improves performance due to scope economies, resources' synergistic use, and leveraging complementary assets (Brahm et al., 2021). However, coordination, adjustment, and execution costs can limit the benefits (Hashai, 2015; Wan et al., 2011). Hence, it is not strange that scholars mainly address diversification (horizontal breadth) by investigating alliances, mergers, and acquisitions (Dumez and Jeunemaître, 2010).

The relationship between vertical and horizontal boundaries is not fully understood (Brahm et al., 2021). Argyres and Zenger (2012) studied the recursive nature of boundaries and confirmed that they are mutual influencing and simultaneous. However, whether this interdependence is positive or negative is still in debate. For instance, Zhou and Wan (2017) proved that in product diversification, vertical integration plays a positive role in coordination by aligning incentives and facilitating

information sharing. However, Brahm and colleagues (2021) established a negative interdependence between horizontal breadth and vertical depth (integration) when managers face coordination challenges.

An external boundary separates an organization and its members from the ecosystem, whereas internal boundary functions at group levels (Schneider, 1987), separating departments, teams, or specialized centers to avoid uncertainty and improve cooperation, efficiency, and control. However, they are not static. An internal boundary can become an external one. For example, when a division becomes a business unit, and this unit is subsequently sold. Conversely, an external boundary can become an internal one. For example, when a corporation acquires a firm that is transformed into an internal division but simultaneously given autonomy within the organization (Dumez and Jeunemaître, 2010).

Boundaries can deliberately change or evolve. Hence, static boundaries are rare (Swart and Harvey, 2011). Even those considered strong (such as organizational policies or legal structures) are subject to constant modification, either as a response to a changing ecosystem, the evolution of firms' objectives and identities, or the strategic decisions of organizational actors that consciously active or ignore certain boundaries in the pursuit of specific purposes (Jæger and Pedersen, 2020). Consequently, the term relative static boundary is more appropriate. This relativism originates from the aforementioned recursive nature of boundaries shown in figure 19:

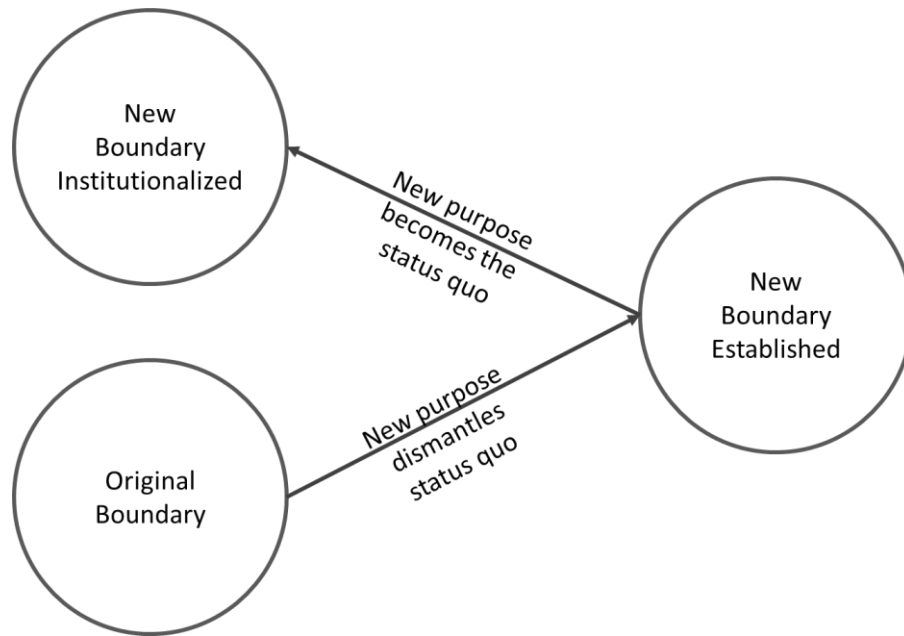


Figure 19: Recursive nature of boundaries, adapted from (Wolfberg, 2017)

Once an organization establishes a boundary, it becomes entrenched and hard to dismantle because of the status quo (Wolfberg, 2017). However, organizational efficiency depends on their boundaries' dynamism (Afuah, 2001). Thus, without appropriate boundary management, organizations may disintegrate.

### 1.2.2. Conceptual boundaries

Santos and Eisenhardt (2005) developed the most comprehensive view of conceptual boundaries. According to them, boundaries are always the result of decisions that follow four logics: efficiency, power, competence, and identity. Each logic deals with a fundamental organizational issue: cost (efficiency), autonomy (power), growth (competence), and coherence (identity). Each of them also provides a unique view; ergo, boundaries could be a locus of transactions (efficiency), a sphere of influence (power), a resource portfolio (competence), or a mindset (identity) (Santos and Eisenhardt, 2005).

In the boundary logic of efficiency, firms buy or produce, internalize or outsource depending on efficiency, i.e., the benefits of internal production against the costs and risks of using markets (Jacobides and Billinger, 2006). Efficiency logic relates to firms' legal boundaries and transaction cost economics (TCE). Thus, boundary decision consists of choosing the most efficient locus for a transaction's governance (organization or market) (Santos and Eisenhardt, 2005); companies internalize those processes and activities whose benefits exceed the cost of performing in-house. When efficiency conception dictates vertical and horizontal boundaries, effectiveness depends on minimizing governance costs.

The measurement cost theory (MCT) states that every transaction comprises different dimensions or attributes that carry a cost and a value for the transaction agents (Fortes and Souza, 2020). Due to information problems, it is costly to assign the correct value to attributes in a market exchange; consequently, hierarchical governance emerges as the most efficient option. However, those same attributes could affect the efficiency of governance mechanisms: asset specificity, behavioral uncertainty, and interdependence between transactions positively relate to hierarchical governance, while technological uncertainty favors market governance (Santos and Eisenhardt, 2005).

In the boundary logic of power, firms reshape their activities to gain power and control over exchange relations while growing influence and autonomy (Powell and Sophe, 2015; Santos and Eisenhardt, 2009; Velter et al., 2020). Thus, they reduce uncertainty or dependency on external parties by maximizing strategic control over critical external forces either with ownership or non-ownership mechanisms (such as networks, alliance, lobbying, and friendship ties with competitors) (Santos and Eisenhardt, 2005; Wimmer et al., 2019) and managing issues such as contending interests among actors, competing for power and power shifts to new actors (Leong et al., 2019). However, literature has focused on increasing control over external strategic relationships, leaving the contrary case less analyzed when companies intentionally reduce their influence.

The power conception applies to both vertical and horizontal boundaries. Vertical integration depends on environmental uncertainty. For instance, when a critical source of uncertainty resides in the supply of materials, organizations may integrate backward to reduce dependence on single exchange partners and guarantee access to essential resources on favorable terms (Santos and Eisenhardt, 2005). Horizontal breadth hinges on protecting a company's core position or reducing dependence on a single market (Santos and Eisenhardt, 2005). For instance, some MNCs reduce the uncertainty of their core offering by including complementing products or geographic areas or acquiring other firms, creating a more defensible position. Ergo, if the number of players in the market can limit a company's performance, they tend to have more vertical and horizontal integration (Gandia and Parmentier, 2020).

In the boundary logic of competence, firms let their capabilities and resources (physical, human, and organizational) shape their organizational growth trajectories and competitive advantages (Brusoni et al., 2001; Eisenhardt and Martin, 2000; Velter et al., 2020). Therefore, firms set organizational boundaries at the point that maximizes the value of their resource portfolios (Santos and Eisenhardt, 2005). Competence logic originated from the resource-based view (RBV). The RBV views the firm as a bundle of specialized inimitable resources and capabilities that can be combined and organized in novel ways. Those resources and capabilities are valuable if they reduce costs or increase revenues compared to what would be the case if the firms did not possess those resources or have access to them. Thus, companies must cultivate their partners' capabilities to enhance their network's overall value and capacity to create more value (Leong et al., 2019).

Other crucial perspectives that support boundaries of competency are dynamic capabilities and absorptive capacity. Dynamic capability explores how companies build and acquire over time valuable resource positions. They consist of specific organizational processes like partnering, recoupling business units, and product development that create value by building new resources inside the firm, accessing

resources from outside the firm, recombining existing resources in new ways, and eliminating no longer valuable resources (Eisenhardt and Martin, 2000). Absorptive capacity represents the ability to access skills and knowledge outside the organization and to reconfigure organizational practices and structures to respond to a rapidly changing environment in which external activities are increasingly interdependent with external parties (Carlile, 2004).

Market dynamism affects vertical and horizontal integration (Santos and Eisenhardt, 2005). In less dynamic markets, organizations internalize activities that leverage their current resource configuration and outsource those that depend on very different resources; they also expand to nearby product/market domains that are financially attractive and leverage the current resource configuration. In moderate dynamism, organizations shape horizontal and vertical boundaries by using dynamic capabilities to blend existing and new resources into fresh resource combinations. In high-velocity environments, organizations blur the distinction between horizontal and vertical boundaries. Consequently, resources are loosely coupled, core competence is adapted to market opportunities, and missing skills are developed or obtained via alliances. In short, internalization maximizes the portfolio in stable markets (Gandia and Parmentier, 2020), and externalization improves innovation in unstable markets (Zobel and Hagedoorn, 2020).

Finally, the boundary logic of identity asks who the organization is? (Santos and Eisenhardt, 2005). Thus, companies focus on their identity and the activities they should develop to achieve coherence (Ravasi et al., 2020). Identity logic resembles mental boundaries; in them, actors belonging to an organization see their ways of thinking and working as something that distinguishes them from other organizations (Jæger and Pedersen, 2020). Consequently, Vertical and horizontal internalization depends on the level of coherence with organizational identity (Gandia and Parmentier, 2020). Tensions could arise when there is a disagreement between who firms think they are and whom the actors think the firm is (Jarvenpaa and Lang, 2011). Studies suggest that a shared identity facilitates effective collaboration

because it can engender common agreement among diverse actors and foster the bond that is imperative to encourage sharing in a loosely coupled network of autonomous actors with no hierarchical authority (Leong et al., 2019).

The four boundary logics have a complementary, synergistic, and coevolutionary relationship (Santos and Eisenhardt, 2005). The examination of organizational boundaries was long dominated by efficiency and power considerations, frequently in stable and well-defined markets (Jarvenpaa and Lang, 2011; Powell and Soppé, 2015; Santos and Eisenhardt, 2005). However, the saturation of markets and the development of innovative technologies opened new opportunities that challenge current conceptions of organizational borders. To succeed, organizations became highly permeable and started carrying out essential activities outside the company's legal boundaries for reasons beyond efficiency and contradicting the assumption of power (Powell and Soppé, 2015).

### 1.2.3. Relevant concepts in organizational boundaries literature

Today organizational boundaries are mutable (Chick and Dow, 2005), less evident (Colombo and Mella, 2021) and fluid (Schreyögg and Sydow, 2010). Hence, even though organizations have frontiers and must expend energy on maintenance, it is also crucial to devote energy to activities that span and redraw them (Scott et al., 2007). Here, it is important to clarify four concepts that are particularly helpful for understanding the management of boundaries: the notion of boundary work, boundary management, boundary spanning and boundary permeability. Figure 20 displays these notions:

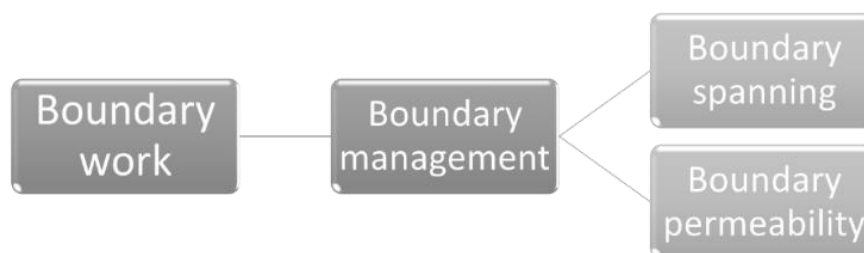


Figure 20: Relevant concepts in organizational boundaries literature

Boundary work refers to actors' effort to establish, expand, reinforce or undermine existing organizational boundaries (Zietsma and Lawrence, 2010) through concrete activities, including boundary management (Velter et al., 2020). Boundary management focuses on how individuals create, maintain or change boundaries to effectively navigate the world around them (Allen et al., 2021). It includes two fundamental actions. The first action defines, negotiates, and protects organizational resources and domains by defining the parameters within which certain activities occur inside the firm's borders while others do not. The second manages the relationships and tensions with external stakeholders to achieve organizational goals (Jarvenpaa and Lang, 2011). Boundary work and boundary management complement each other; while the former has planning connotations, the latter is more pragmatical and centers on executing those actions.

Boundaries, as natural membranes, have essential functions. They separate the firm from the environment and allow interactions with the external environment by managing the permeability. Entirely permeable boundaries may create chaos, removing a firm's structure and making it lose stability. On the other hand, fixed boundaries may prevent organizations from innovating and keeping out with market changes and opportunities. Hence, reaching the correct level of permeability is vital for organizations. In this sense, boundary permeability relates to the first action of boundary management; it allows interchanges between borders that confer greater access to resources but with limited control over them (Nason et al., 2019).

Managing permeability is different from expanding organizational boundaries. Firms expand their boundaries when they decide to perform certain activities previously realized in the market, this action grants companies complete control over resources. For its part, boundary-spanning relates to the second action of boundary management and refers to the ability to maintain and facilitate relations between distinct organizational entities (Jæger and Pedersen, 2020).



### **1.3. Crossing boundaries**

Collaboration requires crossing boundaries to create shared spaces (Star, 2010). In those shared spaces, organizations can learn, gain access to resources, and improve innovation (Gateau and Simon, 2016) by negotiating differences at the interface between (Wolfberg, 2019) different types of boundaries (Carlile, 2004). Exist different mechanisms to cross boundaries. For instance, the primary method to overcome physical boundaries (e.g. legal boundaries) is a joint structure such as an inter-organizational or inter-functional project team that provides geographical proximity for the members and allows them to share knowledge (Pan and Mao, 2016). However, differences in ideas, understandings, and beliefs that guide organizational action create cognitive boundaries that vary in complexity (Pan and Mao, 2016).

Carlile (2004) analyzed boundary crossing in knowledge management and identified three techniques to reach a shared space. The first is a syntactic or information-processing boundary and focuses on transferring knowledge between borders with a common lexicon. The second is semantic or interpretive boundaries and centers on creating common meaning through translation and negotiation when differences and dependencies between borders are unclear or ambiguous. And the third type, the pragmatic or political boundary, focuses on creating common interests rather than common meanings. In short, to cross cognitive boundaries, boundary spanners must learn and adapt to their counterparts' language and translate their knowledge into an understandable form (Pan and Mao, 2016). Indeed, a recent research stream, labelled communicative activation, studies how organizational members cross or remove boundaries by directly or indirectly establishing communication with each other or with outsiders (Jæger and Pedersen, 2020).

The boundary literature offers concrete mechanisms to analyze and understand communication between boundaries. For instance, Wolfberg (2019, 2017) offers a guide for crossing into and communicating through boundaries that vary according

to the need addressed and boundaries' complexity and permeability. As table 17 shows, they are selected individually or collectively based on the difficulty level at the intersection of boundaries.

	Least Complex Boundary (Clarity in knowledge, differences and dependencies, a common lexicon)	Complex Boundary (Ambiguity in knowledge, differences, and dependencies)	Most Complex Boundary (Different interests impede the share and access to resources and knowledge)
Easier to cross boundary (High permeability)	Information system	Boundary Spanners	Boundary Objects
Harder to cross boundary (Low permeability)	Recalibrate standards	Boundary Architects	Boundary Practices

Table 17: : Boundary mechanisms and level of boundary-crossing difficulty  
(Wolfberg, 2019)

When all the parties have a common lexicon, an information system is enough to reach an agreement and cooperation. Information systems combine technology, people, and processes to collect, filter, create, and distribute valuable data for organizations (Bourgeois and Bourgeois, 2014). When the boundary is low permeable or hard to cross, it is necessary to recalibrate the system with new data, processing, and connectivity between the people for whom the information system is used (Wolfberg, 2019).

A boundary spanner is a system thinker who understands the specific needs and interests of the organization, and whose most significant asset is their ability to move across and through the formal and informal frontiers of organizations (Vakkayil, 2012) to transfer knowledge and negotiate the meaning and usefulness of external

information to those within the boundary and vice versa (Wolfberg, 2017). According to Goodrich and colleagues (2020), the boundary spanner's functions are:

- 1) Connect producers and users of knowledge by enabling and organizing their interaction, including logistical, mediation, facilitation, and financial support.
- 2) Reconcile and protect interests, different motivations, and cultures at the boundary and attend to issues of equity, unequal power, inclusivity, and trust-building.
- 3) Integrate different knowledge types to influence alternative approaches.
- 4) Foster mutual understanding among different interests while representing the interests of all.
- 5) Co-produce and disseminate boundary objects (e.g., communication and visualization resources, scenarios, models, maps, apps) that can help bridge users and producers of knowledge and customize information to different decision contexts.
- 6) Provide services, training, and complementary expertise to enhance the production of actionable knowledge.
- 7) Support and foster the creation and maintenance of knowledge networks and communities of practice that sustain the co-production of knowledge and use.

Barner-Rasmussen and colleagues (2014) focus on MNC internal boundaries and synthesize boundary spanners' function into four categories: exchanging, linking, facilitating and intervening. The function of exchanging occurs when an employee engages in information and knowledge exchange across MNC-internal boundaries to do their job on behalf of their respective units. Linking occurs when boundary

spanners use their networks to enable previously disconnected actors to link up. Facilitating occurs when boundary spanners assist in the cross-border interactions of others as messengers or interpreters. Finally, intervening refers to boundary spanners actively involved in inter-unit interactions to create positive outcomes, for example, by resolving misunderstandings, managing conflicts, or building inter-group trust. The benefit of reaching alignment between internal boundaries is MNCs' increased creativity (Tippmann et al., 2017).

Boundary spanners may be officially designated or emerge in practice (Levina and Vaast, 2005). Independently of their origin, both require cultural and language skills to effectively perform boundary-spanning functions (Barner-Rasmussen et al., 2014). However, when ambiguity is severe, boundary spanners might face challenges translating knowledge between individuals and groups. In this case, the boundary architects forge a new boundary to grow the connection between organizations and establish common purposes and identities by intervening with, disrupting, or redrawing existing boundaries (Wolfberg, 2019). A homologous is the boundary shaker, individuals that reconfigure, if not remove, the boundaries and the ways they work and interact across borders (Gateau and Simon, 2016).

An analogy to differentiate between spanners and architects is that offered by Wolfberg (2019):

*"If an organizational boundary is a wall with existing doors or windows, the boundary spanner is the existing door or window, translating between those on either side of the wall, as long as permeability is high. However, when permeability is low, a boundary architect has to construct new or modified boundaries so that new doors or windows provide pathways for sharing knowledge (Wolfberg, 2019, p. 43)".*

Both boundary spanners and architects use boundary objects, physical and symbolic artifacts, that allow different groups to understand each other and work together (Star, 2010). Interestingly, they have the quality of passing organizational boundaries without damaging neither the boundary nor the object itself (Jæger and

Pedersen, 2020). Boundary objects characterize in three aspects: interpretative flexibility, material structure, and scale/granularity (Star, 2010). The first, interpretative flexibility, allows applicability in different contexts; the same object may have different purposes depending on its use and interpretation. Meanwhile, the material structure establishes that objects get meaning from use, not from a sense of prefabricated stuff or thingness; hence, a theory and a car may become powerful objects as long as they create a shared space. The third, scale or granularity, points out that organizational is the most propitious level to apply boundary objects.

Hence, Boundary objects are concrete (e.g. planning and project task charts, figures, and embedded in papers) or abstract (metaphors and stories) communication-related objects for which people with different perspectives, reflecting different boundaries, can develop a shared and new meaning (Wolfberg, 2017). They must be plastic enough to adapt to local needs and the constraints of the several parties employing them, yet robust enough to maintain a common identity across sites (Vakkayil, 2012). According to Carlile (2002), boundary objects must establish a shared language, provide concrete means for individuals to specify and learn about their differences and dependencies, and facilitate jointly transforming their knowledge.

Boundary practices are routine activities, procedures, or processes used to bring people together (members of an organization and external actors) without needing common ground and shared identity (Wolfberg, 2017). Their purpose is to address conflicts, reconcile perspectives, resolve differences, develop a shared identity and co-construct new knowledge and understandings (Gateau and Simon, 2016). An essential obstacle for boundary practices is that organizational members tend to overvalue internal knowledge and underestimate external one. To cross the boundaries that emerged for social cohesion, parties must work at a network level, anticipate counterpart interests, and negotiate on their common interests. Any disagreement is treated with techniques and resources (e.g., conversations,

meetings) to align interests, reach an understanding, and share information and resources.

## **CONCLUSIONS**

The concept of business models has received considerable attention in contemporary research, revealing its multifaceted and complex nature. An integrative approach to BMs encompasses value logics, actors' agency, and the complementarity of internal and external configurations. Nonetheless, existing research predominantly focuses on either the firm or the network level, leaving potential insights from a combined analysis underexplored.

Firm-level analysis decomposes the internal configuration of business models to understand the underlying value creation logic. This perspective is prevalent in strategic management research. Conversely, network-level analysis posits that both the firm and the network perform relevant activities; thus, examining BMs as a system that transcends the boundaries of the firm. This perspective is particularly common in the information and technological system literature, where networked, ecosystem, and collaborative business models have gained prominence.

The current state of research, however, lacks investigations that simultaneously incorporate both firm and network levels. This may be attributed to the absence of suitable model templates and tools that capture the interdependent nature of BMs. A potential solution to this challenge involves the integration of firm and network-centric frameworks. In this context, the social BMs' framework and constructs, such as CSV strategies, the theory of three value creation logics (Stabell and Fjeldstad, 1998), and the three levels of social development (Todaro and Smith, 2012) appear promising for analyzing the internal organization of BMs. Meanwhile, system activity and organizational boundaries theory could elucidate the external configuration.

Drawing on real-world examples of multinational corporations operating in the BoP markets, this chapter asserts that internally, MNCs have adapted and innovated their BMs to create mutual value. They have achieved this by combining strategies, tactics, and value creation logics. Moreover, these corporations focus on innovating value propositions, constellations, and capture mechanisms by employing various strategies such as reconceiving offerings, redefining efficiency in the value chain, nurturing ecosystems, and changing the revenue streams. They also implement various tactics to adapt their products and services to the specific needs of the BoP markets, integrate marginalized actors into their value chain activities and overcome contextual constraints in the network.

Interestingly, different dimensions of a single business model can follow distinct value creation logics, thereby addressing various dimensions of poverty: sustenance, self-esteem, and freedom from servitude. Until now, the analysis of business models in BoP contexts has primarily focused on using a single value creation logic as the dominant strategy for overcoming contextual constraints and delivering a sole dimension of social value. However, there exists immense potential to create mutual value beyond merely modifying value propositions, particularly by combining multiple strategies, tactics, and value-creation logics within a single business model.

Externally, successful organizations manage their environment by striking a balance between their needs and those of the network, strategically navigating boundaries to access resources, enhance innovation and increase value creation potential. Among the value creation systems (value chain and value network), value networks have emerged as the ideal approach for achieving sustainability, primarily due to the diversity of actors involved and their contrasting interests.

Boundaries inside a network system are a critical element as they separate and create stability. Organizational boundaries can be broadly classified into two categories: structural and conceptual. Structural boundaries shape organizations by

delimiting vertical, horizontal, external, and internal limits and determining their primary nature, whether static or dynamic. On the other hand, conceptual boundaries explain the logic behind drawing boundaries, identifying the main factors that justify their presence, location, and absence. That is, organizations make boundary decisions following different logics, such as efficiency, power, competence, and identity.

Organizations make boundary decisions based on various logics, including efficiency, power, competence, and identity. Under the logic of efficiency, companies decide whether to internalize or outsource activities, depending on which option minimizes costs and risks. In the logic of power, companies undertake activities that enhance their control, influence, and autonomy. In the logic of competence, firms engage in activities that align with their existing capabilities and resources. Lastly, in the logic of identity, organizations seek congruence between their self-perception and their actions. It is important to note that these logics can complement, synergize, and coevolve, providing a dynamic understanding of how firms interact with their networks.

Paradoxically, fostering collaboration among network actors requires crossing boundaries to create a shared space. Exist different methods to cross boundaries, and these can be categorized based on their complexity and permeability. When boundaries are least complex and highly permeable, a simple information system suffices to facilitate agreement. In the case of less complex yet less permeable boundaries, information systems need to be recalibrated with new data and enhanced connectivity among stakeholders. For complex and high permeable boundaries, boundary spanners bridge the gap, connecting organizations with external resources and knowledge. In contrast, for complex and less permeable boundaries, boundary architects devise new paths to connect firms with external actors. The most complex and highly permeable boundaries need physical or symbolic objects to develop communication, understanding, and collaboration.



Finally, in the most complex and less permeable boundaries, practices concentrate on resolving misalignments and conflicts to reach a shared identity and purpose.

Once attained, cross-sector collaboration produces many benefices, including higher levels of creativity and innovation and an increased capacity to create mutual value. Recently, this collaboration has prompted a novel form of BM that depends on the collaboration of multiple stakeholders. These innovative BMs, dubbed cross-sector partnership BMs, are characterized by radical reorganizations at both internal and external levels.

They require not only the appropriate selection of value proposition, value constellation, and value capture but also the strategic management of boundaries to influence networks, access resources, innovate, and increase competitive advantages. Until now, cooperative BMs have shown a great potential for addressing sustainability issues and creating economic, social, and environmental value for all the parties involved. However, despite their importance, studies addressing boundary work and BMs for mutual value creation are scarce, and they are fewer regarding MNCs.

This thesis posits that examining BMs at both firm and network levels can yield valuable insights into the complexities of value creation and the potential for achieving sustainable outcomes. By integrating firm-level analysis, which deconstruct the internal configuration of BMs to comprehend value creation logic, with network-level analysis, which examines the interdependencies and interactions among network actors, a more holistic understanding of how MNCs create mutual value can be achieved. This dual-level approach has the potential to uncover new opportunities and challenges for MNCs operating in BoP contexts and contribute to the ongoing development of sustainable BMs that deliver economic, social, and environmental value.

## CONCLUSION OF THE SECOND PART

---

The second part was devoted to explaining business models, especially the theories underpinning the two perspectives guiding the empirical analysis of this thesis.

Therefore, **chapter 3** underscored the pivotal role of the business model as a strategic compass guiding the creation of diverse forms of value. In light of the primary objective of this thesis - the explication of value creation - the decision to select the business model as the unit of analysis is substantiated. In essence, this chapter meticulously navigated the prevalent definitions across business, management, and accounting disciplines, as derived from the comprehensive Scopus database.

Additionally, it delineated the vertical dimension of business models, placing particular emphasis on the framework of social business and the system-activity perspective – these two meta-models serve as the base for the analytical framework. After this examination, the chapter established the integral connection between business logic, strategies, and tactics. This trinity is vital in elucidating the functional dynamics of business models designed to serve the BoP. Therefore, Chapter 3 thoroughly explores business models and their foundational role in generating value, setting the stage for subsequent chapters.

**Chapter 4** presented the firm and network levels of analysis to explain our inter- and intra-firm perspectives. The firm level describes a BM and creates a general understanding of the strategies, tactics, and logics to create value. In contrast, the network level allows an account of how those strategies, tactics, and logics are operationalized in collaboration with multiple actors.

This chapter also deepened the intra-firm perspective by offering a conceptual analysis based on current research and multiple examples from real-world MNCs implementing BoP business models. They were viewed from the angle of CSV

literature, the logic of value creation, and social development. This chapter identified and explained four strategies and eleven tactics in which MNCs could adapt the three dimensions of business models (value proposition, value constellation, and value capture) to create different levels of social value (coverture of basic needs, self-esteem, and freedom from servitude) by underpinning them on three distinct value creation logics.

Finally, chapter 4 offered a literature review of the boundary-spanning perspective in business models, which lays the groundwork for the inter-firm view by describing organizations as open systems and highlighting the organizational boundaries literature.

This dual-faceted analysis of business models that considers both firm-level and network-level aspects establishes the bases for the empirical analysis carried out in the third part of this thesis.

### **THIRD PART: EMPIRICAL ANALYSIS**

---

## **GENERAL INTRODUCTION**

---

### **FIRST PART: UNDERSTANDING THE ROLE OF BUSINESS IN SOCIAL DEVELOPMENT**

Chapter 1: The purpose of business

Chapter 2: Organizational value creation

---

### **SECOND PART: BUSINESS MODELS FROM A FIRM AND NETWORK PERSPECTIVE**

Chapter 3: Understanding business models

Chapter 4: The internal and external organization of business models

---

### **THIRD PART: EMPIRICAL ANALYSIS**

Chapter 5: Methodology

Chapter 6: The case

Chapter 7: The final framework and propositions

## INTRODUCTION OF THE THIRD PART

---

*“A case study organized around a single case... might have been chosen because it was critical, common, unusual, revelatory...”* (Yin, 2018, p. 353)

This section is devoted to the empirical phase of this thesis. Accordingly, **chapter 5** describes the methodology. It starts by presenting the epistemology of management, its paradigms, and five major research philosophies: positivism, critical realism, interpretivism, postmodernism, and pragmatism. Later, it explains the challenges of qualitative research, emphasizing the case study and the documentary research methods. Finally, it clarifies the philosophical assumptions underpinning this thesis, namely, the philosophical position, the theory development approach, methods, the research strategy, the content analysis process, and the analytical framework.

**Chapter 6** develops the case study. Congruently, it first introduces the context, that is, the Mexican BoP. Second, it explains Alpha, the company under investigation, and its three social and inclusive BMs. Third, it analyzes the different attributes of BMs from an intra-firm and inter-firm perspective using the analytical framework presented in chapter 7.

Finally, **chapter 7** explains the final framework to construct mutual value and the propositions emanating from the case study.



## Chapter 5: METHODOLOGY

### Chapter introduction

This chapter describes the philosophical considerations underpinning this study, the research methodology, data collection and analysis. It starts with a brief explanation of the management research foundation and the five main philosophies. Followed by a description of the research design, data collection, and analysis.

### SECTION 1: EPISTEMOLOGY OF MANAGEMENT

---

Management can be defined as the manner of driving, leading, structuring, and developing organizations, considering both their organizational and decision-making aspects (Thiétart, 2014). In 1980, Bennet found that management research tends to answer the interest of investigators rather than the interests of practitioners -this has remained the same over time. In addition to theory development approaches, research should respond to managers' real needs, concerns, and problems. For such investigations, a pragmatic position seems more appropriate than other philosophical stands.

#### 1.1. Management research's foundations

Science is a complex epistemic and social practice – organized in a large number of disciplines – that employs a dazzling variety of methods, relies on heterogeneous conceptual and ontological resources, and pursues diverse goals of equally diverse research communities (Ludwig and Ruphy, 2021). For instance, management as an academic discipline of large scale takes a theoretical base from a mixture of disciplines in the social sciences (e.g., sociology, psychology, economics), natural sciences (e.g., chemistry, biology), applied sciences (e.g., engineering, statistics), and humanities (e.g., literature, linguistic, history, philosophy).



Management's multidisciplinary origin is the main reason why purists question their validity as real science. David (1999) contributes to this debate by asking: is management, as it is often said, only a practical art, which would only be scientific in what it borrows from economics, sociology, psychology or cognitive sciences? To then affirm that management is a logical, epistemological, and methodological rich and complex science, capable of developing generalizable knowledge through an abductive-deductive-inductive recursive loop.

David is a pluralist; he sees the diversity of the management field as helpful and enriching. Pluralism emerged when the limitations of unifying frameworks in the light of the disunified reality of scientific practice became obvious (Ludwig and Ruphy, 2021). The unificationists occupy the opposite side, philosophers of science that aim to find order through methods of unification and reduction (Ludwig and Ruphy, 2021). For the unificationists, fragmentation prevents management from becoming a proper scientific discipline; while unification under one strong research philosophy, paradigm and methodology (Saunders et al., 2019) would validate it as a real science.

The philosophical tide has clearly turned in support of the plurality of science (Ruphy, 2017), offering researchers an inexhaustible source of questions, theoretical foundations (Thiétart, 2014), and different methodologies, methods and techniques (Jackson, 1999). This change can be observed in the management transition from a traditional epoch, mostly positivist and dominated by the use of quantitative methods, to a period characterized by novelty and diverse paradigmatic trends (Guelmami, 2021).

## 1.2. The paradigm wars.

The debate about the two contrasting assumptions about the nature of reality – whether it is independent or dependent on individuals – is known as 'the paradigm war'. The beginnings of this discussion can be found in the two major intellectual traditions dominating social sciences over the last two hundred years: 'the sociological positivism' and 'the German idealism' (Burrell and Morgan, 2019; Hughes and Sharrock, 1997). The first reflects the attempts to apply models and methods derived from the natural sciences to the study of human affairs. The second ideology, in contrast, stresses the subjective nature of human phenomena.

Although some have declared the paradigm war largely subsided (Bryman, 2006), *"boiled down to a 'simple' conflict between the practitioners of qualitative and quantitative research and took the form of arguments concerning the relative merits of contrasting approaches based on differing perspectives on epistemology and ontology"* (Griffiths and Norman, 2013, p. 583). It still has implications for thinking about the relationship between paradigms and research philosophies (Saunders et al., 2019).

The distinction between paradigms, philosophies and technical levels of discussion is essential as they represent divergent perspectives. As figure 21 shows, the philosophy guiding scientific research is a system composed of the researcher's choices in two paradigmatic dimensions: the nature of science and the nature of society (Saunders et al., 2019).

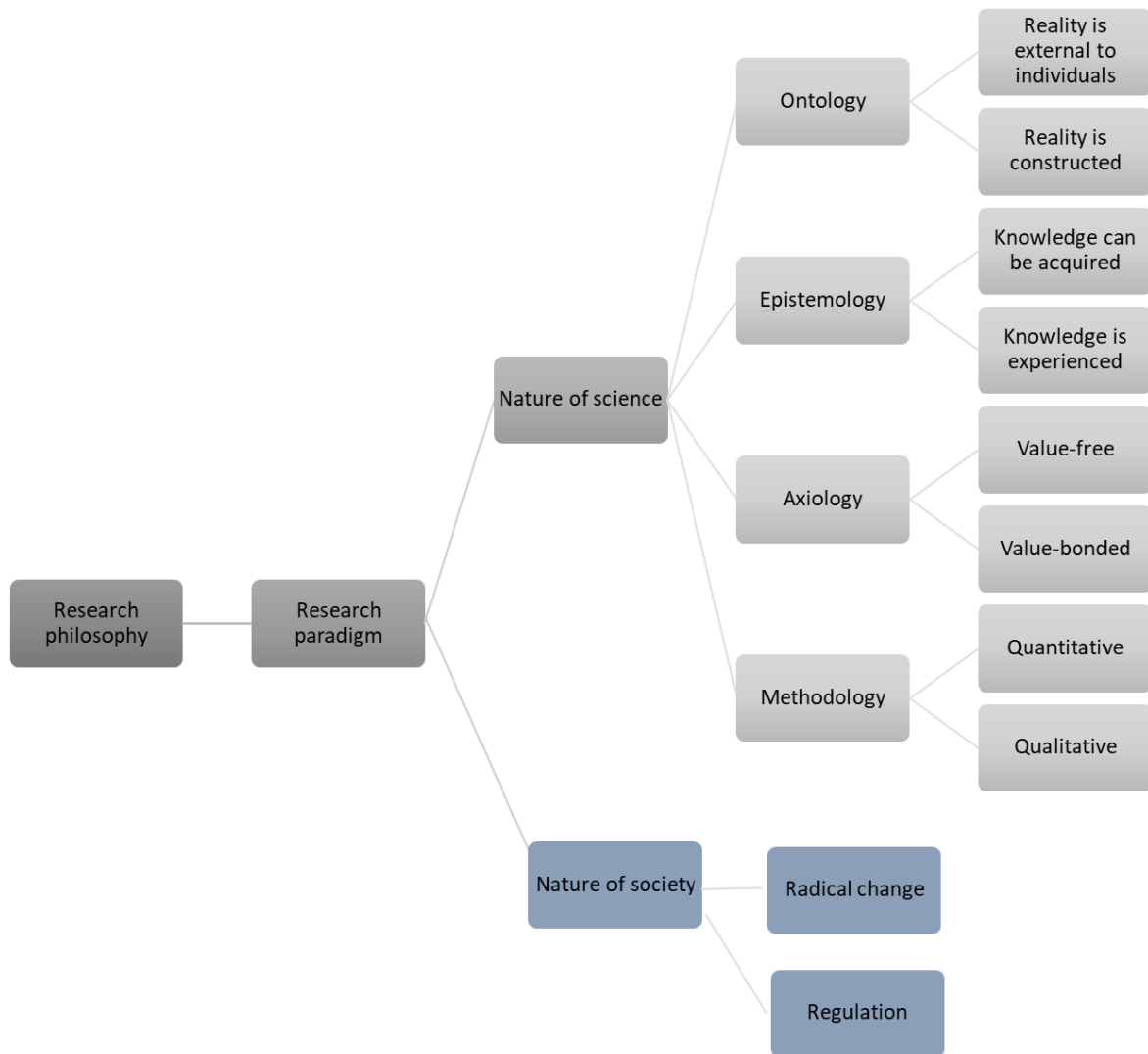


Figure 21: Research philosophy's elements

A review of philosophy is a vital aspect of the research process and can have a triple effect on researchers (Holden and Lynch, 2004): 1) it may open their minds to other possibilities, therefore, enriching their own research abilities. (2) It can enhance their confidence in the appropriateness of their methodology, which, in turn, enhances confidence in their research results. 3) And it will allow researchers to match their assumptions concerning ontology, epistemology, axiology and methodology with their research problem.

Moreover, the background and position of researchers will affect what they choose to investigate, the angle of investigation, and the methods judged most pertinent for this purpose (Malterud, 2001). Furthermore, *"the development of organization theory, like other social science disciplines, would be better served if researchers were more explicit about the nature of the beliefs they bring to their subject of study"* (Morgan and Smircich, 1980, p. 499).

### 1.3. The research paradigm: the nature of science

The term research philosophy refers to a paradigm: a system of beliefs and assumptions about the nature of the world and how to investigate it (Burrell and Morgan, 2019; Morgan, 2007). Consequently, it shapes research: questions, methodologies, analyses, and results interpretation. In management science, the notion of paradigm comprises ontological, epistemic, methodological, and axiological assumptions (Guelmami, 2021):

- The ontological dimension questions the nature of the reality to be known.
- The epistemic dimension questions the nature of the knowledge produced.
- The methodological dimension relates to the manner in which knowledge is produced and justified.
- The axiological dimension questions the values conveyed by knowledge.

The ontological dimension, or the researcher's view of reality, is the cornerstone of all other assumptions, i.e., what is assumed ontologically guides choices in the other dimensions (Holden and Lynch, 2004). In the management field, exist different epistemological paradigms that offer a distinctive way of seeing organizational realities. They situate along a multidimensional set of continua between two polarized extremes identified with alternative names: subjectivism-objectivism,

quantitative-qualitative, positivist-interpretivism, scientific-humanistic, traditional-phenomenological, idealism-realism, among others (Collis and Hussey, 2014).

We use the term realism and constructivism. Table 18 shows how they differ.

Orientation	Realism	Constructivism
The ontological question: what is reality?	Essentialism	Non-essentialism
The epistemic question: what is knowledge?	Objectivism	Relativism
The methodological question: what are the criterion of valid knowledge?	Correspondence	Adequation
The axiological question: is knowledge without effect?	Autonomy	Performative

Table 18: Epistemological orientations and tensions in management(Allard-Poesi and Perret, 2014)

In these two extremes (realism and constructivism) and between them, management scientists held different assumptions about reality, knowledge, methodology, and values. This poses interesting problems of epistemology since they are the source of various forms of thinking known as paradigms. Valid paradigms are the products of lengthy discussions and debates among their advocates. As we pass from assumption to assumption along the realism-constructivism continuum, the nature of what constitutes adequate knowledge changes. For Morgan and Smircich (1980), transiting through the continuum is like moving away from a conception of the world as a machine, or closed system, to a conception of the world as an organism, an open system.

Each paradigm has evolved in awareness of the existence of the other points of view and has, to some extent, developed in reaction to them. In the following paragraphs, we offer a description of the two extremes of the continuum.

### 1.3.1. Realism

Realism argues that social reality is external to social actors. Ontologically, the paradigms with a realist orientation –logic positivism, post-positivism, and critical realism– affirm that reality has its own essence (Allard-Poesi and Perret, 2014). In its most extreme form, realism considers social entities to be like physical entities of the natural world as they exist independently of how social actors think of and label them (Saunders et al., 2019). In other words, whether or not social actors perceive those structures, they still exist as independent entities (Burrell and Morgan, 2019).

Hence, the interpretations and experiences of social actors do not influence the existence of the social world since they are external to individuals. Valid knowledge can only be discovered through observation and measurement, and it will be true to the extent they accurately describe reality; indeed, it frequently takes the form of law-like generalizations. Besides, any reference to the intangible or subjective is excluded as meaningless (Morgan and Smircich, 1980). Thus, researchers strive to keep their research free of values by following a rigorous scientific process (Saunders et al., 2019) and respecting the autonomy of scientific practice.

Four principles guide the explanations of reality from a realistic perspective (Hunt, 2005):

- 1) The world exists independently of human perception: there is something out there for science to theorize about.
- 2) Science tries to develop genuine knowledge about the world, but there is no "God's eye" vision; hence true knowledge can never be known with certainty.
- 3) Science must critically evaluate and test knowledge claims to determine their truth content since human perceptual (measurement) processes may be fallacious.

- 4) The long-term success of a scientific theory gives reason to believe that something like the entities and structure postulated by the theory exists.

In the past, the realism paradigm dominated strategy research (Mir and Watson, 2000). However, it has been increasingly criticized as inappropriate for studying social science phenomena due to its complex nature. Today, very few researchers make extreme axiological, epistemic, and ontological assumptions; most business research takes a more moderate realistic position (Holden and Lynch, 2004).

### **1.3.2. Constructivism**

According to constructivism, social actors' perceptions and subsequent actions create the social world we see around us. Therefore, for constructive paradigms – interpretivism and post-modernism– (Allard-Poesi and Perret, 2014), reality does not have its own essence; social actors construct it through social interactions and shared meanings and realities (Saunders et al., 2019). For instance, the more extreme version of the subjectivist ontological perspective, commonly known as solipsism, claims that one's consciousness is one's world and that there is no reality outside oneself. As a result, the reality is just an illusion (Morgan and Smircich, 1980).

Unlike objectivist researchers, who seek to discover universal facts and laws governing social behavior, subjectivists embrace anti-positivism and firmly set against the utility of a search for laws or underlying regularities (Burrell and Morgan, 2019). They argue that standing apart from the social phenomena being observed does not bring out their true nature but distorts their character (Hughes and Sharrock, 1997).

Hence, the relevant epistemological stance is that knowledge cannot be discovered; various actors explain it with different opinions and narratives. As a corollary, everything is relative because knowledge is subjectively acquired (Holden and

Lynch, 2004). In its strong sense, relativism designates either the impossibility of proving that one scientific theory is better than another or that it is impossible to justify the superiority of science compared to other forms of knowledge (Allard-Poesi and Perret, 2014).

Under a constructivist orientation, empirical knowledge is meaningful and legitimate to the extent that it is appropriate for the relative nature of reality. That is, knowledge is considered valid when it satisfies the requirements of the research objectives and the community it serves. Axiologically, constructivists believe they cannot detach themselves from their values; consequently, they purposely question and incorporate them within research (Saunders et al., 2019).

Due to its explanatory attributes, constructivist ontology is considered more appropriate for social science studies. Additionally, according to Mir and Watson (2000) it offers valuable insights into the fundamentally context-driven nature of strategic management research. However, constructivism's most condemning flaw is its inability to make the produced knowledge objective, generalizable, and reliable (Hughes and Sharrock, 1997).

#### **1.4. The research paradigm: the nature of society**

Developing a philosophical perspective also involves making assumptions regarding the nature of society. Burrell and Morgan (2019) suggest that the political or ideological orientation towards the social world has two opposing poles or extremes: the sociology of regulation and the sociology of radical change. These contrasting views are the basis of distinct and often diametrically opposing schools of thought.

For instance, a rational view of society is the basis of modernism, whereas a radical change perspective underlies post-modernism (Holden and Lynch, 2004). Much business and management research can be classed as modernism since it suggests how organizational affairs may be improved within the framework of how things are



now done. On the other hand, post-modernist research approaches organizational problems from the viewpoint of overturning the existing state of affairs (Saunders et al., 2019).

Burrell and Morgan (2019) combine the realism-constructivism continuum with the regulation-radical change continuum to create a matrix of four distinct and rival paradigms for organizational analysis (figure 22).

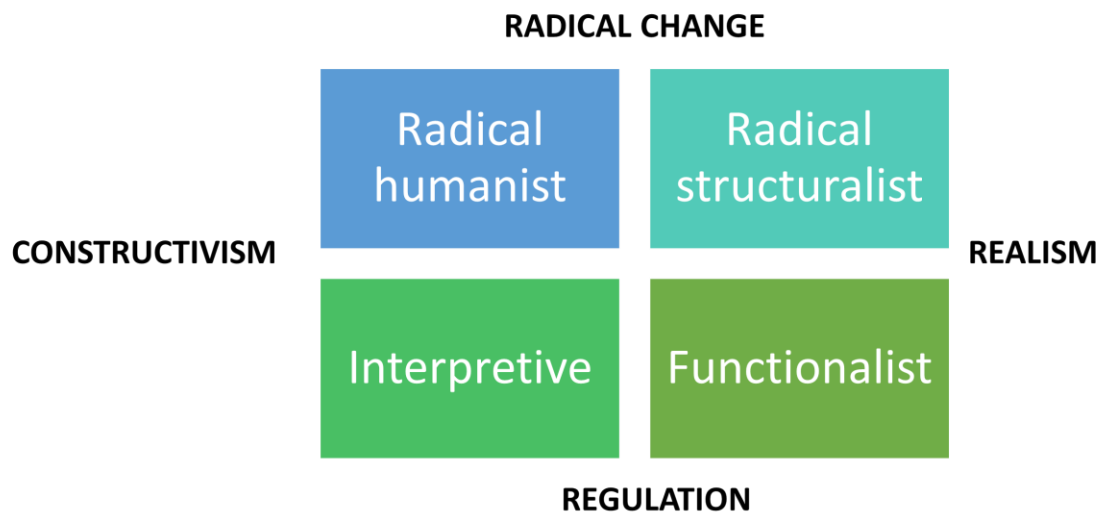


Figure 22: Four paradigms for organizational analysis(Burrell and Morgan, 2019)

Each paradigm shares a common set of features with its neighbors. For this reason, they should be viewed as contiguous but separated, contiguous because of their shared characteristics, and separated because their differences are significant enough to warrant treatment as four distinct entities. These four paradigms approach social phenomena from contrasting standpoints and generate quite different concepts and analytical tools (Burrell and Morgan, 2019).

The functionalist paradigm is situated within the realms of realism and regulation and is the paradigm within which most business and management research operates. Research in this paradigm concerns rational explanations and developing sets of recommendations within the current structures. In this sense, it is highly pragmatic

and most likely objective, positivist, and value-free. Hence, this type of research is often referred to as positivist-functionalist.

In the matrix, the bottom left corner represents the interpretative view. The main subject of studies under this paradigm involves how people attempt to make sense of the world around them. Far from emphasizing rationality, the principal focus is discovering multiple subjectivities and understanding the fundamental meanings attached to organizational life. The concern here is to become involved in the organization's everyday activities to understand and explain what is going on rather than changing things. It tends to be nominalist, anti-positivist, and value-bound.

The radical structuralist paradigm is in the top right corner of the matrix, combining realism and radical change. Here, the primary concern of researchers is to achieve fundamental change based on an analysis of organizational phenomena. Hence, critical realist philosophy often underpins research within this paradigm. Finally, the radical humanist paradigm is located at the intersection of the constructivist and radical change dimensions. It adopts a critical perspective on organizational life and is concerned with changing the status quo.

Burrell and Morgan's four paradigms for organization analysis are the most comprehensive analytical scheme to map and relate different research paradigms. However, one of the most contentious aspects consists of the inference that the four approaches cannot be combined because paradigms are incommensurable as they comprise incompatible principles. However, some researchers disagree and claim that paradigms can be combined depending on the research philosophy.

### **1.5. Research philosophies in management**

Researchers within the same discipline generally agree on which questions are most meaningful and the most appropriate procedures for answering them. Those shared beliefs among members of a specialized area represent a complementary form of

understanding the word paradigm<sup>4</sup> (Morgan, 2007). Based on the epistemological paradigms for organizational analysis, Saunders and colleagues (2019) offer a comparison of the five major philosophies in business and management: positivism, critical realism, interpretivism, postmodernism, and pragmatism (table 19):

<b>Ontology</b> (Nature of reality or being)	<b>Epistemology</b> (What constitutes acceptable knowledge)	<b>Axiology</b> (Role of values)	<b>Typical methods</b>
<b>Positivism</b>			
Real, external, independent One true reality (universalism) Granular (things) Ordered	Scientific method Observable and measurable facts Law-like generalizations Numbers Causal explanation and prediction as contribution	Value-free research Researcher is detached Neutral and independent of what is researched Research maintains objective stance	Typically deductive, highly structured, large samples, measurement, typically quantitative method of analysis, but a range of data can be analyzed.
<b>Critical realism</b>			
Stratified/layered (the empirical, the actual and the real) External, independent Intransient Objective structures Causal mechanisms	Epistemological relativism Knowledge historically situated and transient Facts are social construction Historical causal explanation as contribution	Value-laden research Researcher acknowledges bias by world views, cultural experience and upbringing Researcher tries to minimize bias and errors Researcher is as objective as possible	Retroductive, in-depth historically situated analysis of pre-existing structures and emerging agency Range of methods and data type to fit subject matter.
<b>Interpretivism</b>			
Complex, rich Socially constructed through culture and language	Theories and concepts too simplistic Focus on narratives, stories, perceptions and interpretations.	Value-bond research Researchers are part of what is researched, subjective.	Typically inductive. Small samples, in depth investigations, qualitative methods of analysis, but a

<sup>4</sup> Morgan (2007) offers four interrelated definitions of paradigms: 1) as worldviews, 2) as epistemological stances, 3) a set of shared beliefs among members of a discipline, and 4) as model examples of research.

Multiple meanings, interpretations, realities Flux of processes, experiences, practices	New understandings and worldviews as contribution	Research interpretations key to contribution Researcher reflexive	range of data can be interpreted
<b>Postmodernism</b>			
Nominal complex, rich Socially constructed through power relations Some meanings, interpretations, realities are dominated and silenced by others Flux of processes, experiences, practices	What counts as truth and knowledge is decided by dominant ideologies Focus on absences, silences and oppressed/repressed meanings, interpretations and voices Exposure of power relations and challenge of dominant views as contribution	Value-constituted research Research and researcher embedded in power relations Some research narratives are repressed and silenced at the expense of others Researcher radically reflexive	Typically deconstructive – reading texts and realities against themselves In-depth investigations of anomalies, silences and absences Range of data types, typically qualitative methods of analysis
<b>Pragmatism</b>			
Complex, rich, external reality is the practical consequences of ideas Flux of processes, experiences and practices	Practical meaning of knowledge in specific context True theories and knowledge are those that enable successful action Focus on problems, practices and relevance Problem solving and informed future practice as contribution	Value-driven research Research initiated and sustained by researcher's doubts and beliefs Researcher reflexive	Following research problem and research question Range of methods: mixed, multiple, qualitative, quantitative, action research Emphasis on practical solutions and outcomes

Table 19: Comparison of five research philosophical positions in business and management research (Saunders et al., 2019)

### 1.5.1. Positivism

Positivism is a term frequently associated with a number of rather disparate philosophical schools (Hughes and Sharrock, 1997). In this thesis, we refer to positivism as the research philosophy that focuses on discovering observable and measurable facts and regularities by frequently employing quantitative

methodologies. However, what differentiates a positivist is not the use of qualitative or quantitative methods but the perception of reality, expressed by his ontological and epistemic assumptions as a researcher (Guelmami, 2021). Therefore, positivists see organizations and other social entities as real as physical objects and natural phenomena independent from observation. Consequently, researchers do not influence or are influenced by the research object.

The objectivity of knowledge depends on the independence between subject and object. Consequently, any intervention that could modify reality is allowed. Knowledge takes the form of universal rules and laws, and they are used to, for example, explain and predict organizational behavior and events. All research results must be empirically verifiable to guarantee their accuracy and veracity. Positivism has dominated strategy research (Abreu Pederzini, 2016; Mir and Watson, 2000). Consequently, management is viewed as a series of steps to follow, dominated by quantification and logic (Patton and Appelbaum, 2003).

### **1.5.2. Critical realism**

The number of management and organizational studies conducted in recent years that adhere to the critical realism philosophy has increased significantly (Frederiksen and Kringelum, 2021; McGhee and Grant, 2017). Overall, critical realism is an ontological reflection (Allard-Poesi and Perret, 2014) that offers researchers new opportunities to holistically investigate complex organizational phenomena (Wynn and Williams, 2012). Like positivism, it tries to describe the universal laws and regularities underpinning the essence of reality. However, as reality cannot be reduced to statistical correlations and experimentation since knowledge is a social construction, critical realism serves the primary purpose of providing the researcher with epistemological permission to make interpretations and reach results beyond empirical observations (Frederiksen and Kringelum, 2021).

Even when critical realists consider that reality exists as an observable and independent phenomenon, it differentiates from positivism by acknowledging that reality has three interdependent layers: the empirical, the actual, and the real:

- Empirical reality refers to human perceptions and impressions about actual reality.
- The actual reality is where the action and events happen as outcomes of the real.
- The real is where the generating forces, structures, laws, and mechanisms governing the actual reality reside. That is, the real is what exists; this can be physical (molecules, plants, and animals) or social (organizations and ideologies) (McGhee and Grant, 2017).

Researchers only have access to one layer of reality.

*“Not all levels of reality may be experienced. Just because we cannot observe something does not mean that it is not real. Moreover, mechanisms, and their causal powers, are also often unobservable but are nonetheless real. Reality cannot be contingent on observation alone; Bhaskar’s three levels of reality cannot collapse into a singular level. Any research that does this results in a shallow consideration of the natural and social world”* (McGhee and Grant, 2017, p. 849).

By observing the actual reality –through a process referred to as retrodution: a form of triangulation that approaches the underlying reality from multiple viewpoints– researchers can obtain causal explanations for organizational events (Wynn and Williams, 2012). The knowledge produced fluctuates between the intransitive and transitive dimensions. Perceptions of reality taking the form of theories are transitive, whereas the social phenomena studied are intransitive (McGhee and Grant, 2017). Consequently, it may exist different transitive objects (theories about the world), but one intransitive dimension (the world) (Collier, 1994).

Another difference with positivism is that although critical realism considers that reality exists, the role of researchers is to observe, give sense and describe such reality from a particular angle, not to create it. In this point, critical realism also differentiates from interpretivism by assuming that reality is not constructed. Hence, researchers are part of the research process, and the notion of neutrality is false since sensemaking is value laden.

Critical realism is based on the methodological openness that epistemological relativism entails (Frederiksen and Kringelum, 2021); consequently, it is potentially applicable to a wide range of methodologies (Wynn and Williams, 2012).

### **1.5.3. Interpretivism**

Interpretivism is based on phenomenology<sup>5</sup> (Bonache and Festing, 2020). Thus, researchers cannot study human beings and their social world in the same way as physical phenomena. It requires a richer understanding and interpretation of social worlds and contexts. For instance, interpretivists in management understand organizations by contrasting and sharing the perspectives of different groups of people (Allard-Poesi and Perret, 2014; Saunders et al., 2019). Hence, to access social reality, interpretivism produces ideographic knowledge (Burrell and Morgan, 2019). The ideographic approach privileges the thick description of single case studies to understand the reality of involved actors fully; the produced knowledge is relative because the interpretations made by individuals and social groups are singular.

As the idiographic nature of research may limit generalization, the interpretative researcher must seek to account objectively for these subjective processes of

---

<sup>5</sup> Phenomenology is a philosophy of experience. The ultimate source of all meaning and value is the lived experience of human beings.

constructing meaning by attempting to abstract themselves from their representations and preconceptions (Allard-Poesi and Perret, 2014). Although interpretivism adopts an anti-essentialist conception of social facts, it does not necessarily abandon the idea of achieving a certain objectivity of knowledge. Indeed, interpretivism "seeks to develop an objective social science of subjectivity" (Allard-Poesi, 2005, p. 177). For interpretivists, validity is gained when interpretations can ensure credibility and transferability.

Methodologically, qualitative methods dominate interpretivism. However, according to Abreu Pederzini (2016), classical science still influences interpretivism in strategic management. As a result, it tends to express phenomena in a reductive manner and aspire to produce lawlike statements; this loses the richness of interpretivism, which will help to understand the context-driven nature of strategy and the active role of the researcher in shaping a theoretical perspective (Mir and Watson, 2000).

#### **1.5.4. Postmodernism**

Postmodernism, commonly applied in the social sciences and the arts, views reality as a socially constructed entity, evolving over time and partly depending on culture. This implies the existence of multiple realities, each shaped by the unique interpretations of individual and communities. Because researchers can only aspire to gather unstable and fragmented pieces of knowledge, a pluralistic epistemology is essential for integrating multiple ways of understanding. Indeed, the main contribution of research under a postmodernism paradigm is challenging dominant views.

In Calás and Smircich's (1999) words, postmodernism's contribution is the product of conscious and neutral reflexivity that allows for a critical examination of the way modern (paradigmatic or foundational) knowledge has been constituted. Consequently, postmodernists embrace innovation and change and criticize and seek to overthrow modernity, i.e., the established intellectual positions, notably the



scientific research method. (Donaldson, 2003). By questioning accepted ways of thinking and challenging organizational concepts and theories to give voice to marginalized alternative views, perspectives and realities, theorizing, for example, in organization studies, becomes a political process rather than a merely neutral, truth-seeking operation (Calás and Smircich, 1999).

Postmodernism rejects the possibility of objective knowledge. What counts as truth is decided by dominant ideologies.

*"This does not mean that the dominant ways of thinking are necessarily the 'best' – only that they are seen as such at a particular point in time by particular groups of people. Other perspectives that are suppressed are potentially just as valuable and have the power to create alternative worlds and truths"* (Saunders et al., 2019, p. 150).

As a result, they dismiss all attempts to use qualitative data to represent the world (Kilduff and Mehra, 1997), privileging qualitative methods, mainly linguistic and other subjective meaning-making resources, as the best approach to interpreting reality and equilibrating the balance of power. That is, language is what is relevant since it serves to represent the subjective interpretations of reality. In this sense, interpretivism research emphasizes hermeneutics (Carminati, 2018) –language decomposition through interpretation, explanation and translation of any form of communication– to reveal the unstable and shifty nature of reality (Allard-Poesi and Perret, 2014).

As traditional scientific research marginalizes and suppresses particular views and social groups while privileging others (Donaldson, 2003), postmodernists focus on absences, silences and oppressed/repressed meanings, interpretations and voices (Saunders et al., 2019). Realities, as if they were narratives or texts, are deconstructed to reveal hidden words and ideas.

Although postmodernism encompasses many diverse intellectual trends, within the social sciences two distinct approaches can be delineated: the skeptical and the

affirmative (Rosenau, 1992). Skeptical postmodernists deny the possibility of empirical social science's existence and largely criticize existing work rather than undertaking new approaches (Kilduff and Mehra, 1997). They offer a "pessimistic, negative, gloomy assessment" (Rosenau, 1992, p. 15). Although affirmative postmodernists agree with the skeptical postmodernists' critique of modernism, they have a more hopeful, optimistic view of the postmodern age (Rosenau, 1992) and focus on constructing new realities. Then some strive for reform, and others disrupt the status quo.

Donaldson (2003) argues that postmodernism is incorrect and based on a set of erroneous doctrines, which undermines progress in the study of management and organizations. His first argument is that many valid generalizations exist in science and –more specifically– in organization science. Secondly, authors strive to reduce the ambiguity of their texts, and many communicate their message more or less clearly, so that meaning is not inherently highly undecidable. Moreover, while researchers use some words and not others, this does not necessarily silence or suppress other views. Finally, he concludes that postmodernism is *"too small in impact to be worth much worry"* (Donaldson, 2003, p. 175).

Nonetheless, employing the prism of postmodernism could potentially serve as a formidable instrument for interrogating established understandings. For instance, the scholarly work of Miller (2011) harnesses the nuances of postmodernist philosophy to critique, scrutinize, and stimulate deeper contemplation within the conventional research paradigms prevailing in business and administration. This approach allows for a robust reevaluation of entrenched concepts, thereby engendering an environment of intellectual exploration and expanded perspectives.

#### **1.5.5. Pragmatism**

Pragmatism originated in the late 19th and early 20th century in the hands of philosophers Charles Pierce, William James and John Dewey as an alternative to

the two major intellectual traditions: realism and constructivism. Classical pragmatism emerges as a third way in the paradigm war –debates about the nature of truth and reality. Through the principle of intersubjectivity, pragmatists state that subjectivism and objectivism are equally valid claims; moreover, incommensurability between paradigms is irrelevant. Besides, pragmatism argues that the usually forced dichotomy between subjective and objective is an artificial summary of the relationship between the researcher and the research process (Morgan, 2007). There is no such thing as "complete objectivity" nor "complete subjectivity". Inevitably, researchers need to achieve a sufficient degree of mutual understanding with all the participants in their research.

On the other hand, human experiences in the world are necessarily constrained by the nature of that world, and our understanding of the world inherently limits how social actors interpret their experiences. Therefore, within classical pragmatism, ontological arguments about either the nature of the outside world or the world of conceptions are just discussions about two sides of the same coin (Morgan, 2014).

Indeed, since 1997, Hughes and Sharrock noticed that several contemporary realists and empiricists were, in reality, pragmatics as they "do not worry about epistemology and ontology but about the particular problems they confront from their theories and investigations" (Hughes and Sharrock, 1997, pp. 93, 94). Philosophical worries about ontology and epistemology are irrelevant as all that matters for them is going about their business, using methods appropriate to the problems they have to deal with.

More recently, Martinet (2020) stated that pragmatism is a research philosophy that is especially congruent for management research, especially regarding third-world countries' issues, where there is a social urgency to offer solutions scientifically substantiated. This is congruent with the five steps of a systematic approach to pragmatism (Morgan, 2014): 1) Recognizing a situation as problematic. 2) Considering the difference, it makes to define the problem one way rather than

another. 3) Formulating a possible line of action in response to the problem. 4) Assessing potential actions in light of their expected consequences. 5) Taking actions that are likely to address the problematic situation.

Epistemically, classical pragmatism focuses on practical understandings of concrete, real-world issues, i.e., on what people can do with the knowledge produced and not on abstract arguments about the possibility or impossibility of generalizability (Morgan, 2007). Methodologically, it encourages the use of diverse data and methods. That is the reason why Hesse-Biber (2015) called pragmatism the philosophical partner for mixed methods research (MMR). Pragmatism has indeed gained awareness from its linkage with MMR (Bryman, 2006; Morgan, 2014), mainly because some researchers use it to rationalize and legitimize the simultaneous use of quantitative and qualitative research (Bryman, 2006); However, pragmatism does not impose the use of multiple methods.

*"Pragmatism can serve as a philosophical program for social (management) research, regardless of whether that research uses qualitative, quantitative, or mixed methods"* (Morgan, 2014, p. 1045). Researchers can use the type and number of methods that are ideal and reasonable to answer the research question; in fact, it is based on the research question that researchers under a pragmatic philosophy decide which methodological approach to adopt (Bryman, 2006).

The methodological flexibility of pragmatism has raised criticism, mainly over the version that - by overemphasizing the practical "what works" approach- leaves aside the epistemological issues and detaches pragmatism from its philosophical roots (Hesse-Biber, 2015; Morgan, 2014). Other critics point out the lack of consensus about who decides the legitimacy and usefulness of knowledge as an important limitation of pragmatism as a valid philosophy (Hesse-Biber, 2015). In this vein, Kelly and Cordeiro (2020) suggest that an authentic and coherent pragmatism stance requires three principles: 1) an emphasis on actionable knowledge, 2) recognition of

the interconnectedness between experience, knowing and acting, and 3) a view of inquiry as an experiential process.

The first principle helps researchers to ensure practical relevance in their research. The second seeks a better understanding of the organizational processes by documenting actions and experiences of staff, whether well-planned or haphazard; this allows to surface complex themes and issues hidden in formal documentation and rhetoric. Finally, the third principle emphasizes the embeddedness of inquiry<sup>6</sup> in everyday situations; this makes classical pragmatism relevant to theoreticians and practitioners alike. Indeed, pragmatists have the task of developing a mediated understanding of complex organizational processes.

Hence, pragmatism focuses on generating transformative, customized, value rich, pluralistic knowledge (Martinet, 2020) through an abductive–intersubjective–transferable research (Morgan, 2007).

## 1.6. Qualitative and quantitative research

*"Methodology is the study and logic of research methods and refers to principles governing the research activity; it can be defined as a set of rules, principles and formal conditions which ground and guide scientific inquiry in order to organize and increase our knowledge about phenomena. More specifically, methodology establishes which kind of relationship exists between the researcher's observation, theory, hypothesis, and research methods... Quantitative and qualitative approaches present different methodologies" (Gelo et al., 2008, p. 270).*

Quantitative and qualitative research refers to a collection of techniques comprising the methods employed for collecting and analyzing data; it could also include other aspects of the research process, such as sampling (Bryman, 2006). However, when

---

<sup>6</sup> In classical pragmatism, an inquiry is a form of experience, and research is just one form of inquiry.

epistemological issues are emphasized, quantitative and qualitative research approaches may become incompatible and incapable of coexistence. In this sense, quantitative methods are appropriate for capturing a view of the social world as a concrete structure and reducing it to numerical values in order to carry out statistical analysis (Gelo et al., 2008) and generate law-like generalizations

Once the ontological assumption about the world as a concrete structure is relaxed, and it's acknowledged that human beings may actively contribute to the social world's creation, qualitative methods begin to play a crucial role (Morgan and Smircich, 1980). as a complementary counterpart of qualitative methods. Qualitative methods offer a richly descriptive account of a phenomenon through the systematic collection, organization, and interpretation of textual material derived from text, talk or observation (Malterud, 2001).

In other words, quantitative research involves explanation and control by searching for cause-and-effect relationships between a small number of variables that can be applied in any setting; and qualitative studies seek to understand the complex interrelationships among all elements present in a particular case (Patton and Appelbaum, 2003). Table 20 shows the distinct attributes of quantitative and qualitative methodologies.

Quantitative approaches	Qualitative approaches
<u>Nomothetic</u> Extensive Generalizing	<u>Idiographic</u> Intensive Individualizing
<u>Explanation</u> Prediction Generalization	<u>Comprehension</u> Interpretation Contextualization
<u>Deduction</u> Theory-driven Hypotheses-testing Verification-oriented (confirmatory)	<u>Induction</u> Data-driven Hypotheses-generating Discovery-oriented (exploratory)
<u>Internal validity</u> Statistical conclusion validity	<u>Internal validity</u> Descriptive validity Interpretative validity

<u>Construct validity</u> Causal validity	Explanatory validity
<u>Generalizability</u> External validity	<u>Generalizability</u> Transferability

Table 20: Attributes of qualitative and quantitative methodologies (Gelo et al., 2008)

Qualitative and quantitative methodologies differ mainly on the different types of data used and the questions answered. According to Windelband <sup>7</sup> quantitative approaches are *nomothetic*, and qualitative approaches are *idiographic* (see Kinzel, 2021). Therefore, the former searches to establish, collect and assimilate facts with the sole aim of recognizing and formulating laws that are always and, in every circumstance, immutable and universally applicable (tendency to generalize). In contrast, the qualitative approach consists in representing a single instance of a temporally limited reality as completely as possible with the objective of capturing and comprehending its factuality (tendency to individualize) (Gelo et al., 2008).

Other differences between qualitative and quantitative methodologies are (Gelo et al., 2008):

- 1) Goals: Quantitative approaches aim to explain by establishing connections between facts based on observed regularities. In contrast, qualitative methods aim to comprehend by reconstructing the individual actors' personal perspectives, experiences and understandings.
- 2) Reasoning: argumentatively, quantitative approaches are based on deduction; hence, hypotheses are deductively derived from the theory and have to be falsified through empirical investigation in a verification-oriented

---

<sup>7</sup> Wilhelm Windelband (1848–1915) was a German neo-Kantian philosopher. He is considered the founding father of the Baden (or Southwest) school of Neo-Kantianism; he is well-known for having introduced a distinction between the “nomothetic method” of the natural sciences and the “idiographic method” of the historical disciplines (Kinzel, 2021).

process. Whereas qualitative approaches are based on induction; thus, the development of a hypothesis is part of a discovery-oriented process, which aims to develop an adequate theory according to observations.

- 3) **Credibility:** internal validity in quantitative research is based on the adequacy of inferences from the sample to the population (statistical conclusion validity) and the cause-effect relationship between variables (causal validity). In contrast, in qualitative research, validity depends on the accuracy of settings and events' descriptions (descriptive validity), meanings and perspectives held by participants (interpretative validity), and claims about causal processes and relationships (explanatory validity).
- 4) **Rigor:** a pivotal criterion for assessing the rigor of quantitative research is ensuring that findings can be replicated across populations. While in qualitative research, rigor depends on offering in-depth explanations and meanings that can be transferred to other contexts (Carminati, 2018).

Each approach has historically used particular study designs. However, viewing quantitative and qualitative research as techniques allows researchers to subscribe to one philosophy and employ the methods of the other (Bryman, 2006; Gelo et al., 2008). Table 21 lists the most common research methods and their applicability in realistic or constructivist investigations.

RESEARCH APPROACHES	REALISM	CONSTRUCTIVISM
Action research		Strictly interpretivist
Case studies	Have scope to be either	Have scope to be either
Ethnographic		Strictly interpretivist
Field experiments	Have scope to be either	Have scope to be either
Focus groups		Mostly interpretivist



Forecasting research	Strictly positivistic with some room for interpretation	
Futures research	Have scope to be either	
Game or role playing		Strictly interpretivist
In-depth surveys		Mostly interpretivist
Laboratory experiments	Strictly positivistic with some room for interpretation	
Large-scale surveys	Strictly positivistic with some room for interpretation	
Participant-observer		Strictly interpretivist
Scenario research		Mostly interpretivist
Simulation and stochastic modelling	Strictly positivistic with some room for interpretation	

Table 21: Research tactics and their philosophical bases (Remenyi et al., 1998)

More and more, researchers in management are taking advantage of the benefits of combining methodologies premised upon alternative paradigms and diverse methods, models, tools and techniques in a theoretically informed way (Jackson, 1999). Nowadays, scientists carry out qualitative-positivist research (Bonache and Festing, 2020) or quantify case studies with an encoding process that leads to the statistical analysis of the results (Remenyi et al., 1998).

The idea that quantitative and qualitative research are not mutually exclusive is significant for three reasons (Bryman, 2006): 1) it dissolves any residual doubts about the intellectual legitimacy of integrating the two approaches, 2) it downplays the epistemological issues and concerns, which were central to the paradigm war, and 3) it decouples research methods from philosophical stances. Indeed, treating qualitative and quantitative research as compatible and complementary is to

accept that methods are, in fact, independent of epistemology and that the connections between them are more contingent than is often assumed.

A further consequence of the combination of methodologies was the integration of qualitative and quantitative approaches within single research projects, a term labelled MMR. Indeed, the distinction between quantitative and qualitative research is purely formal and teleological: the same phenomenon can be approached from both points of view, and which method is appropriate depends entirely on the goal or purpose of the investigation (Kinzel, 2021).

It is worth mentioning that in MMR, the methods must follow a sequential order. For example, a researcher can use semi structured interviews or observational data to explore hypotheses or variables and enhance the sensitivity and accuracy of survey questions and statistical strategies; in such inquiry, qualitative methods are precursors of "real" science. However, qualitative analysis can also be added to quantitative ones to better understand the findings' meaning and implications (Malterud, 2001). More creative combinations are seen in triangulation, i.e., the application of diverse methods and perspectives to reach a comprehensive understanding of a phenomenon.

### **1.6.1. Qualitative research: challenges and guidelines**

Although qualitative and quantitative research methods differ, both ideally adhere to the same principles of rigor to produce valid, objective, and generalizable knowledge<sup>8</sup>. Malterud (2001) proposes strategies to deal with the most common factors affecting qualitative research (see table 22):

---

<sup>8</sup> Some scientists argue against the use of any fixed criteria at all in qualitative research. However, it is beyond the scope of this website to examine this debate.

Challenge	Description
<b>Reflexivity</b>	<p><u>Share preconceptions</u>: previous personal and professional experiences, prestudy beliefs about how things are and what is to be investigated, motivation and qualifications for exploration of the field, and perspectives and theoretical foundations related to education and interests.</p> <p><u>Establish metapositions</u>: strategies for creating adequate distance from a study setting that a researcher is personally involved in</p>
<b>Transferability</b>	<p>Adequate and sufficiently varied sample</p> <p>Consider whom and what the findings concern</p>
<b>Interpretation and analysis</b>	<p>Describe theoretical frame of reference.</p> <p>Transparent, systematic procedure</p>

Table 22: The challenges of qualitative research, adapted from (Malterud, 2001)

One of the major criticisms of qualitative research is its supposed incapacity to produce objective results due to its tendency towards bias. However, biases emerge when researchers fail to clarify their pre-conceptions, i.e., *"previous personal and professional experiences, prestudy beliefs about how things are and what is to be investigated, motivation and qualifications for exploration of the field, and perspectives and theoretical foundations related to education and interests"* (Malterud, 2001, p. 484) Hence, through a reflexivity process (Malterud, 2001), researchers embark on a journey of self-understanding that precedes any attempt to understand the surrounding world objectively (Stewart et al., 2017).

Once this process of self-knowledge is made, researchers can develop strategies to transform personal issues into valuable sources for relevant and specific research. Nevertheless, investigators "should take care not to confuse knowledge intuitively present in advance, embedded in preconceptions, with knowledge emerging from inquiry of systematically obtained material" (Malterud, 2001, p. 484).

Critics have also blamed qualitative research for being situational and, consequently, incapable of being shared and applied beyond the study setting. However, this can

be overcome by a precise research design capable of ensuring an adequate degree of transferability through an adequate tactic (e.g., case study), sampling (which cases), and saturation (number of interviews) strategies. More importantly: *"The findings from a qualitative study are not thought of as facts that are applicable to the population at large, but rather as descriptions, notions, or theories applicable within a specified setting"* (Malterud, 2001, p. 486).

Qualitative data analysis is complex, laborious and time-consuming (Azungah, 2018); providing an objective interpretation is, therefore, an integral part of qualitative inquiry. Moreover, as knowledge emerges from the relation between data and theoretical models and notions, the theoretical framework takes particular importance; indeed, it can be equated with the reading glasses worn by the researcher (Malterud, 2001). Thus, sharing the type and role of the framework is essential to maintain communicative validity.

Data analysis can be done using different approaches, often called thematic or content analysis. Content analysis is a research technique that seeks to draw descriptive and explanatory conclusions (Gale et al., 2013) from replicable and valid inferences (Hickey and Kipping, 1996; Kondracki et al., 2002). Its purpose is to provide knowledge, new insights, facts, and a "practical guide to action" (Kondracki et al., 2002) through a systematic process of coding and identification of themes or patterns (Hsieh and Shannon, 2005). Text data might be in verbal, print, or electronic form and come from open-ended survey questions, interviews, focus groups, videography, ethnographic observations, or print media such as articles, books, or manuals (Kondracki et al., 2002).

There is no simple right way to do content analysis; the chosen approach varies according to researchers' philosophical interests and the studied problem. A basic classification distinguishes between qualitative and quantitative content analysis, whereas breadth approaches include various categories, such as the well-embraced

typology of Crabtree and Miller (1999). According to these authors, there are three styles: immersion-crystallization, editing (data-based), and template (data-based).

Interpretivism underpins *the immersion-crystallization style*; hence, it emphasizes reality as a social construction. Consequently, researchers' repeated exposure and data probing (immersion) lead to meaningful themes and categories (crystallization) and the subsequent identification of patterns and interpretations (Borkan, 2022). Crabtree and Miller (1999) describe immersion and crystallization as "bread and butter"; that is, two synergistic steps co-existing in the same style. Although crystallization is not new, its use is underdeveloped in the management discipline (Stewart et al., 2017).

The *editing style* follows the grounded theory model in terms of constant comparison. Its angle, however, highlights varying aspects of everyday events by drawing from social, cultural, historical, economic, linguistic, and other background aspects (Barnett, 2002). Therefore, researchers focus on understanding participants' behaviors –including communication and other practices– to identify units in the text that form the basis for data-developed categories (Malterud, 2001). In the editing approach, the analysis requires more specific attention from researchers by moving line by line in the interpretation phase (Barnett, 2002).

in the *template* style, the text is organized based on preexisting theoretical or logical categories, aiming to provide fresh descriptions of already known phenomena. Using a template may be more focused and time efficient than other styles because the research can be geared toward specific pieces of the text (Barnett, 2002). Template analysis can be employed to analyze any form of textual data from many methodological and epistemological positions. For instance, it can be used in research following realism to discover the underlying causes of a particular human phenomenon or in constructivism to examine its multiple interpretations.

The main difference between the three styles resides in the specific codes used for analysis (Barnett, 2002). Whereas the template approach uses codes devised a priori (from previous studies or theoretical perspectives), the editing and the immersion-crystallization styles involve more careful reading of the text and inductively trying to discover codes that either lean toward a theoretical perspective or lead to the discovery of a brand-new theory.

In a similar vein, Hsieh and Shannon (2005) differentiate between conventional, directed, and summative approaches based on how initial codes are developed. In *conventional content analysis*, coding categories are derived directly from the text data; this type of design is usually appropriate when the existing theory or research literature on a phenomenon is limited. Researchers, hence, avoid using preconceived categories or theoretical perspectives to allow categories and names for those categories to flow from the data (Kondracki et al., 2002). In this way, knowledge is based on participants' unique perspectives and grounded in the actual data; relevant theories or other research findings are addressed in the discussion section. One challenge of conventional analysis is failing to develop a complete understanding of the context, thus failing to identify key categories.

In a *directed approach*, the analysis starts with a theory or relevant research findings as guidance for initial codes to conceptually support or extend an existing theoretical framework or theory. Content analysis using a directed approach is guided by a more structured process than the conventional approach (Hickey and Kipping, 1996). However, using the direct approach has some inherent limitations: researchers may address the data with a strong bias, therefore, being more likely to find supportive evidence of a theory than non-supportive. They also may unintentionally give participants cues to answer in a certain way.

Finally, *summative content analysis* involves counting and comparisons, usually of keywords, followed by interpreting the underlying context. Typically, it starts with identifying and quantifying occurrences of certain words in the text. This

quantification is an attempt not to infer meaning but to explore usage. Indeed, if the analysis stopped at this point, it would be quantitative (Hickey and Kipping, 1996; Kondracki et al., 2002). Later, in the interpretative phase, the context associated with the use of the word or phrase is analyzed. In this way, researchers explore word usage and discover the range of meanings that this word can have in everyday use.

A more synthesized form of classifying qualitative content analysis is distinguishing between deductive and inductive approaches (Azungah, 2018; Gale et al., 2013). Like the other classifications, the difference resides in how themes are selected. Hence, the deductive approach pre-selects themes and codes from previous literature, theories or the specifics of the research question (Gale et al., 2013). This framework often referred to as a start list, is applied in the analysis in anticipation that certain core concepts are in the data (Azungah, 2018).

On the other hand, the inductive approach involves working exclusively with empirical data that drive the analysis entirely (Azungah, 2018). *"In many cases, a combined approach is appropriate when the project has some specific issues to explore, but also aims to leave space to discover other unexpected aspects of the participants' experience or the way they assign meaning to phenomena"* (Gale et al., 2013, p. 3).

### **1.6.2. Case study**

Case study research is commonly applied in many social science disciplines. In organizational science, it represents an important research track not only as a method of generating hypotheses and generating and testing theory (Mariotto et al., 2014; Patton and Appelbaum, 2003), but also as a strategy to produce practical knowledge (Thomas, 2010). Furthermore, its use is recommended in any research: exploratory, descriptive, and explanatory, as long as 1) the main research questions are "how" or "why" questions, 2) researchers have little or no control over behavioral events, and 3) the study focuses on a contemporary phenomenon (Yin, 2018).

Case studies are frequent in qualitative research; however, their use has also extended to quantitative analysis. This level of acceptance is due to the holistic view of a phenomenon that the case study offers by combining a full variety of evidence, such as archival and documentary research, interviews, questionnaires, and observations (Eisenhardt, 1989), and involving either single or multiple cases and numerous levels of analysis (Yin, 2018); The characteristics of case studies are quite clear, but there is little agreement about their definition. For the purpose of this thesis, we will adopt the definition by Mariotto and colleagues (2014): that describes a case study as a detailed exploration of a management situation.

The case study has not always been accepted as a proper scientific method (Dubois and Gadde, 2002). The main arguments against it are 1) its virtual inability to provide a sound basis for generalization and 2) its lack of rigor in the collection, construction, and analysis of the empirical materials (Mariotto et al., 2014). The first criticism concerns the view that results from case studies cannot be generalizable (Patton and Appelbaum, 2003); however, they include the goal of replication; thus, they are a vehicle for generalizability (Yin, 2018). Additionally, by using the case study method, researchers aim to expand theories rather than enumerate frequencies.

### **❖ Transferability**

Single case studies have often been criticized as being too situational to meet the standard scientific criteria for research. However, many arguments contradict this idea. First, replication in social sciences is rare (Gomm et al., 2009). Thus, some scholars suggest as more appropriate to talk about transferability (Morgan, 2007). Second, single cases serve complex purposes (Gomm et al., 2000), especially when they are unusually revelatory, extremely exemplary, or offer opportunities for unusual research access (Yin, 2018). Hence, it no longer makes sense to think of generalizability as synonymous with using large samples and statistical procedures but with the utility of findings in other contexts (Gomm et al., 2009).



Because a single case study permits a deep understanding of the circumstances surrounding a phenomenon (Mariotto et al., 2014), learning from it should be viewed as a strength rather than a weakness (Dubois and Gadde, 2002). In this respect, Eisenhardt and Graebner state:

*"Somewhat surprisingly, single cases can enable the creation of more complicated theories than multiple cases, because single-case researchers can fit their theory exactly to the many details of a particular case. In contrast, multiple-case researchers retain only the relationships that are replicated across most or all of the cases"* (Eisenhardt and Graebner, 2007, p. 30).

Moreover, any argument about the lack of generalizability of case studies fails to recognize the general limits of induction in social science and fails to acknowledge the significance of abduction (Thomas, 2010). Indeed, Thomas (2010) suggests abduction as the appropriate inferential form for the case study method since it refers to "conclusions drawn from everyday generalization, whereas induction concerns conclusions drawn from a special kind of generalization" (Thomas, 2010, p. 577). In other words, abduction is a kind of reasoning that goes from effect to causes or explanations and where experiential knowledge (Gomm et al., 2009) or phronesis (Thomas, 2010) has a relevant role.

Congruently, Ketokivi and Choi (2014) describe three methodological accounts for a case study: theory generation, theory testing, and theory elaboration. Each of them intrinsically relates to a specific scientific reasoning: induction, deduction, and abduction (see figure 23):

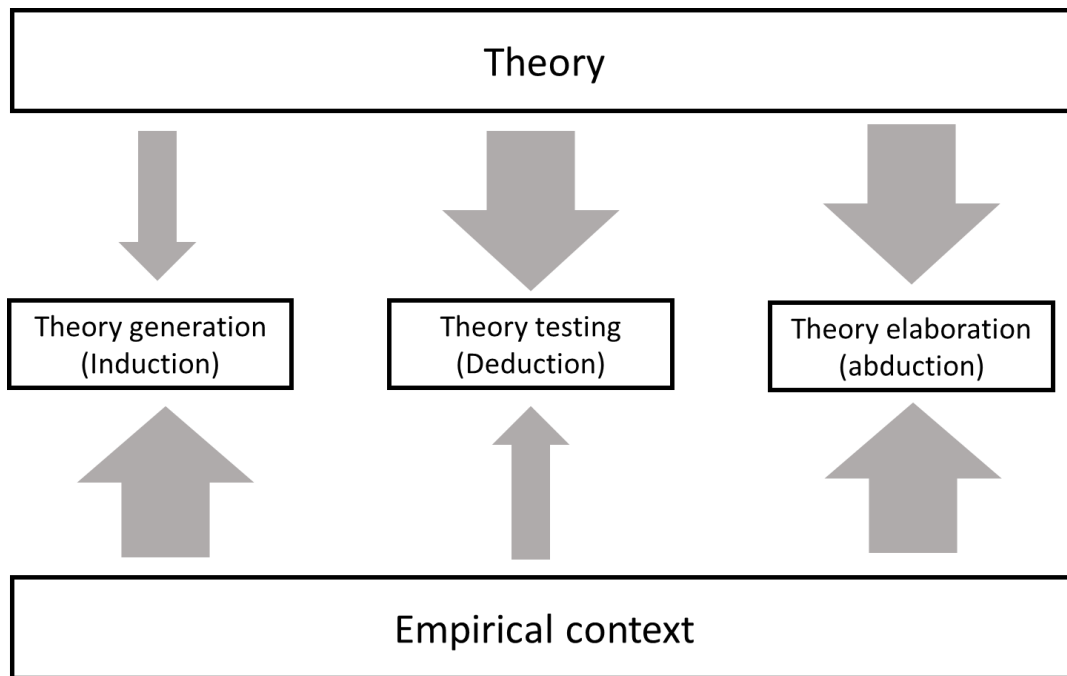


Figure 23: Three modes of conducting case study, adapted from (Ketokivi and Choi, 2014)

In *theory-generating case research*, the premise is that explanation (theory) arises from the empirical setting (analysis). Therefore, multiple cases are common to look for similarities and differences across cases and proceed toward theoretical generation through induction. In contrast, *theory-testing case research* uses deduction to test hypotheses through a data analysis process that combines general theory and contextual idiosyncrasies.

In *theory-elaborating case research*, the researcher has identified a general theory to approach the empirical context. Its objective is not to test this logic but rather to elaborate on it. Hence, in contrast to the theory testing approach, the researcher does not anticipate the empirical findings by a priori formulation of propositions; instead, his efforts are on modifying the logic of the general theory to reconcile it with contextual idiosyncrasies (abductive reasoning). There are many ways to elaborate theories: introducing new concepts, conducting in-depth investigations of the relationships among concepts, or examining boundary conditions.

Successful theory elaboration hinges on the researcher's ability to simultaneously investigate the general theory and context in a balanced manner. Therefore, the purpose of theory elaboration case studies is to reconcile the general with the particular. Hence, while categories and concepts are ultimately grounded in the data, this process exhibits less emergence as a priori theoretical considerations guide it.

### ❖ Interpretation and analysis

The lack of rigor is related to the problem of bias caused by the subjectivity of the researcher and the participants, on whom the researcher relies to understand the case (Patton and Appelbaum, 2003). This issue also arises due to the lack of agreement on the tools, procedures, or techniques to perform case studies (Luck et al., 2006). The first problem can be resolved through a self-reflexive and divulgence process, whereby strategies to exploit personal issues are developed and communicated. The second issue can be addressed by clarifying the process followed to develop the case study, and by analyzing and interpreting data. Patton and Appelbaum (2003) offer a roadmap for objective and valid case studies:

- 1) Determine on which topics the case study will focus. Questioning is the starting point.
- 2) Strategically select a case that is pertinent to the object of study. The case can be a relatively common or rarely occurring example.
- 3) Frame the case study with the existing literature to increase validity and confidence in the findings; incorporating a general theory may help establish a sense of generality (Ketokivi and Choi, 2014).
- 4) Establish instruments and protocols for the collection and analysis of data.

- 5) Put together related information to make a story (Thomas, 2010) and analyze the data to uncover patterns, discover meanings and construct conclusions.

The case study's flexibility and potential for practical application are arguably two of its greatest advantage (Luck et al., 2006) beyond traditional positivist and constructivist approaches (Yin, 2018). Therefore, in the current climate, where strategic researchers are more open to exploring alternative paradigmatic options, the case study serves as a compatible vehicle for the practice-based discipline of management.

### **1.6.3. Documentary research**

Archival and documentary research method refers to the techniques used to analyze documents containing information about a phenomenon of interest (Ahmed, 2010). It is considered a key data source for qualitative research (Bryman and Bell, 2011) and a data collection strategy for case studies (Fitzgerald, 2012). The word document involves written texts, pictures and sound recordings, which, while not necessarily created to document a researcher's phenomenon of interest (Hughes and Goodwin, 2014), contain crucial information about it (Mills and Mills, 2018). Thus, unlike interviews, documents are created independently (Merriam and Tisdell, 2016) and for purposes other than the researcher consulting them. However, they can reveal the everyday practice (context) of the people who created them.

Hence, this method is not just as good as social surveys, in-depth interviews or participant observation but more cost-effective (Mogalakwe, 2006). However, it takes considerable skill to locate elusive documents and considerable interpretative skills to uncover the meaning of the contents (Fitzgerald, 2012). Although the interpretation process may vary as researchers address their work with different and differing research philosophies (Mills and Mills, 2018), they –without exception– must ensure documents' authenticity, credibility, representativeness and meaning (Scott, 1990).

Authenticity refers to whether the evidence is genuine and originates from reliable sources; credibility refers to whether the evidence is free from error and distortion; representativeness refers to whether the documents consulted represent the totality of the relevant documents; and meaning refers to whether the evidence is clear and comprehensible. In addition to meeting quality criteria, data analysis needs to be systematic.

For this method, there are two types of documents: primary and secondary (Mogalakwe, 2006). Primary documents refer to eyewitness accounts produced by people who experienced a particular event or the studied behavior. Whereas secondary documents are produced by people who were not present at the scene but received eyewitness accounts to compile the documents or have read eyewitness accounts. Certain types of documents can be incredibly helpful at the start of a study (Given, 2008)

In the next section, we describe the research design and the strategies to increase the quality of this thesis.

## **SECTION 2: RESEARCH DESIGN**

---

### **2.1. An overview of the research project**

After having clarified how researchers make different choices to form their philosophic approach, the subsequent paragraphs describe the research design of this thesis. Table 23 shows an overview of the research project.

<b>Research question</b>	How do MNCs create mutual value at the BoP?
<b>Philosophical position</b>	Pragmatism
<b>Theory development approach</b>	Abductive
<b>Methodology</b>	Qualitative
<b>Purpose</b>	Descriptive and explanatory
<b>Research strategy</b>	Archival and documentary research/Single case study
<b>Methods</b>	Interviews, document analyses, participant observation
<b>Content analysis process</b>	Deductive

Table 23: Overview of the research project

Regarding philosophical position, this work takes a pragmatic perspective. Therefore, 1) it focuses on resolving a problematic situation of human importance, such as morality, ethics, and social justice; 2) it considers reality as consequences of human interpretations and interpretations inherently confined by how that reality is experienced, 3) the research problem does not point out a particular type of knowledge or method, and 4) it intends to contribute with practical solutions that inform future practice.

Abduction is at the heart of pragmatism (Morgan, 2007). *Abduction* is a form of reasoning that starts from the effect of a phenomenon to find the causes or explanations. It is different from the inductive and deductive forms of reasoning. The former is a theory development process that starts with observations of specific instances and seeks to infer general conclusions about a phenomenon under investigation. The second is a theory-testing process that begins with established premises or axioms and seeks to verify if a theory applies to specific instances (Spens and Kovács, 2006). Therefore, the deduction allows the generation of consequences, the induction establishes general laws, and the abduction develops propositions or hypotheses (David, 1999). In other words, deduction is about certainties, induction is about probabilities, and abduction is about the best explanation.

The value of abductive reasoning is not about generalization but about building knowledge to guide practical reasoning in overlooked areas that can account for deeper social construction (Thomas, 2010). Consequently, as a methodological approach, abduction presented the potential to meet the challenge of recognizing the researcher's experience in a manner that would not undermine but rather enhance the research (Conaty, 2021). That is, the researcher develops a story with which he connects. For example, in selecting the Mexican BoP market as the study context, the researcher's seven years of experience managing brands and supermarkets targeted to that sector was recognized and addressed.

In addition to the researcher's experience on BoP markets, the selection of abduction as the form of reasoning guiding this thesis is also underpinned by the essence of qualitative research as defined by Ahrens and Chapman (2006, p. 820) *"the practice of doing qualitative field studies involves an ongoing reflection on data and its positioning against different theories"*. Qualitative research methods are valuable in social science, particularly in management studies, because they deliver complete and comprehensive images of definite actions in actual settings (Alam, 2020). Congruently, this research is descriptive-explanatory and applies a qualitative methodology.

Data were collected using two research strategies commonly applied in combination: archival and documentary research and single case study. The archival and documentary analysis uses documents as secondary sources. Frequently, the original purpose of those documents has nothing to do with the research or researcher using them. By reusing qualitative data, this strategy provides an opportunity to gain methodological and substantive insights (Bishop and Kuula-Luumi, 2017), such as the analysis of strategies (Saunders et al., 2019).

Secondary analysis is growing in acceptance as a recognized methodology (Bishop and Kuula-Luumi, 2017) and is widely applied in descriptive and explanatory research (Saunders et al., 2019). The analysis of secondary data offers many

advantages: 1) determining the validity, credibility, or generalizability of previous studies, 2) supporting primary data collection, 3) facilitating access to rich descriptive information from a context other than that in which the primary data were collected, 4) new analysis with new analytical tools, and 5) reach vulnerable or hard-to-reach populations (Dufour and Richard, 2019).

In this work, secondary analysis had two applications. The first was gaining access to rich data from MNCs worldwide, data that is costly and hard to access; this information was the basis for identifying the strategies MNCs applied worldwide in the fifth chapter of the second section. The second application was in the empirical phase of this research as a tool to support primary data collection and analysis. Table 24 displays the number of documents reviewed for the empirical phase.

<b>Document type</b>	
Blogpost	3
Book	4
Journal article	14
Magazine article	1
Newspaper article	5
Report	7
Video recording	4
Webpage	9
	<b>47</b>

Table 24: Secondary sources

Case studies respond to how, what, and why questions (Yin, 2018). They are in-depth explorations from multiple perspectives of a particular problem, entity, social unit, or phenomenon, such as a single person or community, family, team, or organization (Alam, 2020). Applying a single case study is better for a deep understanding and a detailed description of a research phenomenon (Dyer and Wilkins, 1991). Hence, there is an acceptable role for a single case in theory building (Mariotto et al., 2014), especially when the case is highly exemplary (Eisenhardt and Graebner, 2007; Yin, 2018) and fulfils the other three criteria of rigor: internal validity, construct validity, and reliability (Mariotto et al., 2014).



For the case study to possess internal validity, the research must construct an argument that is consistent, has a clear research framework, shows evident patterns of analysis and triangulates data, i.e., uses different sources of information to investigate the same phenomenon. Construct validity involves a transparent chain of evidence to allow the case reader to reconstruct how the researcher departed from the initial research questions and reached conclusions. Finally, reliability refers to transparency in the procedures and protocols to allow other researchers to achieve the same insights if they follow the same research procedures.

This work analyzes a very appropriate single case study that matches the conditions imposed by the research question; therefore, it is exceptionally revelatory. Literature acknowledges the benefits of single cases; even Eisenhardt, in her article: "Theory building from cases: opportunities and challenges", admits the potential of single cases as theory-building approaches. This case also has the advantage of containing mini-cases, which gives an extra validity: *"the empirical grounding [of single case studies] is likely to be unconvincing unless the case has mini-cases within it"* (Eisenhardt, 1989, p. 545).

As part of the case study, semi-structured and face-to-face personal interviews were applied following three guides (see annex 2), one for each type of respondent: firm's employees (FE), strategic allies (SA), and beneficiaries (Bs) (see annex 3). Prior literature suggests that 12-20 participants for a non-homogeneous sample are sufficient (Crabtree and Miller, 1999) to reach saturation (see table 25).

No.	Participant ID	Position	Number of interviews
1	FE#1	Social impact director	1
2	FE#2	Commercial manager	1
3	FE#3	Distribution and project network manager	1
4	FE#4	Business advisor	1
5	FE#5	BM1 promotor	1
6	FE#6	BM1 promotor	1
7	SA#1	Community's major	2
8	SA#2	Community's secretary to the treasury	1

9	SA#3	Responsible of community's social projects	1
10	SA#4	Head of the integral development of the family department	1
11	SA#5	Community's former major	1
12	SA#6	Community's former secretary to the treasury	1
13	SA#8	Allied university's student (professional practices)	1
14	Bs#1	Community's member	1
15	Bs#2	Community's member	1
16	Bs#3	Community's member	1
17	Bs#4	Community's member	1
18	Bs#5	BM's participant	1
19	Bs#6	BMs' participant	1
			<b>20</b>

Table 25: Background of the respondents

Two methods were employed to record interviews: taking notes and audio recording. Prior to recording the interviews, the researcher obtained permission from respondents to record the conversation via mobile. However, neither the firm nor its employees authorized us to disclose their names; we agreed on the confidentiality of data and identities. Besides, five employees did not authorize to have their conversations tape-recorded; hence, to ensure reliability, extensive notes were taken, transcribed, shown, and discussed with the interviewees (see annex 4). Conducting interviews without voice recorders may be a limitation; however, Rutakumwa and colleagues' (2020) comparative analysis of interviews with and without audio recording shows that methodological rigor is enough to obtain comparable quality. Indeed, some published works base their contributions on the researcher's notes and memory (for examples see Chong, 2008; Rutakumwa et al., 2015; Schulkind et al., 2016).

In addition to the interviews, the author of this thesis also participated in two meetings between the company and municipal authorities to negotiate the BMs' application (see annex 5). Regrettably, the parties did not reach an agreement.

## 2.2. Research process

Applying a pragmatic approach is to rely on a version of abductive reasoning that, as Figure 24 displays, moves back and forth between induction and deduction – first converting observations into theories, then testing those theories with further observations (Morgan, 2007).

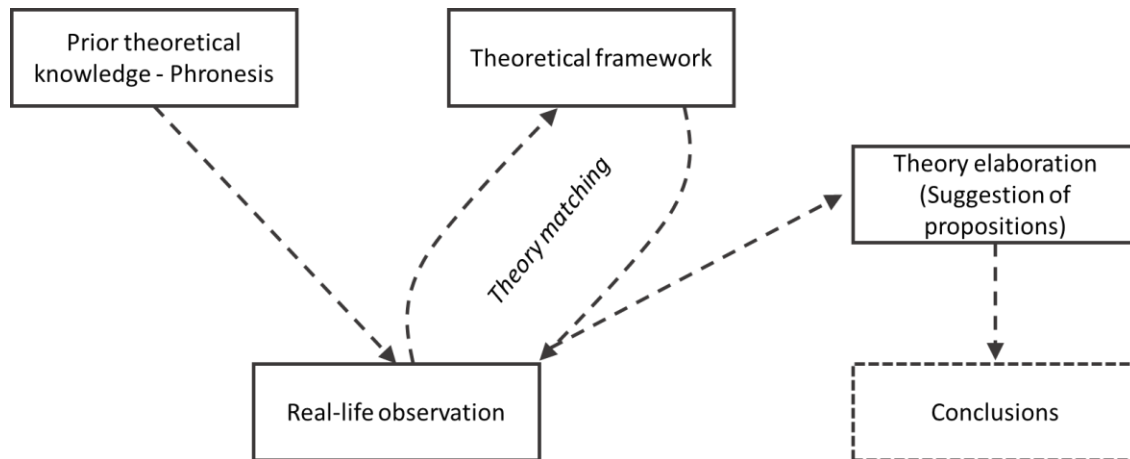


Figure 24: Abductive research process, adapted from (Spens and Kovács, 2006)

Following Spens and Kovács (2006), our abductive process started with a "puzzling" observation or an anomaly that cannot be explained using established theory. In this case, the successful creation of mutual value by an MNC. Given the prevalence of failures, a successful example represents an extraordinary learning opportunity. It also offers a potential path for replication. Then, we initiate an iterative process of "theory matching" or "systematic combining" (Dubois and Gadde, 2002) in an attempt to find a possible matching framework inside or outside our discipline.

As figure 25 shows, systematic combining is a process where theoretical framework, empirical data, and case analysis evolve simultaneously (Dubois and Gadde, 2002).

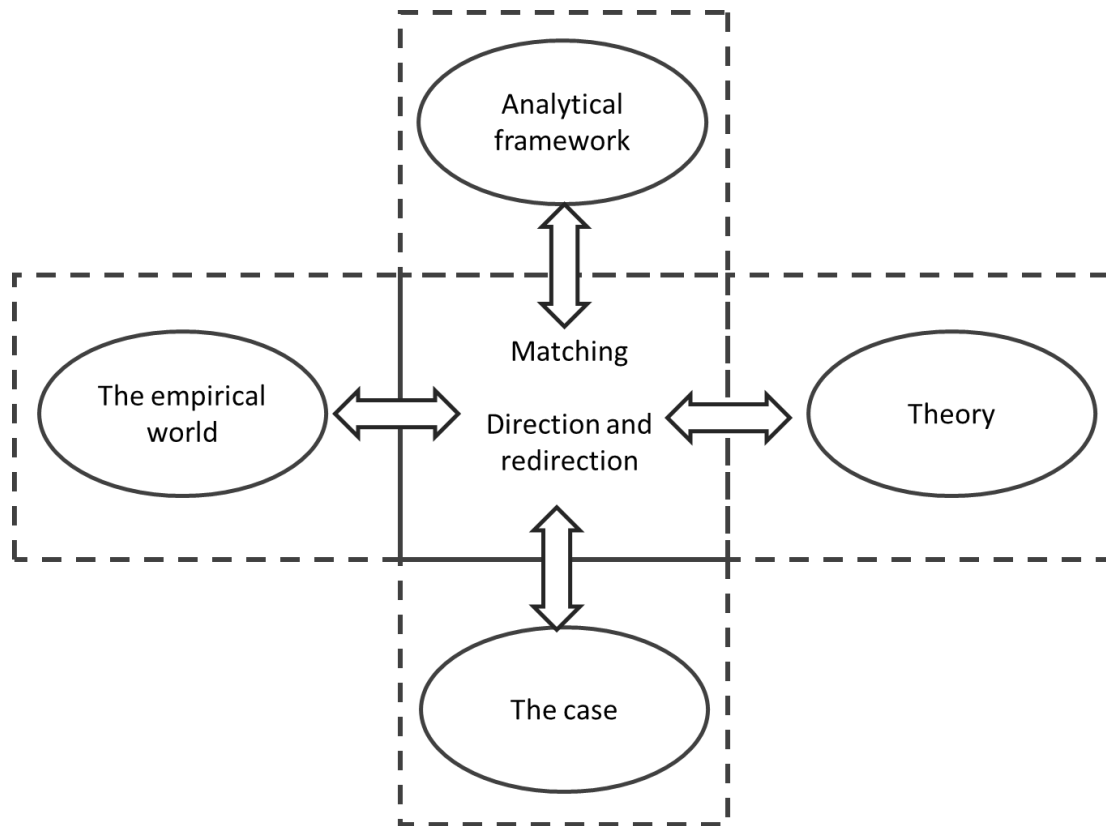


Figure 25: Systematic combining (Dubois and Gadde, 2002)

*"The preliminary analytical framework consists of articulated preconceptions. Over time, it is developed according to what is discovered through the empirical fieldwork, as well as through analysis and interpretation. This stems from the fact that theory cannot be understood without empirical observation and vice versa. The evolving framework directs the search for empirical data. Empirical observations might result in identification of unanticipated yet related issues that may be further explored in interviews or by other means of data collection. This might bring about a further need to redirect the current theoretical framework through expansion or change of the theoretical model"* (Dubois and Gadde, 2002, p. 555).

Accessing the data of MNCs is challenging and costly. Therefore, we used archival and documentary analysis in the first stages of our research process to define and redefine our analytical framework. As Dubois and Gadde (2002) describe, we use systematic combining (see figure 21) in two forms: to match theory and reality and to direct and redirect our investigation. Initially, we approached our research

question: how do MNCs create mutual value at BoP? From a co-creation perspective. Later, we noticed that it did not fully explain the complexity of creating social and economic value simultaneously. Hence, we considered studying the logic behind the creation of value a much better perspective. However, a focus on the business models as a set of components described the internal organization. But, it did not fully consider the role of the network. So, we continue searching for applicable theories, guided by the fact that the empirical observations and the evolving theoretical framework did not offer a full explanation.

From this process of systematic combining, we developed the analytical framework shown in figure 22, which could explain some of the observations identified from the documentary and archival analysis:

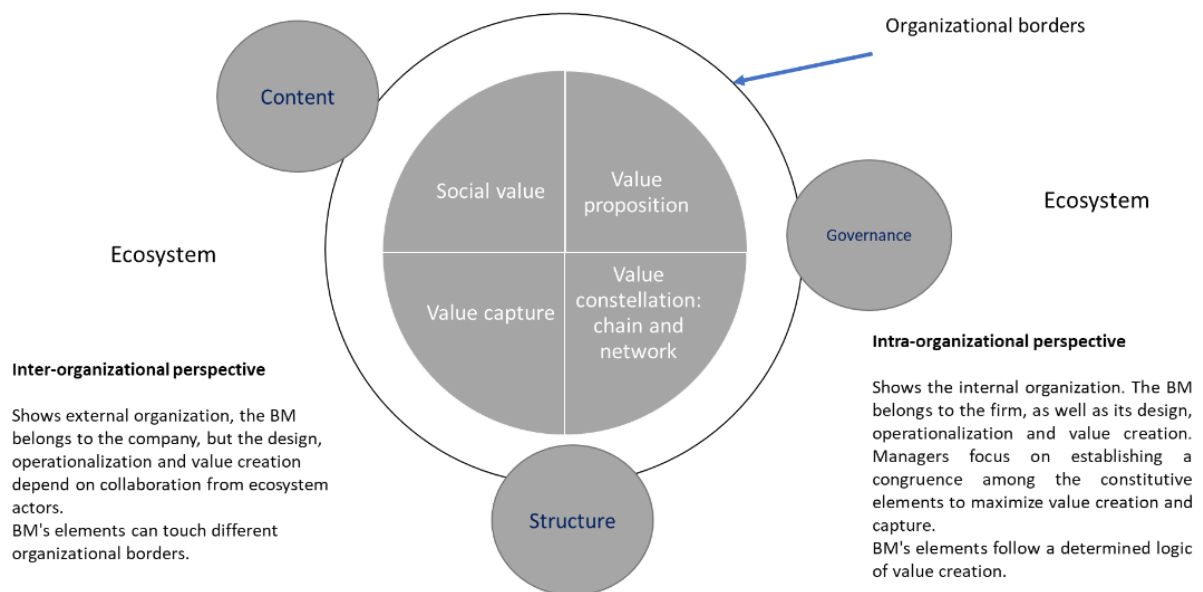


Figure 26: The evolving analytical framework

The analytical framework consists of two parts. The first relates to the internal organization of BMs and its four constitutive elements: value proposition, value constellation (chain and network), value capture and social value. These four elements correspond to the components of Yunus and colleagues (2010) social BMs. Since Alpha describes its BMs as social and inclusive, we consider using social

business elements extremely pertinent. The second part analyzes the external organization of BMs using the activities, structure, and governance components (Zott and Amit, 2010); a crucial characteristic of such elements is that they extend beyond the company's legal borders.

Besides, three theories give theoretical support to the analysis: the three logics of value creation: chain, shops, and network (Stabell and Fjeldstad, 1998), the four boundary logics: efficiency, competence, power, and identity (Santos and Eisenhardt, 2009), and the three core value of social development: sustenance, self-esteem, and freedom from servitude (Sinkovics et al., 2015; Todaro and Smith, 2012).

The empirical fieldwork continued from this revised theoretical platform.

#### **1.4. Data Analysis**

The data gathered from the interviews was analyzed following the process shown in figure 26:

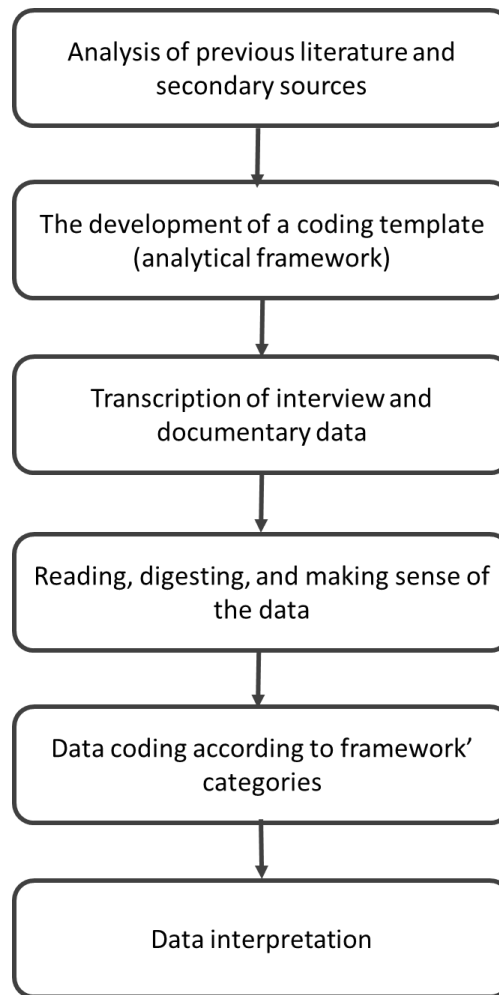


Figure 27: Qualitative content analysis process

The qualitative analysis process involves doing a verbatim transcription of interviews (see annex 6) complemented with a thoughtful reading of documental sources. Followed by an evaluation and analysis of data to make sense of them. Regarding the fifth step, it is worth remembering that the deductive method bases analysis on pre-existing theory (Gale et al., 2013). In this case, we examine mutual value creation using a tight and evolving analytical framework<sup>9</sup> (Dubois and Gadde, 2002) displayed in figure 22, which draws upon existing literature on business models,

---

<sup>9</sup> "The reason for suggesting a tight framework is that the tightness reflects the degree to which the researcher has articulated his 'preconceptions'. The reason the framework should evolve during the study is because empirical observations inspire changes of the view of theory and vice versa" (Dubois and Gadde, 2002, p. 558).

organizational borders, and value creation. The framework functions as a guideline to facilitate the exploration of the phenomenon through a close examination of the BMs. One important characteristic of the analytical framework is that it can be a tool and a product.

The final step was coding, that is, a careful reading to categorize the data into the categories identified in the literature and reflected in the analytical framework. We did this phase with the help of the data analysis software NVivo version 1.6.1. Finally, the data were interpreted to answer the research questions, develop the final framework, propose some propositions and offer conclusions.

## **Conclusion**

What is a paradigm? A paradigm encompasses the set of beliefs and assumptions that shape our philosophical stance regarding reality. It's also the shared principles deemed valid by members of a research discipline. In the realm of management and business, where philosophical bases are still being established, this task can be particularly challenging. This diversity within the management discipline can lead to a productive pluralism or it may impede management's evolution into a precise science.

Pragmatism, one of the five predominant research philosophies in management - along with positivism, critical realism, interpretivism, and postmodernism - is often criticized. It's mainly due to its use in investigations without philosophical justification, often serving merely as the research position enabling the combination of qualitative and quantitative methods.

However, classical pragmatism, as described by Dewey, has robust foundations. It doesn't sidestep debates about nature and reality; instead, it sees them as unnecessary since subjectivism and objectivism are both part of human experiences.



The world, on one hand, constrains human experiences, while on the other, our understanding of the world is inherently limited to how social actors interpret their experiences.

In addition, pragmatism helps focus on practical problem-solving issues that intend to inform and improve future practice. Precisely, this thesis aims to inform key management strategies used by MNCs to succeed in a context where the central part of initiatives has failed. Consequently, this descriptive-explanatory qualitative study takes a pragmatic position and, through abductive reasoning, analyzes the data gathered with archival and documentary research and single-case methods.

## Chapter 6: THE CASE

### Chapter introduction

This chapter offers a description of the case study: the MNC Alpha. It begins by describing the housing situation in Mexico to provide an overview of the company's context. Then, we introduce Alpha origins, history, and business models.

### SECTION 1: THE MEXICAN BOP, THE RESEARCH CONTEXT

---

*"The right to life cannot be separated from the right to a secure place to live, and the right to a secure place to live only has meaning in the context of a right to live in dignity and security, free of violence" (Farha, 2016, p. 11).*

According to the inter-American development bank (IADB) (2015), the Mexican BoP involves ninety million people living with less than \$10 united states dollars (USD) per day in purchasing power parity (PPP); this represents 75.5% of the total population. However, for some, the concept does not reflect the problem of inequality in Mexico (Rodríguez, 2021) characterized by chronic poverty, especially of indigenous people and rural localities, much less now that the COVID-19 crisis has aggravated their situation.

Indeed, more than half of Mexican heads of households live with a weekly or daily flow of income and adapt their consumption to this rate. That is, the base of the pyramid is used to make small payments instead of facing a monthly accumulation of expenses. Accordingly, they tend to have informal methods for saving, such as saving groups or "tandas" with relatives and friends. Moreover, their low and unstable income impedes them from qualifying for the traditional loans necessary to acquire a house. Hence, despite progress, the level of financial inclusion in Mexico is still low (Gardeva et al., 2009).

In Mexico, around 34 million in the BoP do not possess a house, and nine million live in irregular settlements (Banco Interamericano de desarrollo, 2015). The remaining 47 million, who already have a house, show interest in products or services for housing improvement. Indeed, improving housing is in the top three uses the BoP gives to their informal savings. As a result, the private building sector has responded with the development of BMs focused on providing options to the BoP market (Palomares-Aguirre et al., 2018). Indeed, our case study has been prized as an example for its service to the BoP and has inspired the emergence of SMEs (such as Habvita, MIA, and Échale).

Therefore, we focus on Mexico for three reasons. The first is the prior experience and understanding of the Mexican BoP market behold by the researcher, as mentioned in the methodology chapter. Second, Mexico is the country of origin of our successful example of an MNC operating in the BoP, and third, Mexico is the 10th to 13th country with the highest number of poor in the world (Trevinyo-Rodríguez and Chamiec-Case, 2012).

## **1.2. Research problem in context**

Despite the many initiatives of companies to fight against poverty, the number of successful examples is minimal. In such an important task, the world and the poor cannot afford to lose the contribution of the private sector. That is why it is so essential to understand the creation of mutual value to provide a guide that paves the way for other companies and entrepreneurs. For eradicating poverty, the world does not need extraordinary or exceptional cases; it needs clarity, transparency, and solidarity; it needs multiple companies that are operative and sustainable, working side by side with governments and civil society organizations.

We rely upon a single case study to generate knowledge, as it allows a more profound understanding of a phenomenon. Using the business model as an analytical framework, we search to explain the logics, strategies, and tactics behind

creating economic and social value in BoP markets from a firm and network perspective.

## SECTION 2: THE CASE STUDY, ALPHA

---

Alpha is a Mexican producer, distributor, and marketer of cement and building materials founded in 1906. It was indeed the first cement factory in Mexico. However, it closed temporarily during the Mexican revolution (1910-1920). In 1931, thanks to its fusion with another important player in the building industry, Alpha started to grow. First, its production reached 92,000 tons per year and continued increasing until reaching 124,000 tons by the end of 1948. In the 1960s, Alpha grew even more when it acquired several more plants throughout Mexico. In 1976, the company went public on the Mexican stock exchange.

Thanks to the general agreement on customs tariffs and trade (GATT)<sup>10</sup>, in which Mexico played an active role in its negotiation and implementation, Alpha began its journey as a multinational cement producer by taking advantage of the principle of reciprocity, open trade rules and reduced tariffs. By 1985, Alpha reached a record figure of 6.7 million tons of cement. In addition, the acquisitions of other cement companies in 1987 and 1989 made Alpha one of the ten largest cement companies in the world.

Nowadays, Alpha focuses on four business units: cement, concrete, aggregates, and urban solutions, and it is present across Europe, Africa, the Middle East, the Americas, and Asia-Pacific. In 2010, sustainability became a strategic priority. Consequently, the company changed its mission to: "creating sustainable value by

---

<sup>10</sup> The General Agreement on Tariffs and Trade (GATT) was a multilateral agreement regulating international trade from 1948 to 1994. It aimed to promote free trade by reducing barriers to trade, such as tariffs and quotas, and providing a framework for negotiating trade agreements. In 1994, GATT was replaced by the World Trade Organization (WTO), which expanded its scope to include not only goods but also services and intellectual property. The WTO continues to play a central role in the regulation of international trade.

providing the best products and solutions in the industry to satisfy the construction needs of clients around the world"; and, in addition, inaugurated the center for sustainable development in collaboration with a prestigious university. Since then, the company has become a precedent of social responsiveness and boasts an enviable reputation. It has also created a social impact direction to contribute to social development through different initiatives, including the growth platform shown in figure 28.

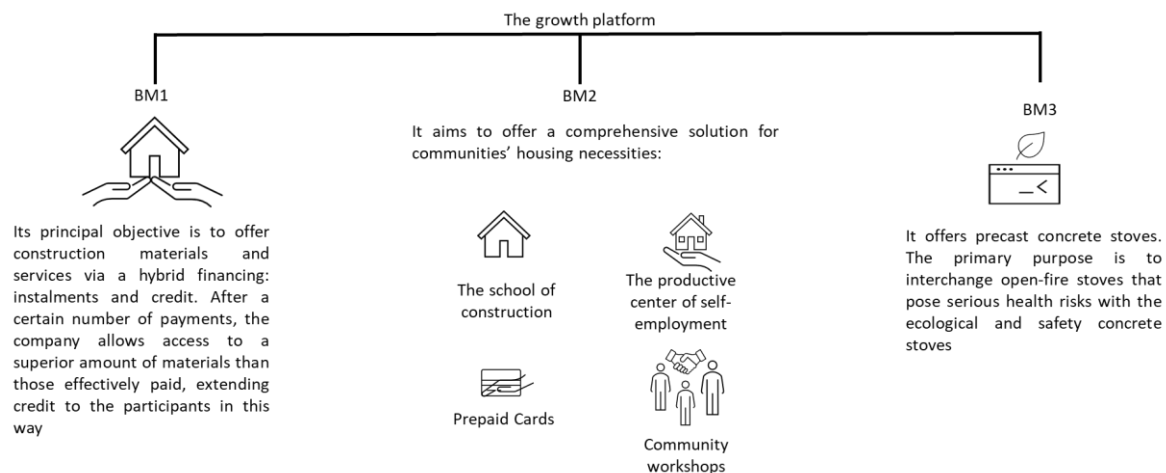


Figure 28: Alpha's social and inclusive business models

The growth platform comprises three social and inclusive BMs and aims to approach poverty and inequality in vulnerable communities. Alpha's BMs have escalated in diverse developing countries and have become case studies worthy of analysis.

## 2.1. Inclusive and social business models

In the developing world, the lack of affordable housing is a severe problem for low-income families. Insufficient access to financing and materials and a lack of technical skills prevents low-income families from living in safe and adequate conditions. Alpha developed three inclusive business models that help to resolve the housing problem in low-income markets. These inclusive BMs combine the company's current resources with innovative solutions that fall into the core of the business: construction.

By finding intersection points between organizational objectives and social value creation, the company is applying the premises of the shared value proposition. Simultaneously, it focuses on the lowest segment of society with business-case solutions, classifying in this way as BoP initiatives. According to the press and the company's website, the three inclusive BMs are profitable and capable of producing significant social and economic impacts on the participating families and communities.

#### ❖ **BM1**

In line with Govindarajan and colleagues' (2012) recommendations, the social and inclusive BMs operate independently of commercial businesses. BM1 is the most iconic program and functions as a subsidiary that operates through a central office and local branches. Its principal objective is to offer construction materials and services via hybrid financing: instalments and credit. After a certain number of payments, the company allows access to a superior amount of materials than those effectively paid, extending credit to the participants in this way.

1. Enrollment requires a first payment, ID, and proof of address. In this stage, the customer chooses a program.
2. Scheduling a housing consultation: An associate can schedule a consultation after the third payment.
3. Receiving the housing consultation: a professional will help associates identify construction and material needs.
4. Results: associate receives a project sketch with the amount of material needed to complete it.

5. Scheduling deliveries: associates schedule deliveries that agree with their payment plans and needs.
6. Delivery: associates received and verified the state of materials.
7. Restart: committed associates have access to better-saving credit schemes.

The benefits received by customers when they decide to participate are: 1) personalized advisement in the construction project, including material cost estimation. 2) Fixed and affordable payment plans. 3) Home delivery service, subject to availability and safety conditions. 4) Certitude during the whole construction process. 5) Zero waste. 6) Loyalty program for clients committed to payments. 7) Referral program. And 8) access to better payment plans.

BM1 has evolved from the original proposition of 1998: saving schemes mixed with micro-credits. A method inspired by the traditional "tanda", a Mexican system of rotating savings and credit association among a group of friends and relatives that trusted in social pressure to diminish arrears. Participation is currently individual, and the company reduces risk by delivering materials after eight weeks of payment. Indeed, the company believes that BoP users do not constitute a higher risk compared with other markets, as they have limited access to other sources of credit, and the available loans are unregulated and very expensive. Moreover, once the BoP have access to better credit conditions, they try to maintain them.

## ❖ **BM2**

BM2 and BM3 report directly to the social impact direction. These two business models belong to a sales subdivision formed by professional advisors and supervisors whose primary function is to promote the business models. The value per client justifies the investment in high-profile workers. Regarding BM2, it aims to offer a comprehensive solution for communities' housing necessities. As figure 24

displayed, it has four programs that could be applied individually or combined as a template with movable components. The most comprehensive option implements the four parts, and the simplest option only one. It is essential to mention that the community workshop cannot be applied in isolation, as it is attached to the productive center of self-employment.

The first element of BM2 consists in elaborate blocks in the productive center of self-employment. In this element, Alpha and the governments combine resources to install a temporary brick factory. Municipalities design the most appropriate schemes for them. It may be the community in a self-construction scheme - receiving 50% of production as payment - or government workers selling the production to community members at prices below the market. Figure 29 graphically illustrates the responsibility of each part and the process:



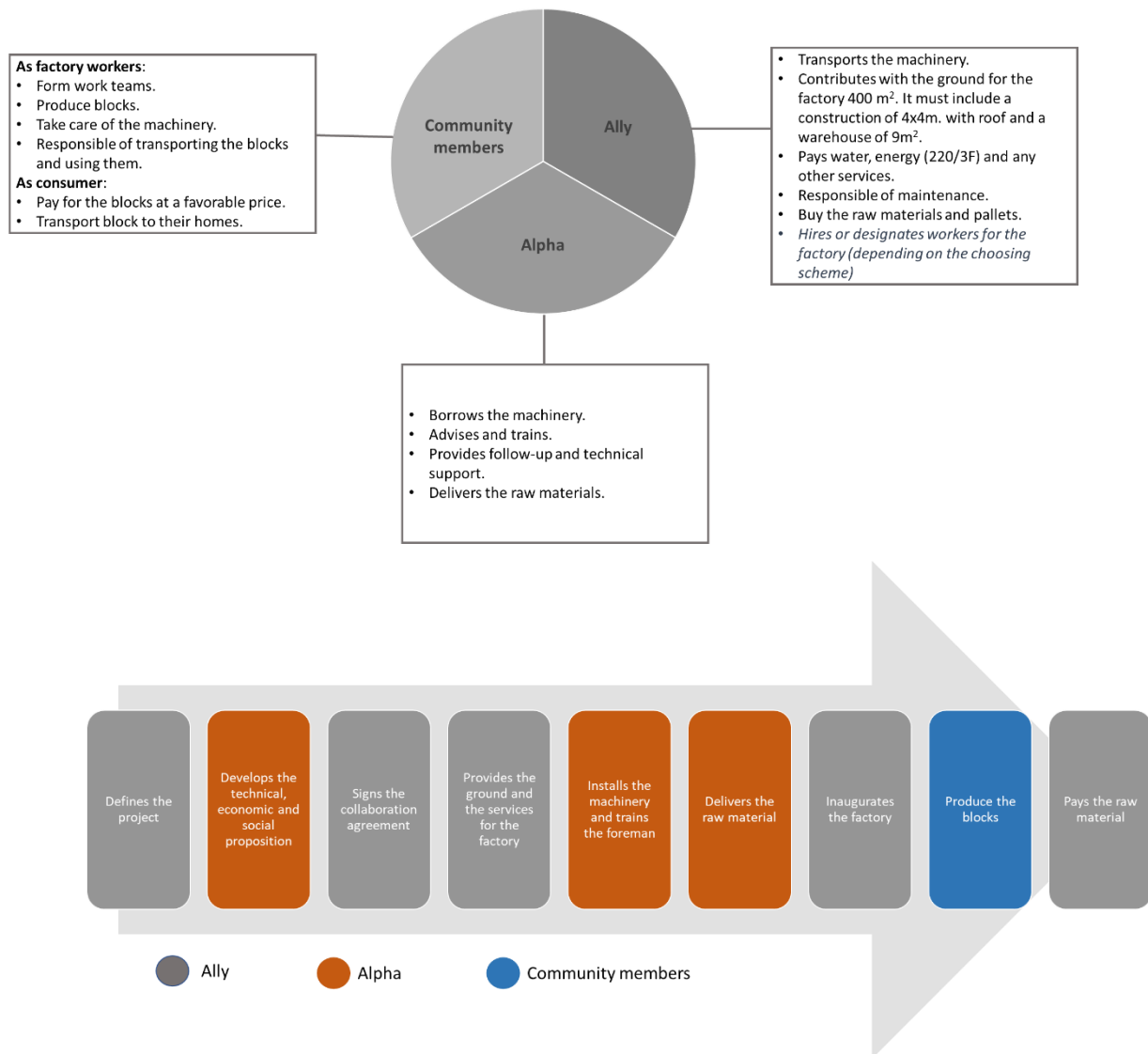


Figure 29: Responsibilities and process of the productive center of self-employment

The second element complements block elaboration with other materials through subsidies deposited in prepaid cards that limit the use of money. These cards hold a determined quantity of money that beneficiaries can use to buy freely any construction material or – if the government decides – choose among bunches of previously selected products. Alpha receives the resources from governments, disperses them among the list of beneficiaries, delivers the cards, and monitors

money's use in real time with the help of its distributors' networks. Figure 30 shows the responsibilities and process of prepaid cards.

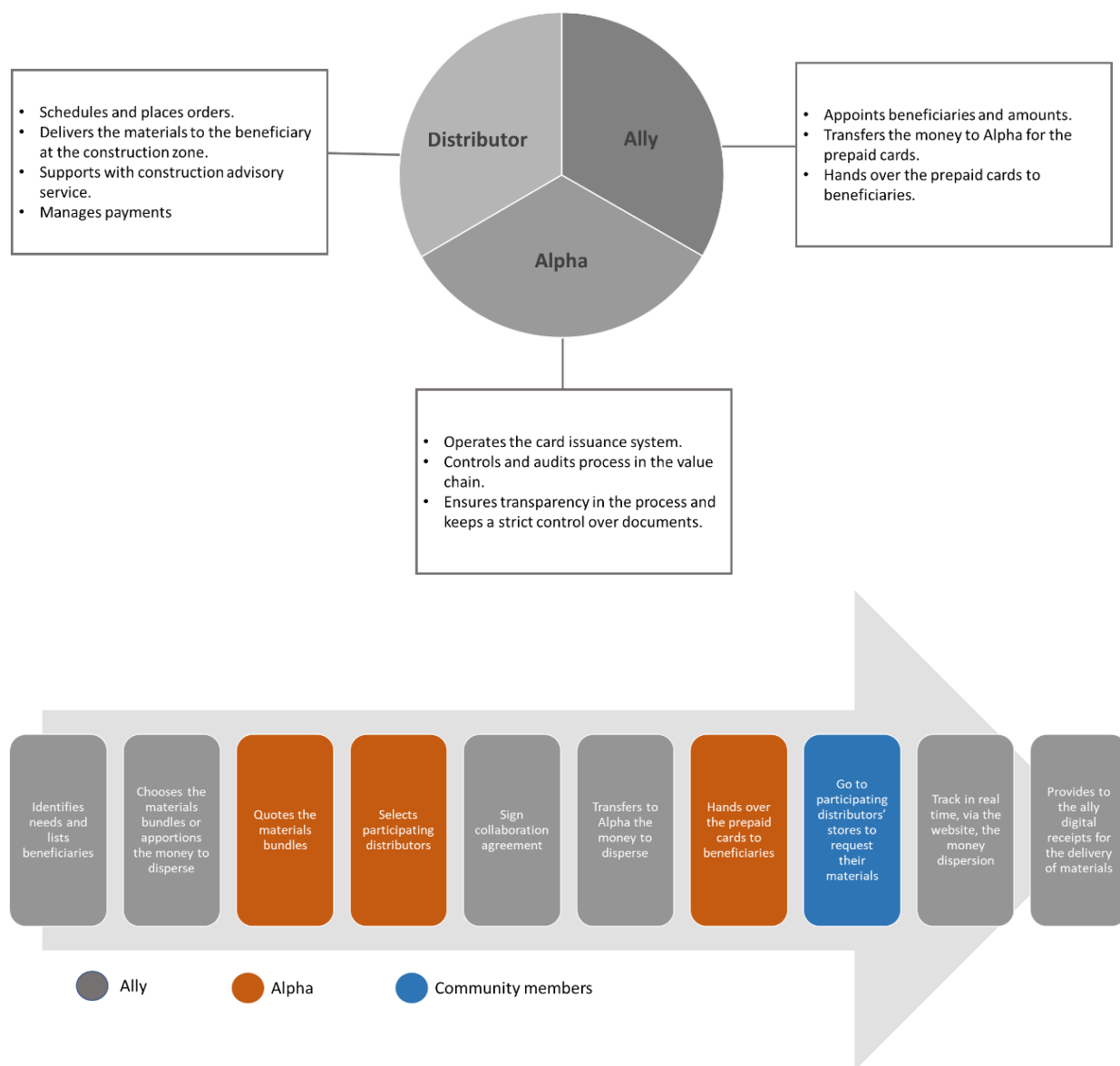


Figure 30: Responsibilities and process of the prepaid cards

In the third element, the BoP receives capacitation in the self-construction school. They attend a technical course of fifty hours focused on developing construction skills. Alpha has fixed classes designed in collaboration with an architecture school to propel participants into economic betterment and skills development. Classes' primary objective is to provide the essential knowledge to build a house; however, it

could also represent a source of income, mainly because, at the end of the course, attendants receive a diploma that could facilitate getting a job as a mason. Figure 31 shows that this capacitation may be strengthened with lands' technical and legal feasibility analysis, participatory sessions for housing design, and construction counselling.

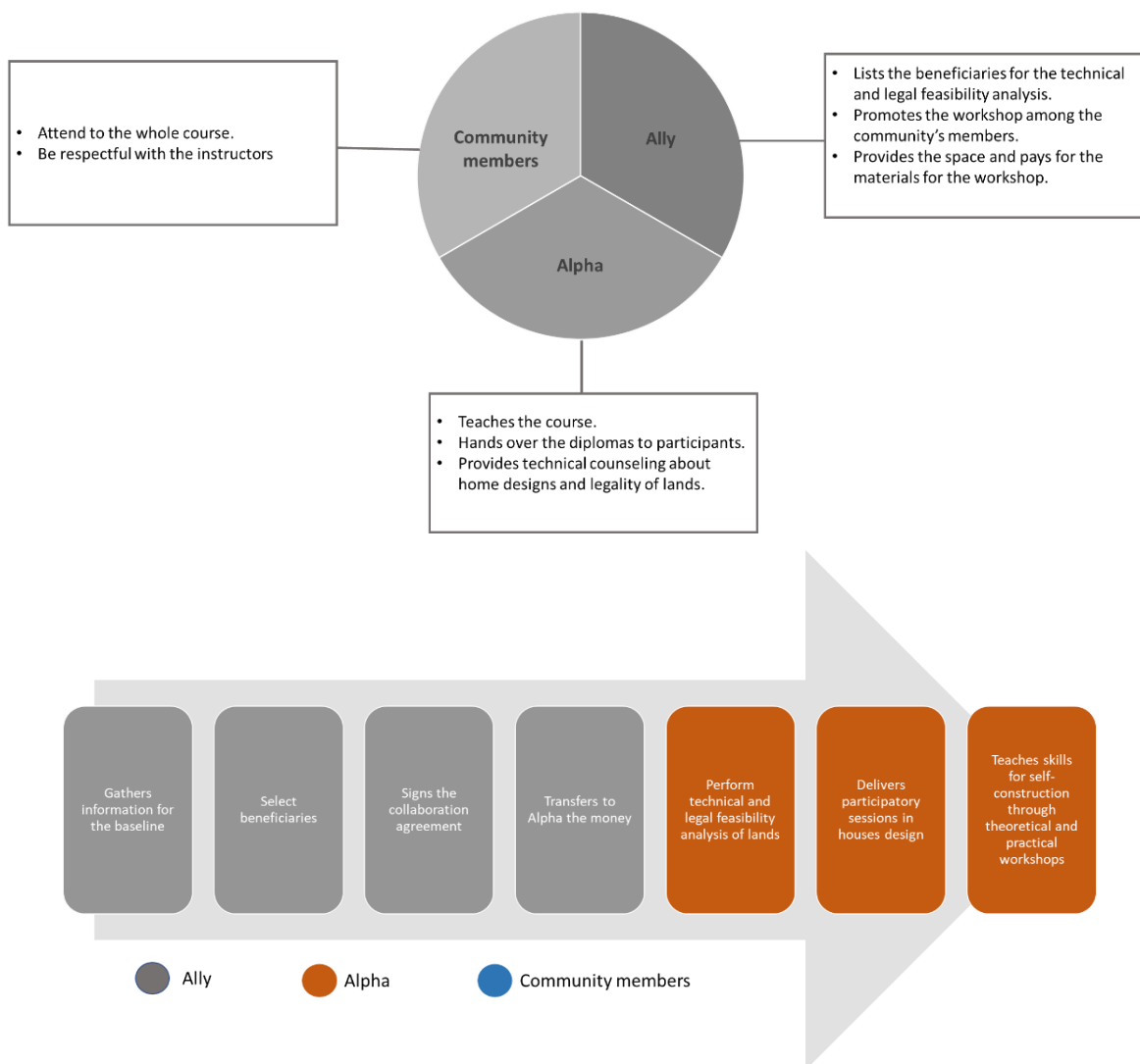


Figure 31: Responsibilities and process of the school of construction

The last element develops soft skills through workshops. The topic treated in classes -entrepreneurship, resilience, and communitarian cohesion- depends on the needs of communities (see figure 32).

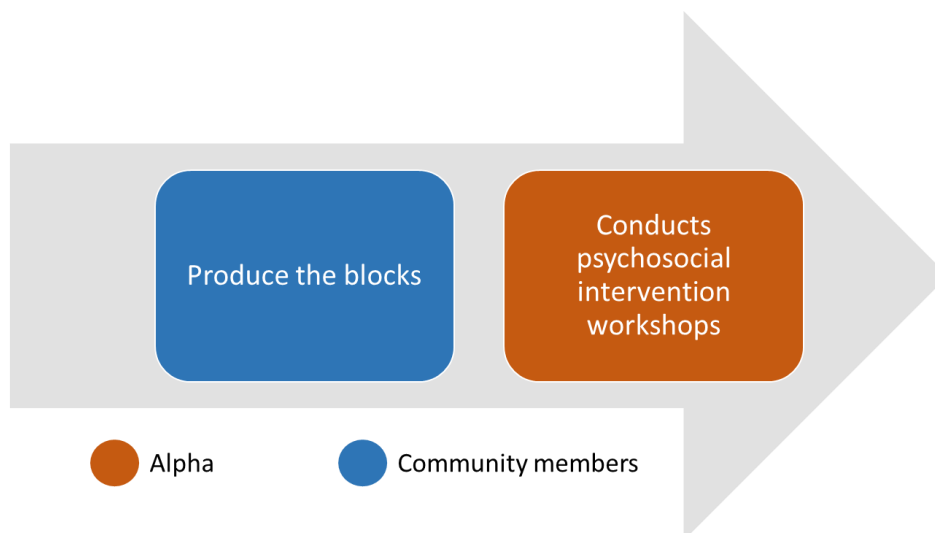


Figure 32: Process of community workshops

Alpha allows flexibility in BM2, which makes it scalable since it is easier to adapt the elements to communities' resources and necessities. Early research has pointed out adaptation as a facilitator of replication in the BoP market. Instead of following every element of the BM's in detail, companies that have succeeded in replicating their business follow guiding principles and modify components to resolve inconsistencies (Gebauer et al., 2017a).

### ❖ BM3

The BM3 offers precast concrete stoves (see annex 7). The primary purpose is to interchange open-fire stoves that pose serious health risks for ecological and safety concrete stoves. This BM has three main actors: Alpha, social entrepreneurs, and governments. The social entrepreneur produces the ecological stoves; Alpha is in charge of logistics and installation, and governments choose beneficiaries and pay for the stoves. As a result, the BM3 promises to reduce smock emissions by 99% and the use of firewood by 65%. The process of the BM3 is displayed in figure 33.

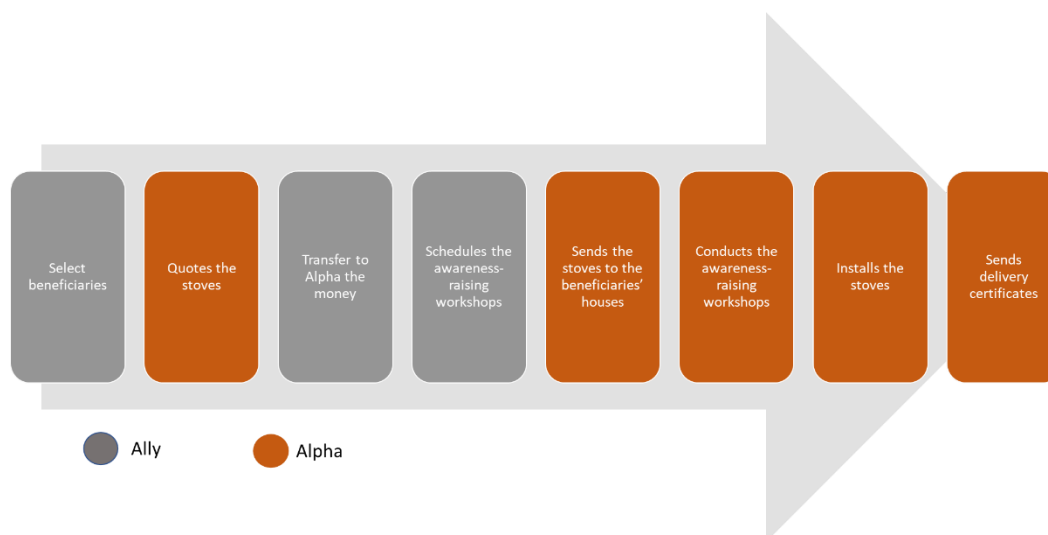


Figure 33: Process of BM3

### SECTION 3: THE INTERNAL AND EXTERNAL ORGANIZATION OF ALPHA

Using our analytical framework, we analyze Alpha's three business models from an intra- and inter-firm perspective to explain their mutual value creation logic. The strategies applied in the three levels of the intra-firm perspective: value proposition, value constellation, and value capture are compared with those suggested by Porter and Kramer (2011) in the creating shared value literature.

The inter-firm perspective establishes a relation between the content, structure, and governance of the activity system approach of Zott and Amit (2010) and the conceptual boundaries of Santos and Eisenhardt (2005). It helps us to understand the external organization and coordination strategies that Alpha applied to ensure the creation of economic and social value within the actors' network.

In addition, both perspectives that constitute a unique analytical framework were complemented with the three dimensions of social development and the three logic of value creation: chains, shops, and networks proposed by Stabell and Fjeldstad (1998).

The data underpinning this study was collected using semi-structured interviews with the three principal groups of actors: Alpha's employees, government, and beneficiaries, as well as through the analysis of relevant documentation.

### 1.1. Intra-firm perspective: the internal organization of a business model

The intra-firm perspective sheds light on the logic behind value creation in a business model. It allows identifying the strategies that companies use to create economic value. This thesis applies the intra-firm perspective to describe the modifications in the three elements of the BMs: value proposition, value constellation (value chain and network), and value capture to create mutual value (see table 26).

Strategies		Tactics	
Value proposition	1 Reconceiving offerings	1	Developing backup services
		2	Selling solution services
		3	Diversifying with synergistic products
	2 Developing new markets	4	Focusing on a new target market
Value chain	3 Redefining efficiency in the value chain	5	Taking advantage of current distribution network
		6	Integrating the BoP in value chain activities
		7	Developing hard skills
		8	Using current portfolio of resources in novel ways
Value network	4 Redefining efficiency in the value network	9	Taking advantage of current strategic alliances
	5 Modifying the ecosystem	10	Changing actors' role
		11	Co-creating temporal infrastructure
	6 Nurturing the ecosystem collaboratively	12	Developing soft skills
		13	Promoting positive behavior change

Value capture	7	Innovating the revenue streams	14	Creating new forms of payment
			15	Diversifying the sources of revenue

Table 26: Strategies to create mutual value internally

Porter and Kramer (2011) describe three main strategies to create economic and social value: "reconceiving products and markets, redefining productivity in the value chain, and building supportive industry clusters at the company's locations" (Porter and Kramer, 2011, p. 67). The analysis of Alpha's business model's internal organization revealed that the company applies the three strategies and has created a fourth. Nevertheless, Alpha built the industry cluster during the 117 years of its history; therefore, we do not mention it in table 25. Instead, we focus on seven strategies and fifteen specific tactics in which Alpha innovates its BM to reach its economic and social objectives.

#### 1.1.1. Value proposition

In this dimension, we have a point of convergence with the strategies identified in the CSV literature: reconceiving offerings and developing new markets (in addition to BoP markets). The company applies three tactics inside the first strategy: developing backup services, selling solution services, and diversifying with synergistic products. Regarding the second strategy –developing new markets– Alpha shifted towards a new and profitable segment by redefining the relationship between governments and the Poor.

##### 1.1.1.1. Reconceiving offerings

This strategy refers to designing new products and services or redesigning existing ones to address societal needs. Alpha applies the following tactics:

### ❖ **Developing backup services**

The value proposition of Alpha's social and inclusive business models is an adaptation of the company's current offering. For instance, in the BM1, Alpha sells the same construction materials already offered in other markets but enriched with intangible benefits that intend to resolve the most common restriction precluding access to safe and affordable housing in the BoP markets: limited buying power, safe warehousing, and technical knowledge. Innovation is not in the main product but in the surrounding services; consequently, the company applies a tactic we coin as developing backup services.

The backup services allow BoP customers to increase their buying power by granting them access to micro-credits and ensuring efficient use of those economic resources. Micro-credits are incorporated in the instalment plans; that is, participants of the BM1 make regular payments, but when they receive their material, the value of the material delivered is greater than the amount already paid. Micro-credits have been widely discussed in the BoP and social entrepreneurship literature; they are indeed considered a very efficient strategy to increase the purchasing power of the BoP and facilitate entrepreneurship. However, micro-credits per se do not produce positive effects; in fact, they may have the opposite effect and bring about negative consequences such as failed ventures, increased debts, and even suicides (Smith et al., 2022). Consequently, they require additional interventions to act as facilitators of well-being (Santos et al., 2015).

Congruently, Alpha promotes efficiency in the use of money via two additional services: housing counselling and warehousing. The housing counselling service evaluates customers' current housing situation, proposes building plans, and assesses financial needs. This information serves as a base from which an architect develops and presents the construction plot, including the exact quantity, type and price of material required. It is worth mentioning that the price of materials remains fixed throughout the program. On the other hand, the warehousing service impedes



waste by delivering clients' purchase orders in parts, depending on construction progress, ability to pay, and the chosen scheme; this avoids the waste that low-income families frequently face due to a lack of proper space to stock.

### ❖ **Selling solution services**

In the BM2, the value proposition is also the same construction materials offered in other markets, but they take a secondary role. That is, offering's attractiveness resides in the solution services sold to a new target market: the governmental sector. Those services help governments have a clear line of action, use resources efficiently, reduce administrative burden, and increase social impact. For instance, through prepaid cards, Alpha takes the responsibility of dispersing governmental resources among beneficiaries, ensuring transparency, and limiting the use of money for housing construction exclusively. Another example is the productive center of self-employment. Through it, Alpha offers to maximize governmental resources, i.e., instead of giving donations, the money is invested in producing blocks, which is cheaper than buying them from the market.

It is worth mentioning that in the BM2, governments choose the type of formula that they want to apply in their communities. They could decide to apply the four programs or solutions: the school of construction, the productive center of self-employment, prepaid cards, and community workshops, or decide to apply only one individual component. Alpha can suggest alternatives, explain each program's process, and highlight each part's obligations and rights, but the final decision still belongs to municipalities, who consider their resources, needs, and objectives to select the best formula for them.

### ❖ **Diversifying with synergistic products**

The BM3 diversifies the product portfolio to include a synergistic offering: concrete ecological stoves. The product is synergistic because it benefits Alpha in many ways;

it increases sales, reputation, and leverage. In this business model, Alpha functions as an intermediary between a social entrepreneur dedicated to building concrete ecological stoves –who is also a client of the company-and governments or governmental institutions interested in substituting unsafe cooking practices such as using kerosene or firewood.

As in BM2, the government pays for the stoves and related services, while Alpha carries out the purchase, logistics and marketing process. Thus, it quotes, orders, delivers and installs the stoves. It also develops an awareness campaign to promote the use and benefices of stoves and informs the risks and harms to health that open-fire stoves may cause. The company does not keep stock in their system; it limits its role to bridging two complementary parties. Hence, the social entrepreneur increases sales thanks to Alpha's network, and the company gains with these increases since its products are raw materials in the production process.

Additionally, the BM1 has diversified the offering by adding remodelling and extension as alternative options to construction. Furthermore, the company has started to offer housing counselling using the backup services, giving extra use to those resources. Therefore, Alpha charges for the quantification of material, construction plans, guidance in construction procedures and permits, and supervision. These new offerings are more attractive to higher socio-economic markets. Consequently, BM1 has shifted to include middle-income segments, improving profitability further. This is in line with the business model expansion described by Gebauer and colleagues (2017a), which follows the logic of moving towards the middle-income customer to exploit the synergy between this segment and the BoP markets.

#### 1.1.1.2. Developing new markets

This strategy refers to finding new customers for existing products and services in new markets or developing new products and services for new markets. Alpha applies the next tactics.

##### ❖ Focusing on a new target market

As part of the second strategy, Alpha uses BM2 to focus on a new target market by transforming the typical giver-recipient relationships of governments and the Poor into a new buyer-consumer relationship. Therefore, the Poor are not clients, but final consumers of products bought by governments. The literature has widely discussed a similar strategy where other clients or actors pay for the consumption of the unprivileged in a cross-subsidized scheme to compensate for the losses generated in any element of the business model (Brehmer et al., 2018). However, Alpha avoids such imbalance by making the BM2 attractive and capable of generating a value that governments are willing to pay. Hence, Alpha ensures profitability by capturing economic value from governments.

The value proposition in the three BMs gravitates around the leading company's products: concrete and blocks. Specific support services targeted at BoP consumers have been deployed to ease consumption and enhance efficiency. Additionally, Alpha has expanded its horizontal boundaries in BM2 to serve a new market and in BM3 to include complementary products in an on-demand base that does not affect inventory and increases sales.

There has also been an evolution in the target market of BM1. Initially, this BM intends to serve the low-income self-builder; however, people from higher socio-economic sectors have started to participate due to the extension and remodelling services and social media promotion. Promoters have no restrictions on the clients they prospect and, since they do not have a basic salary, they try to attract as many

customers as possible without worrying about the target market or the sales territory. Therefore, two or more promoters can work in the same area of the same city without any consequence; what matters is attracting clients. Consequently, the BM1 does not focus exclusively on the BoP market:

*"It was hard for me because I did not have a base salary. I made my appointments, and people did not appear; I asked them to warn me if they would have any problem going to the appointment, but they still did not prevent me. Also, people wanted the building material immediately and then checked the interests, and that [high interests] discourage them from participating... It did not go so well for me. So, I tried to increase my revenues by searching for clients from everywhere" FE#6<sup>11</sup>.*

Hence, even when BM1's original purpose was serving the BoP, Alpha expanded the offer to catch more clients and increase profitability. In addition to remodelling and extension, BM1 started offering housing counselling as an independent service. The BoP market has functioned as a source of innovation because the services created to facilitate consumption have become a complementary offer and are attractive enough to penetrate other socio-economic sectors, expanding the market.

### 1.1.2. Value chain

In the value chain dimension, Alpha applies the strategy described in the CSV literature: redefining efficiency in the value chain via the implementation of four tactics: taking advantage of the current distribution network, integrating the BoP in value chain activities, developing hard skills, and using the current portfolio of resources in novel ways.

---

<sup>11</sup> Translated from the original "La verdad a mí se me complicaba porque no tenía sueldo base, y hacía mis citas y la gente me quedaba mal, le pedía el favor de avisar si no podía llegar a la cita ese día y -no avisaban y dejaban mal. Otra cosa que la gente quería el material de inmediato o luego pues checaban bien el interés y ya no se animaban. No me fue muy bien, así que intenté ganar más buscando clientes donde sea."

### ❖ Taking advantage of the current distribution network

In the first tactic, Alpha takes advantage of its current distribution network. That is, company-owned building materials retailers that operate under concession. Affiliated distributors retain complete control of their stores and decision-making independence while receiving training and tools to improve efficiency. These local stores that already sell and deliver construction materials fulfil the clients' necessities of BM1. Participating in the business model allows concessionaires to increase sales since all the materials needed for the construction project will be supplied by them, even those not produced by the company. Concessionaires also participate in BM2 by receiving prepaid cards that contain the subsidies granted by governments. Therefore, Alpha improves the value and attractiveness of its retail license while sharing distribution costs with the owners.

### ❖ Integrating the BoP in value chain activities

The second way to create value at the BoP is to integrate them into the value chain activities. BM1's historical records mentioned that the sales promoters were former customers and members of the BoP. However, nowadays, that is not happening; promoters come from different backgrounds, and not all of them have participated in the business model:

*"I started working [in BM1] because my friend was the manager there; his sister also worked there, and as I was unemployed". FE#5<sup>12</sup>*

The principal problem of the company hiring personnel from the BoP community is that there is not enough demand; the lack of basic salary and the low commissions are fundamental reasons, but the closing of physical agencies due to COVID-19 worsened the situation and forced Alpha to migrate toward virtual activities, which

---

<sup>12</sup> Translated from the original *"No pues yo entré porque mi amigo era gerente, entonces igual trabajaba su hermana y en ese momento yo no tenía empleo"*.

demand other types of qualifications. Nowadays, anyone can fill out an online format expressing their interest in being part of the program; then, based on vacancies and qualifications, they are contacted to start the hiring process. To present a candidacy via the web requires skills such as reading, writing, and basic notions in the use of computers. The company also uses the website to reach architects and civil engineers interested in freelance work, gaining a commission from the project.

Consequently, people working in BM1 come from different backgrounds. Hence, contrary to what we can find in several sources, they are not necessarily part of the BoP community. What effectively may happen to integrate community members into the value chain is the possibility to participate in the productive center of self-employment and make bricks in a 50-50 scheme; that is, half of the production as salary and the other half for governments. However, factory operation decisions belong entirely to governments; as a sales advisor said:

*"Here it is very important to mention that the work can be done... it can be done using various schemes. One is using a work crew from the town to make the blocks; the other is that families from the community make their own blocks for their homes' improvement... The municipal government chose the scheme; they can also generate a sales scheme to make the project more sustainable, either selling the block or using it for community infrastructure. There are also schemes where 100% is sold to the beneficiaries, of course, under market prices because the blocks are made in the town... Thus, the municipal government can propose different schemes" FE#4<sup>13</sup>.*

---

<sup>13</sup> Translated from the original "Aquí es bien importante mencionar que se puede hacer el trabajo... se pueden hacer varios esquemas, uno donde quizás sea una cuadrilla del municipio quien esté fabricando los blocks... eh, o la otra un... que sea... eh... las mismas familias que vayan a producir los blocks para su mejoramiento. El municipio escoge el esquema, puede generar ahí un esquema de venta para que lo haga pues más sostenible el proyecto, que sea la venta de un porcentaje o el uso de ese block para infraestructura comunitaria... este... o... hay otros esquemas donde el 100% del producto se vende al propio beneficiario... este pues a un precio por debajo del mercado porque al final él lo está fabricando. Entonces, el municipio puede proponer diferentes esquemas".

### ❖ Developing hard skills

The third tactic of Alpha to create mutual value is developing hard skills. Any combination of BM2 that governments choose to implement, the company complements it with capacitation and training in construction. Thus, when the simplest option is applied, such as the productive center of self-employment, beneficiaries learn how to operate the machinery and the way to fabricate bricks; when the complete option is chosen, the learning is more comprehensive and includes the general notions to become a mason. This last option opens self-entrepreneurship or job opportunities.

*"This course [the school of construction] has 50 hours of theoretical and practical education. It has a manual, and most importantly, a major part of the participants receives a certificate for having completed this activity, which could help them get a job" FE#4<sup>14</sup>.*

### ❖ Using the current portfolio of resources in novel ways

In addition, Alpha uses its current portfolio of resources in novel ways to create new BMs. For instance, the productive center of self-employment is based on lending machinery used in everyday operations. The prepaid cards and the impression, dispersion, and monitoring system also have additional applications. It is part of BM1 to keep savings records and use; the company also offers the cards as gifts to fidelity or as a part of promotional campaigns.

All the tactics that Alpha develop in the value chain element of its business models seek to maximize efficiency; there is no additional investment but creative and

---

<sup>14</sup> Translated from the original "Este curso comprende cincuenta horas teórico-prácticas, cuenta con un manual y este... algo bien importante aquí es que la mayoría de las personas pues terminan con un reconocimiento de haber cursado el... este... esta actividad y esto les sirve pues para facilitar la búsqueda de algún... de algún empleo"

alternative uses of current resources and skills to either generate extra incomes or benefit users.

### **1.1.3. Value network**

In the value network element, Alpha applies three different strategies from the cluster development strategy mentioned in the CSV literature, which Alpha had already applied to reinforce its traditional business models. Those strategies are redefining efficiency in the value network, modifying the ecosystem and nurturing the ecosystem collaboratively.

The strategies in the value network element have a certain hierarchy, going from making it more efficient to modifying and nurturing the ecosystem. All of them are very valuable, but it takes more effort to modify behaviors and attitudes; moreover, such interventions' outcomes may have profound repercussions on the beneficiaries' daily lives.

#### **1.1.3.1. Redefining efficiency in the value network**

This strategy refers to using resources more effectively. Alpha applies the following tactics:

##### **❖ Taking advantage of current strategic alliances**

In this tactic, Alpha redefines efficiency in the value network by leveraging current strategic alliances, especially a partnership with a prestigious university in Mexico, to enrich and create new BMs. This alliance represents an essential element for CSR, and inside the social and inclusive BMs, it functions as a source of human capital and innovations. For instance, the soft skills workshops and behavior change campaign count on the participation of students in psychology and social work, whereas hard skills workshops and technical consulting integrate college students in engineering and architecture who are doing professional practices or social



services. Besides, the social entrepreneur that manufactures the ecological stoves at BM3 was selected through a contest held every year to reward the most innovative projects in social development.

### **1.1.3.2. Modifying the ecosystem**

This strategy refers to changes to improve or make the business ecosystem more adequate for serving the BoP. Alpha applies the following tactics:

#### **❖ Changing the role of actors**

As part of modifying the ecosystem strategy, the BM3 changes the role of actors in the value network. Consequently, a potential client -a social entrepreneur- becomes a supplier, the government becomes a client, and Alpha becomes a distributor. In this way, the company improves the sales of cement and bricks as they are raw materials in the ecological stoves' fabrication process. Alpha obtains an additional source of income by transporting and installing those stoves in the communities. Furthermore, BM2 and BM3 are synergistic, i.e., when a sales advisor negotiates the implementation of BM3, he obtains intel and connections to propose the BM2 and vice versa.

#### **❖ Co-creating temporal infrastructure.**

The second tactic to create mutual value in modifying ecosystem involves co-creating infrastructure. In BM2, Alpha and municipalities install temporal brick factories; obligations and responsibilities of each part are stipulated beforehand. Alpha is responsible for 1) loaning the machinery (a vibratory compactor and a concrete mixer), 2) capacitating and training in the use of the machinery, 3) repairing technical failures, and 4) delivering the raw materials. The municipality must 1) transport the machinery, 2) facilitate the land for the factory and warehouse (at least 4000 m<sup>2</sup>), 3) install and pay for water and energy services, 4) give maintenance

support, and 5) buy raw materials for the company. The municipal government is also in charge of deciding who will operate the factory. As we mentioned, it could pay the community's workers or let citizens build their own bricks. Whatever the decision, it is necessary to have four people per workday to do the job. Once production is ready, beneficiaries must pick up the bricks directly in the factory.

### 1.1.3.3. Nurturing the ecosystem collaboratively

This strategy encourages the development and amelioration of the business ecosystem. Alpha applies the following tactics:

#### ❖ Developing soft skills

As part of the third strategy: nurturing the ecosystem collaboratively, beneficiaries of the BM2 may receive workshops in soft skills, such as entrepreneurship, resilience, or another psychosocial subject that municipal authorities consider convenient. It depends on community necessities and government preferences.

*"What I loved the most from the workshop was the convivence with my neighbors, it deeply changed my life, I am not grumpy anymore. I talked to my daughters and my husband about what we did in the workshops, and it was good for me" Bs#5<sup>15</sup>*

#### ❖ Promoting positive behavior change

In BM3, Alpha promotes positive behavior change by educating about the risks of kerosene and open-fire stoves.

---

<sup>15</sup> Translated from the original: "Lo que me gustaba del taller era que conviví más con mis vecinos, cambio mucho mi vida porque pues ya se me quitó lo gruñona, lo enojona y platicaba con mis hijas y mi esposo lo que hacíamos en los talleres y si me sirvió de mucho"

*"With the sale and installation of stoves, an awareness and training workshop is included; this is very important because sometimes women do not change for an ecological stove due to traditions and costumes and continue cooking in an open-fire stove. They do not perceive the health risks. They say that in my family, women have cooked this way for years, and nothing has happened. They do not relate that perhaps headaches and watery eyes are caused by the exposition to fire-open stoves. Hence, we show them statistics about how an hour of fire-open exposition is equal to smoking ten cigars in an hour. Therefore, the health damage is high. In addition, we teach to use the stove" FE#4<sup>16</sup>.*

## Value capture

Alpha's only strategy in this BM element is to innovate the revenue streams. It does it with two tactics: creating new forms of payment and diversifying the source of revenues.

### ❖ Creating new forms of payment

As part of the first tactic, Alpha has created a frozen saving-credit scheme that allows low-income customers access credit without required prerequisites, collateral and guarantees, only personal references. Alpha grants credit after some weeks of saving and freezes prices throughout the program. In total, BM1 has four financing schemes; new associates can choose between the two options shown in table 27.

---

<sup>16</sup> Translated from the original: *"Estas estufas además de... pues... de la venta... de la instalación de la estufa o del producto per se va incluido con un taller de sensibilización y capacitación de uso que esto es bastante importante porque muchas veces las señoras no hacen el cambio a una estufa ecológica por usos y costumbres y siguen cocinando con fogón abierto porque no hacen... no... no... no perciben los daños que están haciendo a su salud. Ellos dicen pues en mi familia se ha cocinado de esta forma por muchos años y no ha pasado nada y no asocian pues que quizá... pues los temas de dolores de cabeza... este... y constante llorar de ojos están asociados a estar expuestos por tanto tiempo al humo del fogón abierto. Se hacen... les mostramos estadísticas como estar expuestos una hora en el fogón equivale a fumar cien cigarrillos en una hora. Entonces, el daño que hace a la salud es bastante alto y demos... también demostrar pues cómo la estufa funciona"*

	Fixed weekly payment	Material amount	Deliveries of material	
<b>Easy option</b>	\$14 60 weeks	\$630	2 deliveries of material	Week 10: \$285 Week 25: \$345
<b>Safe option</b>	\$17 70 weeks	\$945	3 deliveries of materials	Week 8: \$265 Week 20: \$340 Week 34: \$340

Table 27: Initial saving schemes

The easy option gives access to 630 USD in material and the right to have two deliveries: the first delivery after week ten and the second after week 25. The safe option proposes payments for 70 weeks with three deliveries valued at 945 USD. By giving access to a more considerable amount of material than the amount paid by the associate, the company effectively extends credit to its customers. The extra amount (material amount – the total paid) is for the cost of membership and construction services.

Once associates have successfully finished the initial scheme, they have access to a higher amount of credit and lower membership fees through two programs displayed in table 28.

	Fixed weekly payment	Material amount	Deliveries of material	
<b>Platinum restart</b>	\$17.75 64 weeks	\$1000	2 deliveries of material	Week 4: \$450 Week 28: \$550
<b>Special restart</b>	\$21.75 78 weeks	\$1500		Week 2: \$700 Week 34: \$800

Table 28: Restart saving schemes

The platinum restart gives access to 1000 USD in material with two deliveries, starting in the fourth week, while the special restart allows associates to have 1500

dollars, receiving 47% since the second week. In addition, to lock in associates, Alpha offers loyalty and referral programs where the associates can gain construction materials, electronics, and money.

❖ **Diversify the source of revenues.**

The second tactic of Alpha to generate economic value is to diversify the sources of revenues by capturing governmental resources. The BM2 and BM3 respond to governments' necessities in matters of social development:

*"For the Company is very important to implement inclusive businesses since they have as final objective to produce economic benefits. Those benefits are also for the involved parts... For governments, our partnership helps them potentiate their programs, use their resources more efficiently" FE#2<sup>17</sup>*

As we mentioned, the government becomes the buyer of a solution that ultimately benefits the community, especially the most vulnerable sector. The BM2 is so well planned that it ensures economic sustainability by charging to a third party all those activities that may represent an extra expense for Alpha (see figure 34):

---

<sup>17</sup> Translated from the original: "Es importante para [Alpha] implementar el modelo de negocios inclusivos, ya que tiene como objetivo final el generar beneficios económicos, éstos se generan también para las partes involucradas, para nuestros clientes distribuidores, a través de sus ventas incrementales. Para los gobiernos, con nuestras alianzas, ayudándolos a potencializar sus programas, haciendo de éstos más eficiente el uso de sus recursos."



Figure 34: Execution process of prepaid cards

Figure 33 shows the division of activities between Alpha and the government in the prepaid card program (part of BM2). The company carries out all the actions that form part of its daily activities, while the government assumes the rest. However, the municipality values the offered solution and obtained benefits from access to missing resources and knowledge:

*"We are not in times of jack all-trades, when a single institution of any type could do everything individually. Now, we are in globalized times, in a time where strategic partners come together to do things differently – innovative things – to gradually grow and enhance our abilities and skills [to achieve] a single goal. It was very important for us to have access to a technology that we did not have and did not know existed" SA#1<sup>18</sup>.*

In this dimension, Alpha focuses on reaching sustainability by charging every extra service in BM1 and capturing government resources in BM2 and BM3.

---

<sup>18</sup> Translated from the original "Ya no estamos en tiempo de los todólogos, de cuando una sola institución de cualquier índole pudiera hacer las cosas de manera individual, ahora estamos en una época globalizada, en una época donde las alianzas estratégicas nos unimos para hacer cosas diferentes, cosas innovadoras, para crecer de manera escalada, para potenciar nuestras habilidades, nuestras aptitudes enfocadas a un mismo objetivo. Para nosotros fue muy importante en primer lugar, tener acceso a una tecnología que nosotros no teníamos acceso ni conocimiento que existía"

Furthermore, it keeps the levels of investment in personnel or assets at the lowest.

## **1.2. The Inter-firm perspective or the external organization**

An inter-firm perspective allows a picture of the system where business models operate. A system has three elements: the content or the selection of activities, the structure or the sequence and importance (in terms of their core, supporting, or peripheral nature) of activities, and the governance or who performs the activity (Zott and Amit, 2010). The inter-firm perspective also helps understand how companies manage their boundaries by identifying the parameters to decide the activities inside the firm's borders and those that external actors perform.

Figure 35, 36, and 37 depicts the three business models of Alpha as a simplified system:

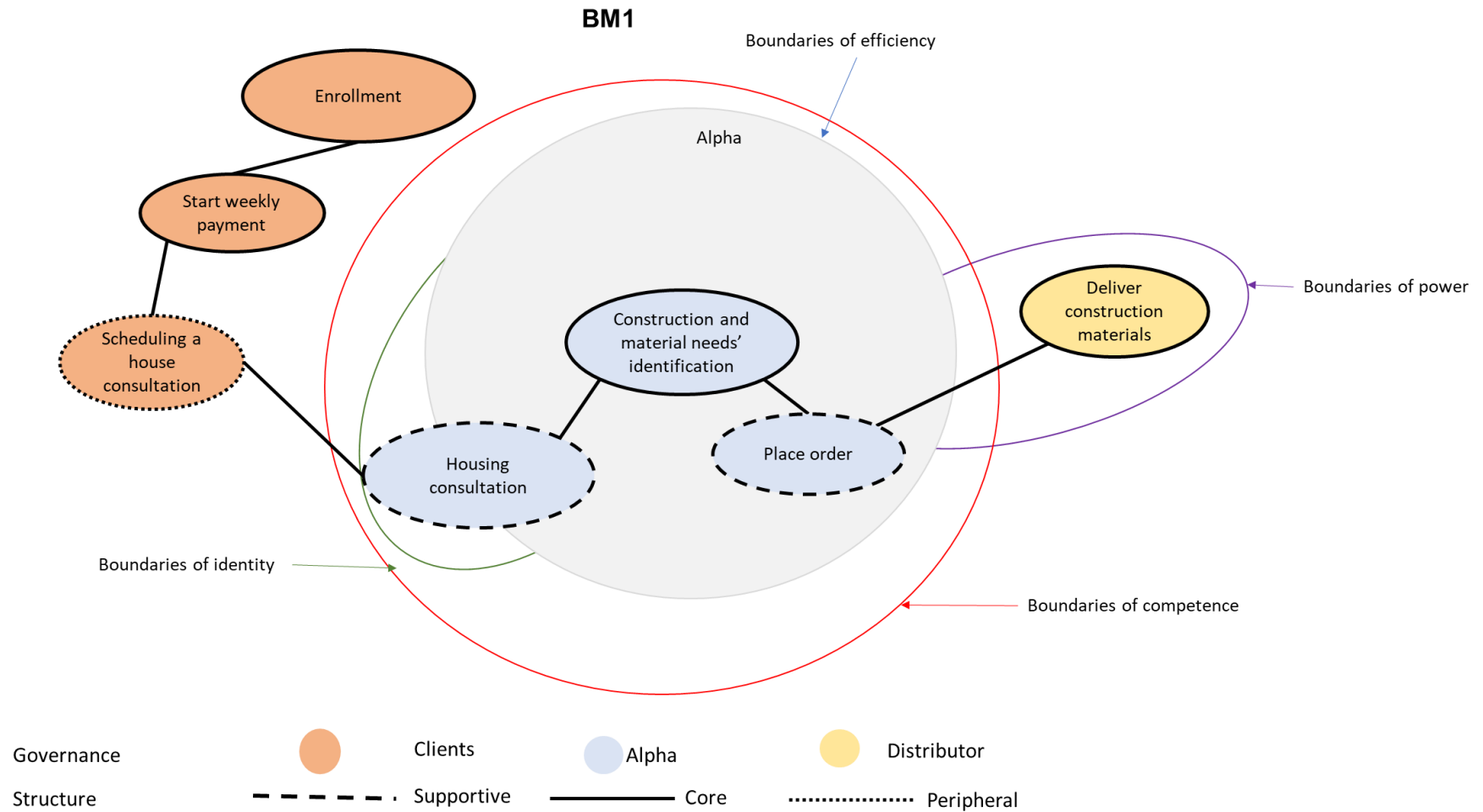


Figure 35: BM1's content, structure, and governance



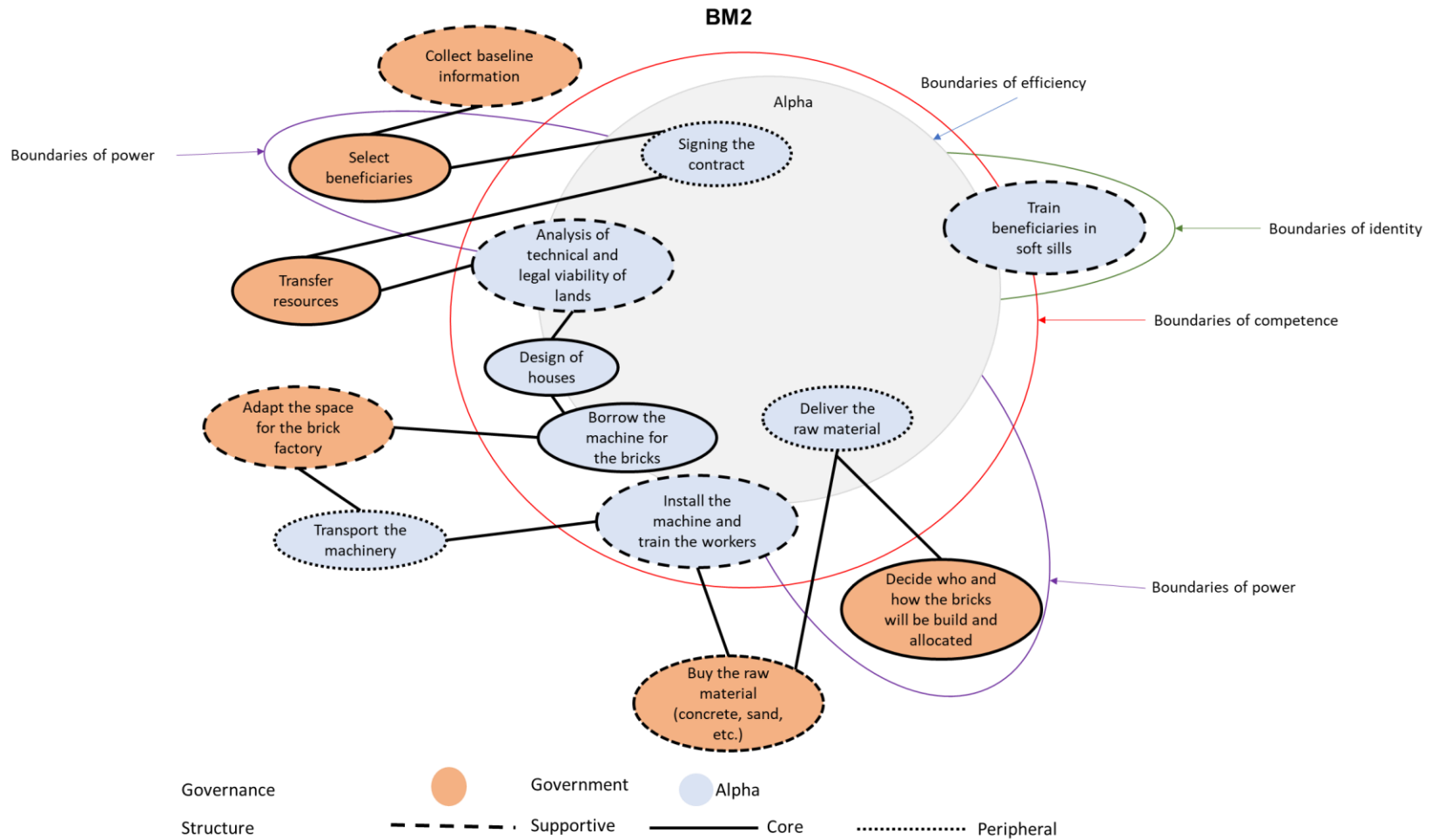


Figure 36: BM2's content, structure, and governance

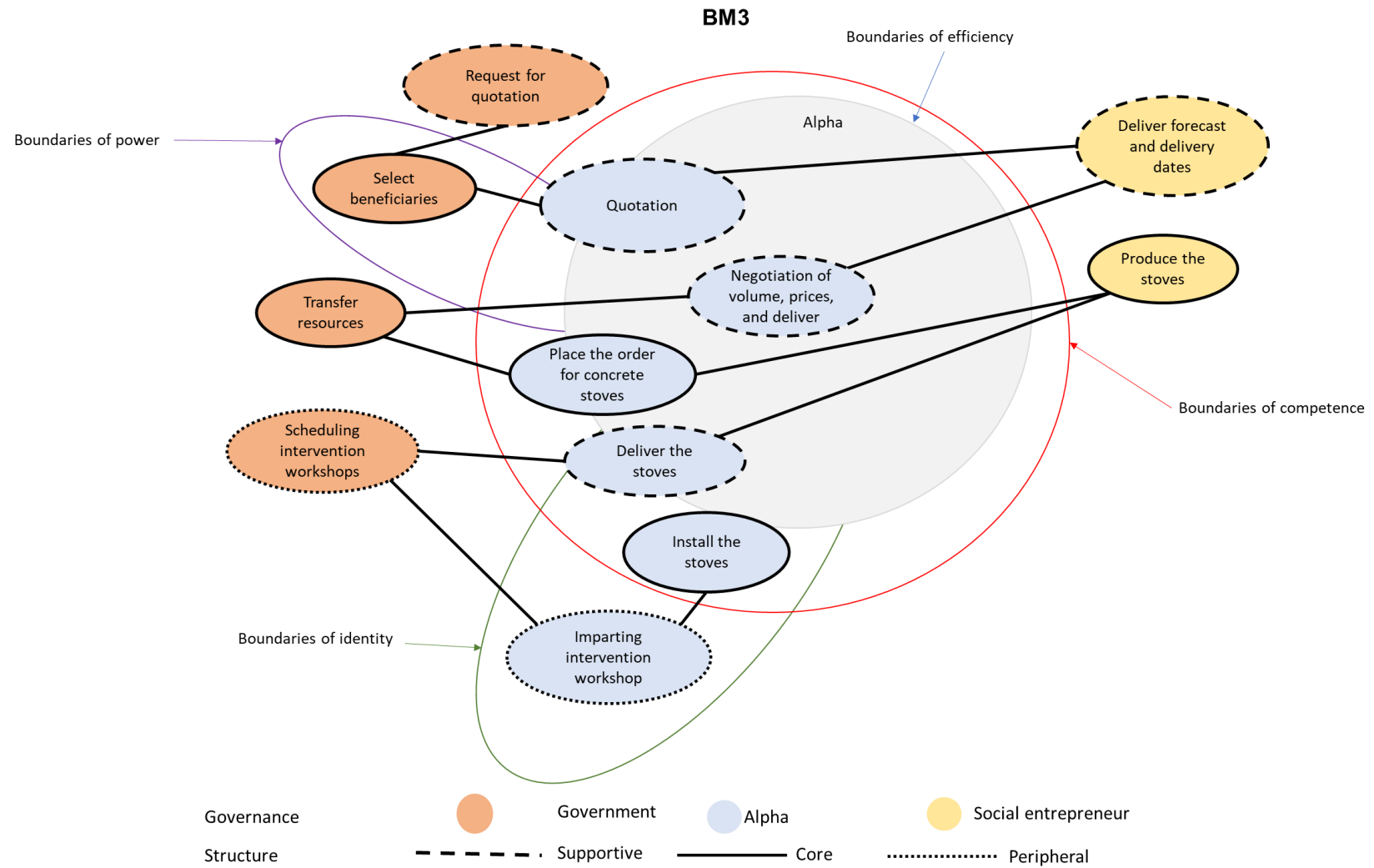


Figure 37: BM3's content, structure, and governance

Data analysis shows that Alpha re-organizes its boundaries to control the content, structure, and governance of BMs following the next strategies: 1) using the power of its tangible and intangible resources to design the business model - including the activities of the principal partner-, 2) using the resource mix and self-image to determine the content of the business model, 3) reducing investment to the lowest level by choosing to perform those activities that already match its competencies, 4) enhancing efficiency by delegating social value activities to governments and 5) increasing internal and external reputation by taking advantage of current strategic alliances.

### **1.2.1. Using the power of resources to design the business model.**

Alpha uses its influence, autonomy, and power of intangible and intangible resources to design in isolation its inclusive and social business models, especially those that require the collaboration and resources of governments to create social value effectively. Furthermore, the company "sells" a template that already describes the core, supportive and peripheral activities of the BM3 and the actor who will perform them. In this way, it orchestrates the business system.

Even when Alpha uses the word ally to identify governments, in practice, the role of municipalities does not correspond to that of a partner since BMs that emerge from cross-sector partnerships involve co-design (Dahan et al., 2010; Hartman and Dhanda, 2018). Instead, their role is more of a client, better said, of a key client. Key accounts are those clients that generate substantial profits for companies and frequently act as an intermediary between companies and final clients. Managing key accounts forces companies to rethink their strategies to align with the key accounts' objectives and interests.

Therefore, Alpha is leveraging the power of resources and reputation to design a BM that requires the capabilities of third parties to operate. The BM2 and BM3, for example, present and sell a solution to the housing shortage that low-income citizens

face. In this way, governments become buyers of a method developed by Alpha, and the BM becomes a means for governments to reach their social goals:

*"The social policies that we [governments] have together with the company exist to create houses; our premise is that housing produces better communities and better societies" SA#1<sup>19</sup>.*

Selling solutions requires a deep understanding of communities' political situations and particular social challenges. Alpha, therefore, created the inclusive and social businesses department, a special organizational area within the social impact direction, to negotiate with municipalities and implement the BMs. An important actor inside this area is the inclusive and social businesses advisor, who plays the role of boundary spanner connecting agents from governments with Alpha internal organization. He is responsible for bridging the social need of governments in infrastructure and housing with the inclusive and social businesses of the company. Boundary objects - such as PowerPoint presentations, memorandums, and agreements - and boundary practices - such as meetings and technical workshops - help reach communication and collaboration.

### **1.2.2. Using resource mix and self-image to determine the content of the business model.**

Alpha designed the BMs' content based on the set of resources and identity. In the literature, the collection of resources an organization should possess received the name of competence. From this perspective, organizations are unique bundles of resources. Accordingly, the boundaries of competence are determined dynamically by matching the organization's resources with opportunities in the environment that are attractive and amenable to the organization's use of its resources to gain a

---

<sup>19</sup> Translated from the original: *"las políticas sociales que tenemos en conjunto la empresa y el gobierno pues son para eso, para generar hogares, en la creencia de que si nosotros generamos hogares, pues vamos a generar comunidades y vamos a generar, este, una sociedad mejor."*

competitive advantage (Santos and Eisenhardt, 2005). However, our case study took a networked perspective and designed the content of its business models considering its own resources (knowledge, skills, staff) and those in the ecosystem. Alpha determined the activities making up the business model by integrating internal and external competencies. This is in line with the concept of dynamic capabilities, which refer to a "firm's ability to integrate, build, and reconfigure internal and external competences" (Teece et al., 1997). So, it was later -when- Alpha drew the boundary of capabilities to the point it matched its portfolio of resources.

A second element that determines the content of a business model for mutual value creation is identity. Alpha included those social activities that were coherent with its self-image. Organizational identity helps members make sense of their situation by clarifying the defining attributes and purpose of the organization, thereby reducing ambiguity and providing direction, emotional attachment and deep commitment to the definition of who we are (Santos). By shaping how members perceive what is appropriate for the organization, identity guides decisions regarding activities to incorporate (Kogut 2000) or which poverty problems address.

### **1.2.3. Reducing investment to maximum**

A significant part of the activities for which Alpha is responsible primarily produce financial benefits or cost reductions that enable economic sustainability. In contrast, governments are in charge of activities that produce social value. We identified competence and efficiency as the main logics behind boundary decisions. Hence, Alpha chooses to perform those activities that already match its resources and capabilities. For instance, it borrows machines that already form part of its assets and gives access to software that other business units use. Hence, by reducing the company's investment to the lowest level, Alpha reaches economic sustainability, a critical requirement to continue operating.

Alpha aligns its resources and capabilities to economic value creation predominantly. However, it also performs some activities that create social value, such as the community workshop, the school of construction in BM2 and the changed behavior campaign in BM3. These activities do not respond to the logic of competence but rather touch the limits of efficiency boundaries since they are carried out in collaboration with social partners, mostly universities.

#### 1.2.4. Delegating social value creation activities

Even when Alpha uses its power to control the content, governance, and structure of the BM, it delegates the responsibility of social activities to governments. By intentionally reducing influence in the social part of the business model, Alpha reduces costs and gains in efficiency. Alpha strategically increases dependency on the government regarding social activities that are crucial to evaluate the performance of its social and inclusive BMs and their ultimate capacity to have a social impact. Therefore, it seems that for-profit companies intentionally reduce their influence on social value to ensure the sustainability of the BMs and allow continuity.

Alpha can suggest or advise governments regarding social value creation. Nevertheless, the final decision about the beneficiaries, content and performance of the social activities belongs to the governments:

*"We [municipalities] hire the people to make the bricks and sell them but at a low price" SA#5<sup>20</sup>*

*"We [municipalities] produced and sold thousands... many many bricks, but at the end, we had to give back the money to the people because we could not finish the production because Alpha said that it was coming to pick the machines and we*

---

<sup>20</sup> Translated from the original: "Nosotros contratamos a las personas que elaboraran el block y lo vendíamos, pero a bajo costo".

*had to give back a lot of money, around one hundred thousand Mexican pesos to the people who had already paid for the blocks” SA#6<sup>21</sup>*

By delegating responsibility for social value to the network, the locus to create social value is placed outside the legal boundaries of the company. This boundary decision has consequences, may produce a contrary effect, and lead to value destruction. Communication, monitoring, and feedback during the implementation and at the end of the activities become crucial to guarantee successful results. An omission or excess of trust in the partner may produce a negative effect. As the declaration of a governmental worker shows:

*"To help a little to the community, we sold the bricks in six-seven Mexican pesos, but as government employees, we paid five Mexican pesos for them. As I paid five Mexican pesos, I helped my family a lot and other people as well – as I have many acquaintances. I become a kind of dealer, I told them: If you want blocks, give me the money, I paid for them, in this way, they will be cheaper, and you will construct your house quickly. At least me, I told to my family – as I had already bought blocks – ‘if you want, I have two-three hundred or more just give back what I paid for them... As this is my house... I bought more blocks that I needed ” SA#2<sup>22</sup>*

Even when governmental functionaries were not the target, some government employees benefited from the BM, such as the child protection president, treasurer, and government secretary. Alpha’s advisors must keep in closer communication with the government workers and ensure that all the parties involved understand and

---

<sup>21</sup> Translated from the original “Hicimos y vendimos miles, muchísimo, muchísimo block y que ya a lo último se le tuvo que devolver a la gente el dinero porque ya no se alcanzó a hacer porque ellos ya vinieron por sus blocks... y ya vinieron ellos por su... dijeron que ya venían a recoger su aparato y ya se tuvo que regresar devolver mucho dinero, como algunos 80-100 mil pesos se devolvieron en dinero de blocks”.

<sup>22</sup> Translated from the original: “Para ayudar un poco al pueblo pues los blocks los íbamos a tener a seis pesos y a siete. Pero a nosotros como trabajadores nos los bajaron a cinco... y yo como yo lo pagaba... me los daban a cinco pues y ya ayudé mucho a mi familia y a otras personas también, como conozco mucha gente. Fui negocianta, yo les decía: Si quieren blocks denme a mí el dinero, yo lo pago; como es para mí para que salga más económico y puedan levantar rápido su casa. Al menos yo, a mi familia... les decía yo, como yo tenía adelantado, comprado pues, blocks, les dije: Si quieren yo tengo doscientos, trescientos o más, devuélvanme lo que invertí y... Como esta es mi casa yo casi... compré más ladrillos pues”

share the same objectives and the means to achieve them. More supervision during and after the BMs is needed to monitor and evaluate results.

#### **1.2.5. Exploiting current alliances.**

The identity boundaries establish who an organization is from the point of view of its members. This self-image facilitates integration and influences the working environment and satisfaction. Since its origin in 1906, Alpha's identity has evolved. Although its mission still highlights profitability and efficiency as a cornerstone of its operation, sustainability has become an essential part of the corporate culture. With a very active CSR department, this company has developed diverse alliances. Among them, a partnership with a prestigious university in the north of Mexico stands out as one of the most relevant. Together, they have launched a sustainable development center –which includes an annual contest that rewards the best innovative projects– and a collaboration agreement for internships and collaborative workshops.

Alpha's initiatives in sustainability have been successful and have granted the company a worldwide reputation and recognition as a great place to work. Nevertheless, Alpha has gone beyond and has capitalized on those alliances and reputation. For instance, it integrates the curricula of partner universities and the student body into BM2 and BM3 courses and workshops to develop hard and soft skills. Part of the induction process includes an overview of the company's history and values. As a result, interns feel like they are part of the company, ensuring their commitment and a shared identity:

*"We intend to give families the skills to build a new life by themselves, to help them realize that they are capable of achieving great things, capable of showing to their*



*kids that progress is possible, that they should not keep stuck – maybe – in the life that they have always had" SA#8<sup>23</sup>*

Recognition of the company as sustainable also influences internal reputation and commitment. For example, employees see themselves and the company as experts in construction, so it is not surprising that they perceive teaching and training as a matter of course - even when outsiders often perform these tasks. Additionally, collaborators show a great disposition to work extra for the social objectives of the company, as the manager of distribution projects expressed:

*"Families came and produce their blocks, families go and produce their homes, advised by us, we give them the tools, materials, and finishes for houses. We have seen the constructions that start from nothing, and the constructions now inhabited by people that truly needed them, [people of] fewer resources who worked even Sundays. We have to come to work, to deliver on Sundays because on weekdays they are usually working, and people who need their house, they built on Sunday, and we need to deliver in that moment. For us, clients have been always important, as well as the services provided because our intention is to leave a seed... For us, it is not just a sale; it is a project. We have built loyal clients" FE#3<sup>24</sup>*

However, marketing jargon and profitability still permeated every aspect of the company and its employees. Alpha is a for-profit company with excellent CSR and great use of its resources to create innovative BMs that have the potential to produce

---

<sup>23</sup> Translated from the original: "Se busca dar a las familias las herramientas para que ellos mismos puedan construir una nueva vida, que se den cuenta que son capaces de lograr cosas grandes, que son capaces de demostrarles a sus hijos que se puede crecer, que se puede mejorar, que no se deben quedar estancados, tal vez en la vida que han tenido siempre."

<sup>24</sup> Translated from the original: "Las familias vienen y producen sus blocks, las familias van y hacen su casa, asesorados por nosotros, nosotros proporcionamos herramientas, materiales y los acabados de las casas. Nosotros hemos visto las construcciones que empiezan de nada y las construcciones que ahorita están habitadas de personas que si necesitaban y que son con menos recursos pero ahí han estado trabajando hasta los domingos, nosotros tenemos que venir a trabajar, a entregar los domingos porque en días de semana, por lo regular están trabajando y gente que necesita su casa, viene a trabajar los domingos y nosotros también tenemos que entregar en ese momento. Para nosotros siempre ha sido importante el cliente y siempre el servicio que hemos dado que hemos prestado porque la intención de nosotros es dejar esa semilla.... No se trata de una venta nada más, sino de un proyecto. Para nosotros hemos hecho clientes especiales, clientes fieles, clientes que han vuelto a comprar porque hemos dado ese servicio con valor agregado"

social value. Consequently, it worries about economic sustainability and has developed strategies to ensure profits. Therefore, Alpha's main contribution is to develop strategies that guide customers to create value.

### 1.3. Social value

We identified three ways the Alpha's BMs help to create social value: consumption, collaboration, and intermediation. Figure 37 displays them.

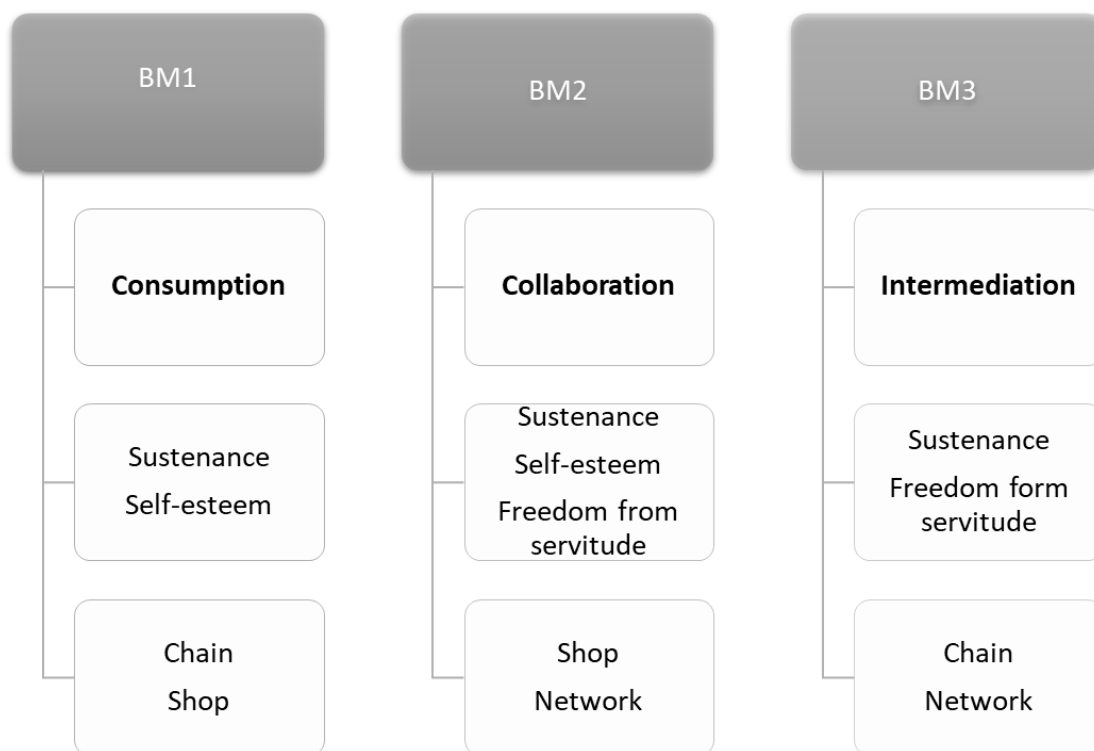


Figure 38: BM's forms of create social value

#### ❖ Consumption

BM1 creates social value through consumption and benefits the BoP market as long as people in that socio-economic sector participate. As we mentioned previously, Alpha created BM1 to serve the BoP market; however, this business model has

moved upstream and now, with renovations and extensions, the value proposition is attractive for higher socio-economic sectors.

Since consumption represents the means to create social value, and the product corresponds to a basic human need, BM1 covers by default the sustenance or coverage of basic needs, but it also has the potential to overcome the second dimension of social development: self-esteem. Having a house is enough to increase self-esteem. However, the probability of a higher sense of value and belonging grows by helping the BoP people save money, give access to credit, manage their resources efficiently and avoid waste. Nevertheless, success depends on reaching the target market. Therefore, Alpha needs to redirect its efforts and attention and align the sales force if it genuinely wants to contribute to social development through poverty alleviation.

In BM1, Alpha combines shop and chain logics. It uses the logic of shops to resolve the problems of the BoP; for instance, through the backup services, the company helps customers overcome the barriers that impede access to safe and affordable houses. However, as the backup services are integrated into the offering, value is in the offering, and chain is still the dominant logic.

### ❖ **Collaboration**

The BM2 creates social value through collaboration. Without governments, this business model would not benefit the BoP. Indeed, in the BM2, Alpha focuses primordially on ensuring its economic sustainability and producing value for its partner. The value for government consists of accessing a method that, combined with crucial resources and knowledge, resolves the lack of housing, an essential indicator for social development and poverty reduction. When BM2 is well implemented, that is, when the company and the government perform their role efficiently, it can cover the three levels of social development: sustenance by having

access to housing, self-esteem, and freedom from servitude through hard and soft skill development.

However, as we saw in the preceding paragraphs, Alpha does not fully control social value creation since the responsibility rests on governments. Corruption, misunderstandings, and inefficient organizations may destroy value and reduce the BM2 to a commercial transaction between the company and governments. The logic behind BM2 for final consumers (the BoP) is network, whereas the value for governments is shops. Municipalities benefit from having an alternative to resolve their housing problems, and the BoP benefits from the collaboration and resources of the company and authorities.

#### ❖ **Intermediation**

The BM3 creates social value through intermediation. Alpha serves as a bridge between social entrepreneurs and governments to benefit the BoP. Without Alpha's intermediation, it would be harder for the social entrepreneur to reach the right levels of governments, for governments to find the ideal supplier, and for both to develop the educational and behavior change campaign necessary to achieve product acceptance. The company takes advantage of the center for social development to find the correct concrete stove for the community's households and develop a persuasive awareness campaign. Hence, by exploiting its network and linking complementing partners, Alpha creates a scenario for social value creation.

BM3 covers the first and third levels of social value: sustenance and freedom from servitude. Sustenance refers to the coverture of basic needs, and health is an elementary condition for well-being. Freedom from servitude includes liberating people from unhealthy habits. It is worth remembering the severe damage that cooking in open-fire stoves does to health. BM3 applies network and chain logics to create social value. Social benefits are in the relationships that Alpha helps to establish and in using the ecological stove.

## Conclusion

It was possible to identify and explain seven strategies: 1) reconceiving offerings, 2) developing new markets, 3) redefining efficiency in the value chain, 4) redefining efficiency in the value network, 5) modifying the ecosystem, 6) nurturing the ecosystem collaboratively, and 7) innovating the revenue streams to create mutual value in the three internal elements of a BM: value proposition, value network, and value constellation. Among them, four (4, 5, 6, and 7) do not correspond to the strategies studied in the CSV literature.

In addition, this chapter deconstructs those strategies by describing fifteen tactics:

1. Developing backup services.
2. Selling solution services.
3. Diversifying with synergistic products.
4. Focusing on a new target market.
5. Taking advantage of the current distribution network.
6. Integrating the BoP in value chain activities.
7. Developing hard skills.
8. Using the current portfolio of resources in novel ways.
9. Taking advantage of current strategic alliances.
10. Changing actors' role.
11. Co-creating temporal infrastructure.
12. Developing soft skills.
13. Promoting positive behavior change.
14. Creating new forms of payment.
15. Diversifying the sources of revenue.

Each of them explains the innovation that MNCs realize in their BMs to produce social and economic benefits. Additionally, to complement the inter-firm perspective, we analyzed the external organization or inter-firm perspective; this approach is

gaining relevance in today's BMs due to the increasing dependence on external parties to reach the successful performance of BMs.

The inter-firm analysis showed that the MNC orchestrates the network utilizing four strategies: 1) using the power of its tangible and intangible resources to design the business model - including the activities of the principal partner-, 2) reducing investment to a minimum by choosing to carry out those activities that are already in line with its competences, 3) enhancing efficiency by delegating social value activities to governments and 4) increasing internal and external reputation by taking advantage of current strategic alliances.

In a nutshell, Alpha applies competence and efficiency logic to coordinate its BMs. It chooses to perform those activities that already correspond to its resources and minimizes costs, leaving almost all the social value-creation activities to allies. In this way, the locus of social value is located outside the legal boundaries of the firm. Therefore, findings suggest that social activities do not favor vertical integration but horizontal breadth.

By applying those internal and external strategies, Alpha's BMs help to create social value in three ways, consumption, collaboration, and intermediation. In consumption, the BoP benefices from the acquisition of offerings. Even when the product helps, the services resolve the problems impeding accessing housing; hence, the solution offered creates coverture of basic needs and self-esteem. In collaboration, the BoP benefits from a commercial partnership between an MNC and governments; the product of this relationship is what can create coverture of basic needs, self-esteem, and freedom from servitude. Finally, in intermediation, the BoP benefits from the bridge that the MNC help to allow between two parties with complementing objectives; the social value -coverture of basic needs and freedom from servitude – is contained in the product per se and the changing habits campaign fostering safe practices.

Alpha is a for-profit company with an excellent CSR department. Its BMs are innovative and social, as the creation of social value is immersed in the main activities of the business models. However, the primary concern of this company is to reach economic sustainability and even profits. Hence, they are perfect examples of the BoP initiatives described by Prahalad. Indeed, two significant achievements of Alpha are: developing BMs that guide consumers to co-create their own value and convincing municipalities that their BMs are the best option to achieve more in terms of social development with their finite resources.

## **Chapter 7: THE FINAL FRAMEWORK AND PROPOSITIONS**

### **Chapter introduction**

The involvement of the private sector, particularly MNCs, in the fight against poverty has been extensively studied in the literature. Even as some criticize the idea of relying on a selfish economic actor to resolve a daunting problem for humanity, for those who embrace this idea is not a secret that it is not an easy task to create social and economic value simultaneously. The vast majority of initiatives thus far have been insufficient since they have not reached the scope to make a difference (Sinkovics and Archie-acheampong, 2019). Although the literature is full of examples of well-intention entrepreneurs, there remains a lack of guidance on what differentiates successful business models from unsuccessful ones.

Multinational enterprises face a number of challenges when entering developing countries, including the need to change their business models radically. However, there is a deficit of documented cases illustrating how companies address the BOP segment (Perrot, 2017). This study aims to bridge this gap by proposing a meta-model that incorporates the collaborative aspects of business models, expanding organizational boundaries (Pedersen et al., 2021, 2017a). As a result, the proposed framework integrates insights from four distinct theoretical domains:

1. Business models: Casadesus-Masanell and Ricart, 2010; Williamson et al., 2019; Zott and Amit, 2010.
2. Social development: Prahalad, 2005; Sinkovics et al., 2015, 2014; Sinkovics and Archie-acheampong, 2019; Yunus et al., 2010.
3. Organizational boundaries: Jæger and Pedersen, 2020; Santos and Eisenhardt, 2009, 2005.



4. Strategic management: Dumalanède and Payaud, 2018; Payaud, 2014b, 2014a; Stabell and Fjeldstad, 2011, 1998.
5. Cross-sector partnership: Dahan et al., 2010; Hartman and Dhanda, 2018; Pedersen et al., 2021.

There are many practical and theoretical reasons why understanding the value creation logic followed by our case study would be useful. However, the main motivation behind this thesis stems from the urgent need to take action.

## **SECTION 1: THE FRAMEWORK TO CONSTRUCT MUTUAL VALUE**

---

The key idea of the proposed framework is to describe the components within a business model that enable the creation of mutual value. Our proposed framework, shown in Figure 39, builds on the social business model framework of Yunus and colleagues (2010) and the system-activity model of Zott and Amit (2010), popular and widely adopted tools. Those frameworks were used to zoom in on the BMs and zoom out them to understand the internal organization (firm-centric view) and the external organizations (collaborative perspective).

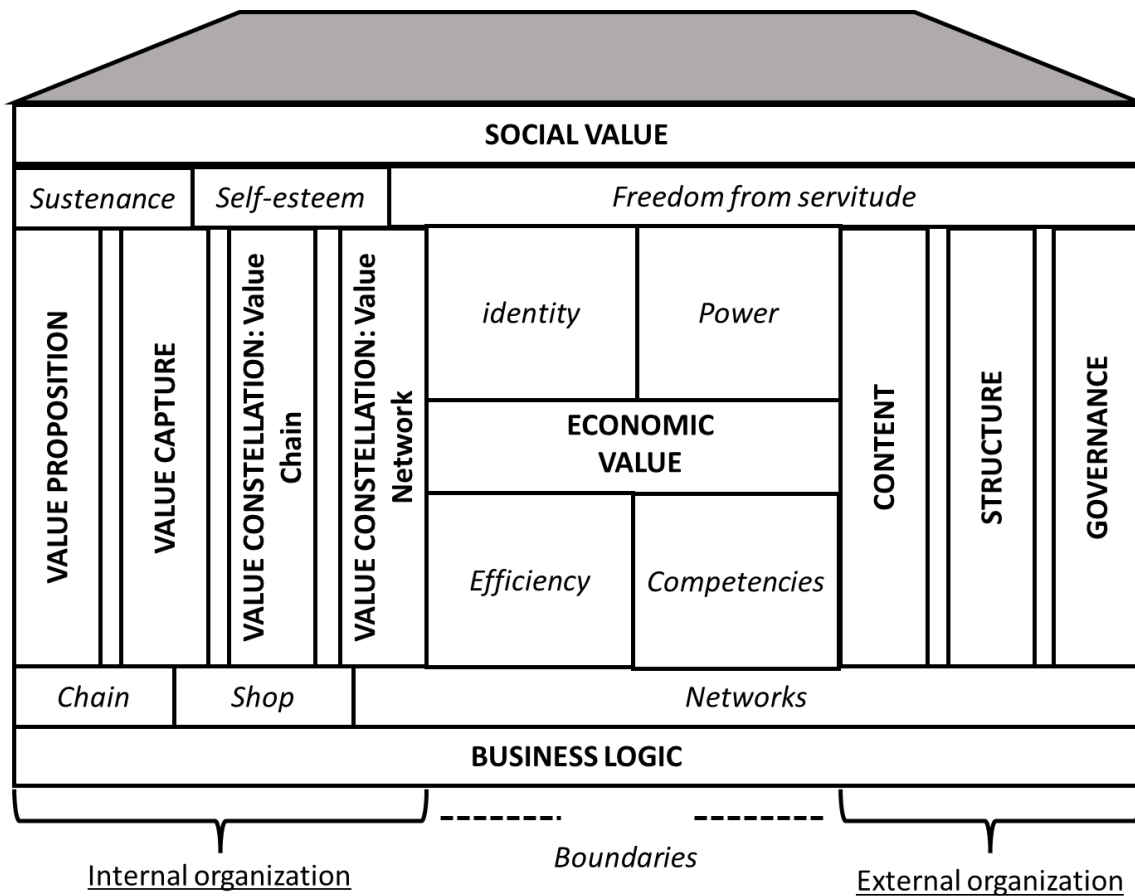


Figure 39: The framework to construct mutual value

The main proposition that the framework makes is to state that business model for mutual value creation requires companies to consider two dimensions, internal and external. The internal configuration consists of the value proposition, value capture and value constellation: chain and network, which focus on establishing congruence between the constituent elements to make the business model viable and attractive to the target market and stakeholders. Furthermore, in the internal dimension, companies intertwine social benefits with economic activities.

The external configuration includes three elements: content, structure, and governance; here is where companies ensure the business model's economic sustainability by strategically managing the organizational boundaries. Indeed, these two business model dimensions allow MNCs to reach an equilibrium between social

and economic objectives. This is in line with the scholars who consider these two aspects of the business model as complementary or as the two parts of the same story (Brehmer et al., 2018; Dembek et al., 2018).

**Proposition 1:** Creating mutual value depends on the strategic organization of the business model's internal and external elements.

**Proposition 1a:** Through the strategic organization of the internal elements –value proposition, value capture and value constellation– companies intertwine social objectives with economic objectives.

**Proposition 1b:** Through the strategic management of the external elements – content, structure, and governance– companies reach economic sustainability.

Therefore, the framework is made up by the following elements:

### 1.1. Business logic

Business logic refers to how a company creates value for its stakeholders (Casadesus-Masanell and Ricart, 2010). Therefore, It bridges internal and external analysis and functions as a communicating vessel (Williamsson et al., 2019). Managers have the option to configure their business models according to chain, shop, or network logic. Conventional firms often adopt chain logic as they associate value with their value proposition, wherein the product or service facilitates value transfer between the company and customers. For the purpose of mutual value creation, companies employing chain logic adapt their offerings to connect social benefits to consumption. They may also develop new products tailored to the specific needs of BoP markets.

Shop logic centers on offering solutions. However, it is the kind of problem to be solved, which "determines the 'intensity' of the shop's activities" (Stabell and

Fjeldstad, 1998, p. 420). In business models for mutual value creation, this logic is primarily evident in the value capture and value chain dimensions, as value lies in offering affordability through consumer credit extensions, creating new payment methods, ensuring accessibility by converting the BoP into final consumers, or enhancing efficiency by integrating the BoP into the value chain and developing hard skills.

Companies that adhere to network logic place value on facilitating exchanges among stakeholders. Accordingly, the value network and the three external elements (content, structure, and governance) follow this logic for mutual value creation. In this context, value is derived from the collaboration established by the company to leverage existing partners, forge new alliances, or orchestrate its network.

Companies can innovate specific elements of the business models and, consequently, focus on a single logic to create mutual value. However, it seems that the application of different logics inside the same BM reaches deeper levels of social value. This is consistent with early studies, which state that those organizations capable of embracing multiple layers of organizational actors and reconciling different logics are able to develop sustainable business models and create value for multiple stakeholders (Dembek et al., 2018; Quélin et al., 2017).

**Proposition 2:** Combining different logics inside the same business model generates deeper forms of social value.

## **1.2. Value proposition**

The value proposition describes the set of products and services that create value for a specific customer segment; some of these may be innovative and represent a new or disruptive offering, and others may be similar to existing market offerings but with added features and attributes (Osterwalder and Pigneur, 2010). A key element in the value proposition of BMs pursuing mutual value is the capacity to create

different benefits for multiple stakeholders. In the BoP context, social development is the desired outcome; hence the value proposition for this market must include innovations that tie social benefits into companies' offerings. In the literature of sustainable BMs, some researchers have suggested that the value proposition must describe what type of value is embedded in the product or service offered by firms (Boons and Lüdeke-Freund, 2013; Laukkanen and Tura, 2022).

**Proposition 3:** Companies create social benefits in the value proposition following the logic of chain.

### **1.3. Value capture**

The value capture represents companies' strategies and tactics to generate revenues from each customer segment. In mutual value creation, companies need to be very sensitive to the situation of customers, especially in low-income markets. Frequently, business models need to include solutions to the low and fluctuant revenues of the poor. Consequently, in the value capture element, MNCs tend to apply a value creation logic of shops.

**Proposition 4:** Companies create social benefits in the value capture element by following the logic of shop.

### **1.4. Value chain**

The value chain refers to a series of consecutive steps that companies apply to deliver their offerings to customers, such as sourcing, manufacturing, and marketing. Good value chain management is about streamlining activities to reduce costs. Congruently, in mutual value creation BMs, good value chain management consists of developing strategies and tactics to correct contextual inadequacies to efficiently produce and distribute products and services. In other words, when the creation of social value depends on overcoming contextual insufficiencies, companies focus on

internalizing them (Porter and Kramer, 2011; Sánchez and Ricart, 2010) by innovating their value chain.

**Proposition 5:** Companies create social benefits in the value chain element by following the logic of shops.

### 1.5. Value network

The value network refers to the reconfiguration of roles and relationships among a network of actors to mobilize value creation in new forms and by new players (Normann and Ramirez, 1993). In other words, when creating social value depends on overcoming daunting contextual insufficiencies, companies focus on developing collaborative agreements with the ecosystem's actors to access and combine capabilities. Congruently, value in this BM's element depends on relationships and cooperation.

**Proposition 6:** Companies create social benefits in the value network element by following the logic of network.

### 1.6. Economic value

Economic value is included at the center of the framework as an independent element of value capture because it emphasizes the financial aspect of the BM for mutual value creation. Furthermore, it portrays that profits depend on the strategic management of the organizational boundaries, which touches the business model's three external elements.

**Proposition 7:** Economic value creation depends on the strategic management of the conceptual boundaries (efficiency, power, competency, and identity) of the external elements of BMs: content, structure, and governance.

## ❖ CONTENT

Content refers to the set of activities that constitutes a business model. For example, in addition to the typical activities of selling construction materials, our case study decided to include micro-credits. Consequently, the company incorporated new activities that required specific capabilities to offer this new service. MNCs seem to take a system perspective and consider their network and their own capabilities when designing the content of their mutual value BMs. Then, by strategically managing the boundaries of competence, a company can decide to internalize only those activities that fit its current set of capabilities and leverage the power boundaries to facilitate negotiation with the actors who will perform the others.

**Proposition 7a:** In mutual value BMs, MNCs internalize those activities that already match their portfolio of capabilities.

**Proposition 7b:** MNCs use their influence over their network to organize their BMs for mutual value creation.

## ❖ STRUCTURE

Structure defines the sequence of activities and their importance, i.e., if they have a core, supporting or peripheral nature. Core activities are usually internalized, while support and peripheral activities can be delegated to partners if they are costly to implement. Therefore, companies use efficiency logic to internalize those economically feasible activities to perform and subrogate those that are not.

**Proposition 7c:** MNCs establish the structure of mutual value BMs based on efficiency.

## ❖ Governance

Governance refers to the actor performing the activity of the business models; it could be the firm "to whom the BM belongs" or third parties. In business models for mutual value creation, power is the dominant logic determining this element. Traditionally, the boundaries of power are drawn in such a way as to allow companies to control their environment. However, in mutual value BM, they are managed inversely. That is, delegating the responsibility and control of social activities to third parties helps firms to gain efficiency, even if that means sacrificing control over the business model.

Identity is the other logic playing an important role in the governance element. In mutual value BM, identity boundaries can be a factor in the internalization of some social activities. Thus, if a company's self-image fits strongly with a social activity, it will likely be governed internally. In our case study, classes for the school of construction and the intervention workshops campaign are governed by Alpha; both activities fit with the idea of a socially responsible company with expertise in construction that permeates the company.

**Proposition 7d:** To increase sustainability, MNCs reduce control of social activities by delegating their governance to third parties.

**Proposition 7e:** Those social activities that strongly fit with the identity of the company – in what they consider experts – are internalized.



## ❖ **Social value**

The last element of our framework is social value. In addition to highlighting the idea that creating social benefits is a crucial requirement in business models for mutual value creation, the social element also points out that different value creation logics produce different types of social development. Those strategies following a chain logic put social value in the offering; consequently, the BoP receives the benefits by consuming. Therefore, BMs that deliver social benefits directly in their offerings cover the first layer of social development: sustenance. Sustenance refers to meeting basic needs related to food, shelter, health and protection (Sinkovics et al., 2014). Depending on the characteristics of the offering, it may cover the second layer, self-esteem, but this possibility is linked to the nature of the product or service rather than to the value creation process.

Strategies following shop logic put value on the solution provided to the BoP. Therefore, by resolving some issues impeding consumption or productivity, either innovating in creating new payment options, sourcing from them, or involving them in the value chain activities; MNCs can cover the second layer of social development: self-esteem. It is worth remembering that self-esteem refers to human dignity, a sense of worth and self-respect (Sinkovics et al., 2014) gained by –for example– treating them as valuable workforce or reliable to obtain credit.

Finally, those BMs that put value in bridging complementary parts together can cover the third layer of social development: freedom from servitude, that is, the ability to live a life in dignity (Sinkovics et al., 2014). Therefore, by leveraging the resources and capabilities of the different members of an ecosystem, MNCs can coordinate that the bottom of the pyramid has access to a wide range of options.

**Proposition 8:** The type of social value created in a mutual value business model is determined by the specific business logic (chain, shop, or network) employed.

**Proposition 8a:** Mutual value BMs following a chain logic cover the first layer of social value: sustenance.

**Proposition 8b:** Mutual value BMs following a shop logic cover the second layer of social value: self-esteem.

**Proposition 8c:** Mutual value BMs following a network logic cover the third layer of social value: freedom from servitude.

## SECTION 2: DEVELOPING THE PROPOSITIONS

---

This section elaborates on each proposition derived from our case study analysis, emphasizing their potential contributions to the literature.

### 2.1. Creating mutual value through strategic organization

Proposition 1 posits that mutual value creation relies on the strategic organization of the business model's internal and external dimensions. In other words, companies must strategically organize their business model's internal and external elements to generate mutual value. The inner components, comprising the value proposition, value capture, and value constellation, are vital for integrating social and economic objectives. By effectively harmonizing these components, companies can deliver products and services that cater to the needs of the BoP while generating revenue to ensure business sustainability.

On the other hand, the external elements, including content, structure, and governance, are instrumental in attaining economic sustainability. By strategically managing these elements, companies can optimize their operations, capitalize on their resources and capabilities, and strengthen stakeholder collaboration. This empowers them to create mutual value for the business and the communities they serve.

In this context, Proposition 1 underscores the significance of a comprehensive approach to business model design that considers both internal and external elements. By organizing these elements strategically, MNCs can foster mutual value creation that benefits not only the business but also the BoP population.

#### **❖ Intertwining social and economic objectives through internal elements**

Proposition 1a asserts that MNCs integrate social and economic objectives by strategically organizing the business model's internal elements: value proposition, value capture, and value constellation.

Strategically organizing the business model's internal elements is crucial for effectively integrating social and economic objectives. The first element, the value proposition, comprises the unique blend of products and services a company offers its customers. By crafting a value proposition that addresses the specific needs and preferences of the BoP, companies can generate social benefits while also creating revenue. This entails understanding the distinctive challenges and opportunities low-income communities face and developing innovative solutions that cater to their requirements.

The value capture component of the business model pertains to the mechanisms through which companies generate revenue and profit. In the context of mutual value creation, this involves identifying and implementing strategies that enable the company to capture a portion of the value created for its customers. This may

encompass adopting innovative pricing strategies, creating new revenue streams, or leveraging partnerships to access untapped markets. By strategically aligning the value capture mechanisms with the social objectives of the business, companies can ensure that their economic success is directly linked to the positive impact they create for the base of the pyramid.

The value constellation consists of the resources, capabilities, and activities the company utilizes to deliver its value proposition and capture value. To create mutual value, companies must strategically organize their value constellation to support their social and economic objectives. This may involve reconfiguring existing resources and capabilities, developing new competencies, or forging partnerships with other organizations to access complementary assets. By optimizing the value constellation, companies can enhance their ability to create and capture value while maximizing the social benefits they generate for the BoP.

#### **❖ Attaining economic sustainability through external elements**

Proposition 1b asserts that MNCs achieve economic sustainability by strategically managing external elements: content, structure, and governance.

Strategic management of the business model's external elements is vital for realizing economic sustainability within the context of mutual value creation. The content of the business model refers to the set of activities and processes that the company undertakes to deliver its value proposition and capture value. To achieve economic sustainability, companies must ensure that their BM content aligns with their social objectives and leverages their unique resources and capabilities. This may involve selectively internalizing activities that match companies' existing competencies or utilizing their influence over the network to organize their business model to support mutual value creation.

The structure element is crucial in determining the sequence and prioritization of activities and their categorization as core, supporting, or peripheral. Core activities are typically internalized, forming the backbone of companies' operations, while supporting and peripheral activities may be delegated to partners if they are costly or challenging to implement. In the context of mutual value creation, companies need to establish an economically efficient structure that fosters collaboration with partners to deliver social benefits.

Governance, the third external element, refers to the actors responsible for performing the activities within the business model. These actors can be the company itself, to which the business model belongs, or third parties. In pursuit of mutual value creation, power and identity are the dominant logics that determine the governance of the business model. Traditionally, companies exercise control over their environment by maintaining authority over their business model's key activities. However, in mutual value creation, companies may delegate control over certain social activities to third parties to enhance efficiency, even if that means sacrificing some control over the BM.

Identity logic significantly influences the governance element of mutual value business models. If a company's self-image strongly aligns with a social activity, it is more likely to internalize and govern that activity. For instance, a socially responsible company with expertise in construction may opt to govern educational programs or workshops related to their field, as these activities align with the company's identity and values.

In summary, the strategic management of external elements, including content, structure, and governance, is critical for MNCs to achieve economic sustainability in the context of mutual value creation. By carefully aligning their business model's content with social objectives, organizing the structure for efficiency, and managing the governance of activities based on power and identity logics, companies can

effectively balance their economic and social goals while fostering mutual value creation.

## **2.2. Amalgamating varied logics for enhanced social value**

Proposition 2 establishes that blending different logics within a single business model engenders deeper forms of social value.

Incorporating varied logics within a single business model enables MNCs to create deeper and more diverse forms of social value. This entails adopting a flexible and adaptive approach to business model design, empowering companies to address the multifaceted dimensions of poverty and inequality at the BoP. For instance, by combining chain, shop, and network logics, corporations can create holistic business models that meet the basic needs of low-income communities (sustenance), bolster their self-esteem, and equip them with the tools to emancipate themselves from servitude. Moreover, this multifaceted approach to value creation allows companies to wield a more substantial and long-lasting impact on the lives of those they serve.

## **2.3. Creating social benefits in the value proposition using chain logic**

Proposition 3 asserts that MNCs create social benefits within the value proposition element of the BM by adhering to a chain logic.

The chain logic focuses on creating social benefits within the value proposition by formulating products and services that directly address the needs and preferences of low-income communities. This involves understanding the BoP's unique challenges and tailoring offerings to cater to these needs. In doing so, companies can create social value by supplying essential goods and services, such as affordable housing, clean water, and healthcare access, contributing to the sustenance of the target communities.

## **2.4. Creating social benefits through value capture using shop logic**

Proposition 4 highlights that MNCs create social benefits within the value capture element by employing shop logic.

The shop logic emphasizes creating social benefits in the value capture element of the business model by implementing strategies that enable low-income communities to access and afford companies' products and services. This might involve devising innovative pricing strategies, extending micro-credit facilities, or exploiting partnerships to provide financing solutions. As MNCs implement shop logic, they can elevate the self-esteem of the BoP population by recognizing their value as consumers and enabling access to essential commodities and services that enrich their quality of life.

## **2.5. Creating social benefits in the value chain element with shop logic**

Similarly, proposition 5 underlines that MNCs create social benefits in the value chain element by also adhering to shop logic.

The shop logic here aspires to create social benefits within the value chain component by involving low-income communities in the company's value-creation operation. This could involve sourcing materials or products from local vendors, providing training and employment opportunities, or engaging the community in the design and delivery of products and services. In effectuating shop logic, companies can boost the self-esteem of the BoP by recognizing their potential as valuable contributors to the value chain and providing opportunities for personal and economic advancement.

## **2.6. Creating social benefits in the value network element through network logic**

Proposition 6 establishes that companies create social benefits within the value network element by harnessing a network logic.

The network logic focuses on creating social benefits in the value network element by fostering collaboration and cooperation among various stakeholders. This may involve building and managing ecosystems of partners that synergistically address the complex challenges faced by low-income communities, such as inadequate infrastructure, limited access to resources, and fragmented markets. As companies employ the network logic, they contribute to liberating the BoP from servitude by leveraging the resources and capabilities of various stakeholders to create a more inclusive and equitable value network.

## **2.7. Creating economic value through strategic management of conceptual boundaries**

Proposition 7 asserts that the economic value creation of MNCs operating at BoP depends on the strategic management of the conceptual boundaries, namely efficiency, power, competency, and identity, which delineate the external elements of BMs: content, structure, and governance.

Generating economic value within the context of mutual value depends on strategically managing the conceptual boundaries of the content, structure, and governance of business models. By effectively managing these boundaries, companies can optimize their operations, leverage their resources and capabilities, and enhance collaboration with stakeholders to create mutual value.



❖ **Proposition 7a: MNCs internalize activities aligned with existing competencies in mutual value BMs.**

MNCs can foster efficiency and effectiveness in their mutual value BMs by internalizing activities that are congruent with their pre-existing capabilities. This entails carefully evaluating strengths and resources and selectively incorporating activities that complement core competencies. Through this alignment, MNCs can efficiently manage costs, reduce operational risks, and enhance the overall performance of their mutual value BMs.

❖ **Proposition 7b: MNCs leverage their influence over the network to organize BMs for mutual value creation.**

MNCs are positioned to shape their BMs for mutual value creation by leveraging their influence over the network. This requires active stakeholder engagement to build alignment and foster collaboration around shared goals and objectives. Using their influence, MNCs can create a more inclusive and supportive ecosystem that fosters mutual value creation for all participants.

❖ **Proposition 7c: MNCs structure mutual value BMs based on efficiency.**

Efficiency is a critical factor in the design of mutual value BMs. MNCs need to structure their business models to optimize operational efficiency while also addressing the needs of the BoP. This may involve streamlining processes, optimizing resource allocation, or implementing new technologies that enable more efficient service delivery. By prioritizing efficiency, MNCs can enhance the economic sustainability of their mutual value BMs while also creating social benefits for the BoP.

❖ **Proposition 7d: MNCs delegate governance of social activities to third parties for enhanced sustainability**

In pursuit of enhanced sustainability in their mutual value business models, MNCs can reduce control over social activities by delegating governance responsibilities to third parties. This approach allows MNCs to concentrate on their core competencies while also ensuring that social activities are managed by organizations equipped with the necessary expertise and resources to catalyze long-term impact. By delegating governance, MNCs can develop a more sustainable and scalable BM for mutual value creation that benefits the company and the communities they serve.

❖ **Proposition 7e: MNCs internalize social activities strongly aligned with their identity.**

MNCs internalize social activities that align closely with their corporate identity and areas of expertise. This practice ensures effective management of activities and optimizes their social impact. Furthermore, it enables MNCs to leverage their unique resources and capabilities to create social value in a manner that is consistent with their corporate brand and mission, thereby enhancing authenticity.

## **2.8. Layers of social value in mutual value business models**

Proposition 8 postulates that the nature of social value created depends on the logic underlying the design and implementation of the mutual value BM. Consequently,

❖ **Mutual value business models following a chain logic cover the first layer of social value: sustenance (proposition 8a).**

Mutual value business models employing chain logic are adept at addressing the initial layer of social value, namely sustenance. Sustenance involves catering to the fundamental needs of low-income communities, which include food, shelter, health

services, and protection. By centering their efforts on providing essential goods and services, companies can create tangible social benefits for the BoP.

- **Mutual value business models following shop logic cover the second layer of social value: self-esteem (proposition 8a).**

Shop logic-driven mutual value business models address the second layer of social value: self-esteem. Self-esteem refers to the sense of dignity and self-worth individuals derive from accessing and utilizing essential goods and services. Companies adopting shop logic can enhance the self-esteem of low-income communities by treating them as valuable customers, providing affordable products and services, and enabling their participation in the market economy. This approach offers economic benefits and fosters a sense of empowerment and pride among the BoP.

- **Mutual value business models following a network logic cover the third layer of social value: freedom from servitude (proposition 8b).**

Business models that abide by network logic focus on the third echelon of social value —freedom from servitude. This implies enabling low-income communities to transcend the confines of poverty and inequality by providing them with opportunities for personal and economic growth. In employing network logic, companies foster social benefits by promoting collaboration and cooperation among diverse stakeholders. Moreover, through these collaborative efforts, companies can mobilize the resources and capabilities of various stakeholders to establish a more inclusive and equitable value network, thus facilitating BoP's freedom from servitude.

The eight propositions outlined herein provide a comprehensive framework for understanding how companies can create mutual value by strategically organizing their business models' internal and external elements. Through utilizing diverse logics and managing conceptual boundaries, this strategic alignment engenders

deeper forms of social value addressing various facets of poverty and inequality at the BoP. Not only does this approach bring benefits to the company and its stakeholders, but it also contributes to the overarching goal of inclusive and sustainable development,

### **SECTION 3: IMPLICATIONS FOR SCHOLARLY LITERATURE**

---

Testing each proposition will benefit the literature in management in several ways, providing valuable insights and expanding the knowledge of mutual value creation, particularly within the context of BoP markets. The potential contributions of evaluating these propositions include:

- Enhancing understanding of mutual value creation: testing the propositions will help researchers and practitioners to gain a deeper understanding of the processes and mechanisms inherent in mutual value creation within business models, especially for MNCs operating in BoP markets.
- Expanding knowledge on BM design and innovation: inquiry into the propositions will enrich the business model design and innovation literature by delving into the strategic organization of internal and external elements and the interplay between different logics in creating mutual value.
- Addressing the multidimensional aspects of poverty: the propositions highlight the importance of creating social value across different dimensions of poverty, such as sustenance, self-esteem, and freedom from servitude. Investigating these propositions will yield insights into how business models can effectively address these dimensions and alleviate poverty.
- Reinforcing boundary management understanding: an investigation into the strategic management of conceptual boundaries (efficiency, power,

competency, and identity) in the context of mutual value business models will enhance the literature on boundary management and its role in creating economic and social value. Moreover, it will expand upon earlier research by Eisenhardt and Santos (2005), who studied different conceptual boundaries in nascent markets, emphasizing the importance of boundary-spanning approaches for MNCs operating in the BoP context.

- Investigating the role of MNCs in BoP markets: testing the propositions focus on MNCs' role in creating mutual value in BoP markets will shed light on the unique challenges and opportunities that MNCs encounter in these markets and the strategies they deploy for mutual value creation.
- Fostering collaboration and value network creation: propositions concerning network logic emphasize the importance of collaboration and value network creation within mutual value business models. Testing these propositions will provide insights into the literature on cross-sector partnerships, particularly regarding the benefits and challenges of building and managing collaborative value networks in BoP markets.
- Exploring the interplay between social value creation and economic sustainability: the testing of propositions linked to value proposition, value capture, value chain, and value network will augment literature on the relationship between social value creation and economic sustainability, offering insights into how companies can harmonize these objectives within their BMs.
- Informing managerial decision-making and strategy: testing the propositions will provide practical implications for managers and decision-makers, providing guidance on the design and implementation of mutual value BMs and the management of the trade-offs and synergies between economic and social value creation.

In essence, evaluating these propositions will notably enrich management literature, expanding our understanding of mutual value creation in the BoP market context, and offering valuable insights for researchers, practitioners, and policymakers working in this field.

## **Conclusion**

This chapter presented a framework that explains how the business models of MNCs create mutual value at the base of the pyramid. It draws on a revelatory single case study; therefore, the premises and propositions offered are based on the specific characteristics of this type of organization. However, they provide valuable insights and open new and interesting paths for future research. Besides, MNCs play an important role in serving the BoP market because of their resources and capabilities. Consequently, understanding the mechanisms these enterprises use to serve the BoP efficiently has important implications for poverty eradication.

The importance of boundary-spanning approaches to successful social value creation (Lashitew et al., 2021) and their positive relationship to developing creative solutions (Tippmann et al., 2017) has recently started to be recognized. This thesis follows that line of investigation and considers business models as "structures" that expand the boundaries of an organization. Consequently, we address the internal and external configurations of BMs.

In the internal dimension of a business model, social benefits are crafted by following different logics that facilitate the coverture of different poverty levels, i.e., by innovating the internal elements, social objectives are attached to the economic core of for-profit companies. In contrast, external organization is where benefits are elaborated through strategic boundary management that streamlines the operationalization of BMs. In the external dimension, MNCs use their BMs to connect network players and access unique tangible and intangible resources that would

otherwise be out of reach for the firm. It is also in this part that the sustainability of the business model is ensured.

## CONCLUSION OF THE THIRD PART

---

The third part was devoted to the empirical phase of our research project and the case study analysis.

**Chapter 5** justifies our pragmatic philosophical position that focuses on offering practical solutions supported scientifically. Our project comprises the development of a framework with two interrelated objectives: describe and guide the design of business models for mutual value creation. Congruently, we applied a qualitative methodology based on case studies and documentary research. This chapter also explains our choices regarding the collection and content analysis.

**Chapter 6** presents the analysis of the single case study. It zoomed in on the four business models to describe the value creation process in the value proposition, value capture, and value constellation elements. Also, it zoomed out the BM to explain the strategic management of organizational boundaries in the content, structure, and governance elements. The strategic management of the internal and external components allows MNCs to reach social and economic sustainability.

Finally, **chapter 7** provides the final framework to construct mutual value creation. Through an abduction process between theory and empirical data, we identified two dimensions and nine elements that constitute business models for the simultaneous creation of social and economic value in BoP contexts.





## **GENERAL CONCLUSION**

---

---

## **GENERAL INTRODUCTION**

---

### **FIRST PART: UNDERSTANDING THE ROLE OF BUSINESS IN SOCIAL DEVELOPMENT**

Chapter 1: The purpose of business

Chapter 2: Organizational value creation

---

### **SECOND PART: BUSINESS MODELS FROM A FIRM AND NETWORK PERSPECTIVE**

Chapter 3: Understanding business models

Chapter 4: The internal and external organization of business models

---

### **THIRD PART: EMPIRICAL ANALYSIS**

Chapter 5: Methodology

Chapter 6: The case

Chapter 7: The final framework and propositions

---

## **GENERAL CONCLUSION**

---

We have analyzed the business models of a successful example of a multinational corporation serving the base of the pyramid. The study of a single case with three mini-cases has allowed us to understand the value-creation process at the strategic and operative levels. Our objective was to understand the mechanisms that differentiate the outstanding performance of an MNC in a market where the majority has failed. Given the complexity of the BoP market, we focused on analyzing the logics, strategies, and tactics to adapt/design business models for the purpose of creating economic and social value simultaneously. By taking an integral perspective that combines firm and network levels of analysis, we could identify the characteristics that business models for mutual value creation must have to succeed in the BoP market. Although our case study operates in the construction industry, we believe the results can be adapted to different sectors.

Our intention of understanding the creation of value justifies the use of business models as a unit of analysis since it represents the logic of an enterprise to create, deliver, and capture value. The social business model and the system-activity perspective - enriched with other concepts from the literature - have served as a base for the construction of our analytical framework that guided the analysis of our case study. Through a process of systematic combining, we were able to conciliate insights from literature and data to propose a framework for the design of business models for mutual value creation. We hope that it will stimulate thought, ease decision-making, ensure smooth implementation, and—most importantly—inspire solutions that could contribute to advancing efforts to reduce poverty.

This thesis aimed to respond to the following problematic and research question:

**How do multinational corporations create mutual value at the base of the pyramid?**

RQ 1: How do organizational value creation concepts: BoP, CSV, BVP, and TBL, differentiate between them?

RQ 2: What strategies and tactics do MNCs apply to innovate their BMs' elements: value proposition, value constellation, and value capture at a firm level?

RQ 3: What strategies do MNCs apply to organize their BMs' elements: content, structure, and governance at a network level? How do those strategies affect their conceptual boundaries?

RQ 4: What logic (shops, chains, networks) do MNCs apply to create social value?

RQ 5: What type of social value are MNCs delivering?

We respond to our research problem by answering each question in the next section. Later, we present the theoretical and practical contributions, followed by a discussion about the validity of the knowledge produced and the methodological and empirical limitations. Finally, we suggested directions for future investigation.

## **SECTION 1: ANSWERING THE RESEARCH QUESTIONS**

---

This section briefly responds to the research questions.

**How do multinational corporations create mutual value at the base of the pyramid?**

**RQ 1: How do organizational value creation concepts: BoP, CSV, BVP, and TBL, differentiate between them?**

The simultaneous creation of social and economic value has permeated literature. As a result, many terms apparently explaining the same phenomenon emerged. However, among them, the BoP is the only approach that has explicitly claimed to

pursue creating mutual value. This misunderstanding is an important impediment for businesses to act and benchmark progress (Elkington, 2018). In order to have a clear framework from which to construct our research, we delineated and compared four well-embraced concepts: the blended value proposition, the triple bottom line, creating shared value, and the base of the pyramid.

#### ❖ **Contrasting understandings of value.**

We found that the BVP, the TPL, CSV, and the BoP interpret value differently. The BVP does not recognize value's bifurcation or disaggregation. That is, value is by origin merged. Therefore, economic and social-environmental aspects are two sides of the same coin. TBL recognizes the existence of three value elements that are not integrated. This is useful in accountancy –the area where TBL has had the most influence– where elements are assessed, evaluated, and reported independently. CSV establishes that economic and social benefits are closely intertwined; consequently, resolving social problems increases the economic benefits of companies. Finally, the BoP sees a positive interdependence between profits and the poor's well-being by describing low-income markets as profitable and underserved.

#### ❖ **Different means to create a holistic value.**

The BVP creates value through impact investment –the intentional search for economic gains and positive social impact through financial asset investments– and the integration of social objectives in the corporate policy, governance, and culture of organizations. For its part, the TBL mainly recommends developing an accounting system capable of measuring and disclosing the financial, social, and environmental performance of corporations. In contrast, CSV articulates three ways of creating shared value: reconceiving products and markets, redefining productivity in the value chain, and building supportive industry clusters at the company's locations. Finally, The BoP suggests reconfiguring every element of their business models into a

sustainable, inclusive, and profitable version capable of covering the 4As: awareness, access, affordability, and availability, as well as reevaluating price-performance relationships, cost-cut technologies, and capital efficiency.

❖ **Mutual value as the unifying outcome.**

We state that the four concepts seek to produce mutual value. We base this statement on the fact that the economic, social, and environmental benefits purposely generated by business activities are intended to impact all the parties involved: corporations, governments, local communities, environment, among others. Besides, the word "share" implies giving part of something that already belongs to someone, whereas mutual highlights communal property. In addition, the word mutual is more appropriate since complex forms of value are a product of collaborative efforts, wherein each actor plays a crucial role.

❖ **A specific action dimension.**

Each concept was conceived to operate in a specific management dimension. The TBL action area was located at the operational management level, associating specific indicators to economic and social aspects to express the total value created and dictating internal and external disclosure to enrich information systems and facilitate decision-making. The BVP characteristics fit with the normative level as it focuses on the dual missions of organizations and relationships with investors. CSV and BoP clearly belong to the strategic management level as they center on finding competitive advantages through developing innovative strategies and business models.

The BoP and CSV do not only share the same management dimension; indeed, they are pretty similar. It seems that the BoP is not just an aspect of creating shared value (Porter and Kramer, 2014) but a target-specific subcategory.

Answering the first research question gave clarity to this thesis' theoretical framework. It does not just allow us to focus on mutual value as the concept that better embraces the simultaneous creation of economic and social value. It also justifies our choice of guiding the intra-firm analysis with the three strategies mentioned in the CSV literature.

**RQ 2: What strategies and tactics do MNCs apply to innovate their BMs' elements: value proposition, value constellation, and value capture at a firm level?**

We analyzed the internal organization of business models using a firm-level perspective based on four elements: value proposition, value capture, value chain, and value network.

**❖ MNCs apply strategies and tactics to create social value that are congruent with their business objectives.**

We found that MNCs applied different strategies and tactics in each internal element that are congruent with their business objectives. In chapter five, we used secondary analysis of real-world MNCs from different sectors and identified four strategies and eleven tactics. Later, we identified seven strategies and fifteen tactics from the more granular analysis of our case study belonging to the construction industry. Based on those analyses, we state that companies can create numerous strategies and tactics since they have different resource mixes. However, all of them must be related to the current business objectives to increase the likelihood of mutual value creation. Otherwise, social value creation will become peripheral to the business model, or the BM will not be sustainable enough to continue operating.

In combination, this thesis identified at the value proposition level: two strategies: reconceiving offerings and developing new markets. Together with six tactics: adapting products currently sold in other markets, developing new offerings to cover



the specific needs of the BoP, developing backup services with intangible benefits that resolve the problems precluding the consumption of the main offer, selling solutions based on the consumption of the offering, diversifying current offering with complementary products and focus on a new market.

At the value capture level, MNCs mainly innovate the revenue stream by adapting payment options to the resources of the BoP, creating new payment options, or diversifying the source of revenue. At the value chain level, MNCs redefine efficiency by sourcing from BoP producers, integrating the BoP into value chain activities, taking advantage of current distribution networks and partners in general, developing hard skills, and using the portfolio of resources in novel ways. Finally, in the value constellation, MNCs redefine efficiency in the value network and modify and nurture the ecosystem.

#### ❖ **MNCs adapt their network.**

For mutual value creation purposes, MNCs applied two of the three strategies identified in the CSV literature: reconceiving products and markets and redefining efficiency in the value chain. However, regarding the third strategy: enabling cluster development, MNCs tend to take a more collaborative approach and adapt their ecosystem by redefining efficiency in the value network, modifying the ecosystem, and nurturing the ecosystem collaboratively.

MNCs redefine efficiency by taking advantage of current strategic alliances that are not related to the operation of their business, such as distribution but to those developed to improve corporate reputation, such as universities. MNCs modify their ecosystem by changing the role of actors in their network. That is, clients become suppliers, governments become customers, and customers become beneficiaries. Changes in the network are made under the rationale of gaining sustainability and bridging stakeholders with complementary objectives. Multinational corporations also co-create temporal infrastructure frequently in a cross-sector partnership

scheme, such as the brick factory of the case study that allows people to produce their bricks or the milk collection communities of Danone Egypt that enable farmers to obtain fair prices for their milk and increase quality and quantity.

Finally, MNCs nurture the ecosystem by developing soft skills through workshops or training aimed at developing personal capabilities such as entrepreneurship, resilience, and self-esteem. Another form of nurturing the ecosystem is by promoting positive behavior change that usually results in beneficial for the company. Consequently, behavior change initiatives are frequently part of awareness campaigns. These three strategies growth in complexity, that is, redefining efficiency in value network requires a lower degree of involvement in the environment since it takes advantage of current partnership, while nurturing ecosystem demand a more proactive approach to create new connections or develop new partnerships.

**❖ Strategies to create social value are developed in the internal elements of the business models.**

In line with creating shared value literature, MNCs create connections between economic and social concerns in the business model's internal element. That is, the strategic planning of social value activities occurred internally to streamline their operationalization by intertwining with economic objectives.

**RQ 3: What strategies do MNCs apply to organize their BMs' elements: content, structure, and governance at a network level? How do those strategies affect their conceptual boundaries?**

To organize the external dimension of the business model, the MNC under study uses the power of its tangible and intangible resources to design the business model—including the activities performed by other actors—, visualize their resources and those of the network to decide a content congruent with its identity, reduces investment to the minimum by choosing to perform those activities that already

match its competencies, gains efficiency by delegating social value activities to governments and strengthens internal and external reputation by taking advantage of current strategic alliances.

- ❖ **MNCs use their influence, autonomy, and power to design the content and structure of the business model, as well as to dictate the governance scheme.**

The MNC uses its influence, autonomy, and power of intangible and intangible resources to design its inclusive and social business models in isolation. Later, the company presents it as a "solution" that already describes the core, supportive and peripheral activities of the BM3 and who will perform each of them. In this way, the MNC orchestrates the business system.

- ❖ **Competence and identity determine the content of the business model.**

MNCs consider their resources and those of their network at the moment of deciding which activities will make up the business model; this allows them to develop a BM with a greater capacity to create social value. Those activities, however, must be in harmony with the identity of the firm to ensure commitment and direction. This is in line with the idea of entrenching those social problems that already match economic objectives. Congruently,

- ❖ **Competence and efficiency boundaries determine the governance of activities.**

MNCs tend to produce financial benefits or cost reductions by performing activities that already match its resources and capabilities. In this way, they reduce the company's investment to the lowest level to reach economic sustainability. On the other hand, the internalization of social activities depends on boundaries of efficiency. That is, our case study took advantage of current partnerships that

already possess the personnel and knowledge suitable for this task. Therefore, competence and efficiency boundaries are the main logics behind governance.

- ❖ **By strategically managing power boundaries, the MNC increases its dependence on partners to perform social activities.**

A boundary decision based on power is a choice of activity domains over which the organization will exert influence. Although the MNCs under study used power to design the BMs' content and structure and dictate the governance scheme, it intentionally reduced influence in the social part of the business model. That is, the MNC strategically increases dependency on the partners regarding social activities that are crucial to evaluate the performance of the BMs to save costs and gain sustainability.

- ❖ **The social activities performed by the MNCs are consistent with their identity.**

Boundaries of identity should be set to achieve coherence between the attributes and purpose of the organization and its activities. As we mentioned, the social activities performed by Alpha respond to the logic of efficiency since they are leveraged in current alliances. However, they are also congruent with the company's identity, i.e., how members define the organization. This identity is the rationale behind the type of partnerships developed by the MNCs in CSR matters, and it is also behind the commitment shown to social activities by employees, temporary workers, and interns.

#### **RQ 4: What logic (shops, chains, networks) do MNCs apply to create social value?**

MNCs can configure their business model for mutual value creation following a chain, shop or network logic. Companies following chain logic adapt their offerings

to tie social benefits to consumption. Therefore, it is likely that this logic is mainly applied in the value proposition dimension. Companies following shop logic tie social value to solving the BoP problems such as affordability and accessibility. Hence, this logic is mainly presented in the value capture and value chain dimensions. Finally, companies following a network logic put value in bridging complementary parts. Thus, this logic is presented in the value network element. Besides, as companies take a system perspective to organize the external dimension of the business model, network logic also predominates in the content, structure, and governance elements.

Therefore, companies can focus on a single logic to create mutual value by innovating in specific elements of the business models. However,

- ❖ **Combining different logics inside the same business model generates deeper forms of social value.**

Business models capable of combining different logics can cover the different dimensions of social value.

#### **RQ 5: What type of social value are MNCs delivering?**

- ❖ **Different value creation logics tend to produce different types of social development.**

Companies that tie social benefits to the value proposition cover the first layer of social development: sustenance. Companies that follow shop logic and put value in solving the problems of the BoP cover the second layer: self-esteem. Finally, those BMs that take advantage of the resources and capabilities of the different members in an ecosystem are capable of covering the third layer of social development: freedom from servitude.

Moreover, we identified three types of business models based on how they create social and economic value: consumption, collaboration, and intermediation. In the first type, MNCs can create social value by facilitating product consumption. Therefore, any form of innovation applied in the different elements of a business model that facilitates the purchasing and subsequent consumption of offerings falls into this category. Frequently, this type of BM —termed the 'Consumption Model'— engenders value primarily at two intersecting points. First, at the BoP, wherein value is delivered to the consumers by providing accessible products and services. Second, it procures value for the MNCs themselves, functioning as sellers, by fostering a viable, profitable market segment.

The second type of BMs for mutual value creation is collaboration. In this business model, social value is a product of cooperation between the MNCs and a primary partner. Therefore, several innovations in the business model elements are made to prompt collaboration, increase efficiency, and benefit the BoP. Value is mainly captured by the MNCs as the seller, the principal partner as the client, and the BoP as the final beneficiary.

Finally, MNCs may create mutual value by intermediation. That is, companies use their reputation, privileged position, and knowledge to bring together complementary parts. This type of BM produces value for a major number of stakeholders. In the case study, the MNC captures value as a broker, the social enterprise as a supplier, the government as a client, and the BoP as the final beneficiary.

## **SECTION 2: THE THEORETICAL IMPLICATIONS OF THE RESEARCH**

---

### **2.1. Theoretical contribution to organizational value creation literature**

#### **2.1.1. Delineation and comparison of four concepts using the methodology of Morse.**

The organizational value creation literature has emphasized financial rather than social aspects (Corte and Del Gaudio, 2014). However, the XXI century witnessed the emergence of different approaches trying to dictate the simultaneous creation of economic and social value. These approaches came in response to the long-standing shareholder and stakeholder theory debate. This bewildering set of options causes researchers to question which approach best contributes to overall social welfare (Windsor, 2017). We contribute to responding to this question by clarifying the differences between four concepts that are not well distinguished in the literature: the blended value proposition, the triple bottom line, creating shared value, and the base of the pyramid. We stated that each has a role to play in value creation theory due to contrasting interpretations of value and different means to create it. Having clear definitions of crucial concepts may synergize disparate efforts and advance research.

Moreover, we applied Morse's methodology for concept development, a broadly embraced method in nursing. As far as we know, this is the first attempt to do it.

#### **2.1.2. Analyzing the overlapping between firm and network levels in the value creation process**

The process of value creation will differ based on whether value is created by an individual, an organization, or a network (Lepak et al., 2007). Up to now, research has centered on understanding single levels of analysis. Therefore, it is relevant for the field or organizational value creation to examine the overlapping between the

different levels in the value creation process (Corte and Del Gaudio, 2014). We contribute to this debate by analyzing the overlap between organizational and network levels for creating economic and financial forms of value, an intersection understudied (Corte and Del Gaudio, 2014). We found that both levels are complementary in the mutual value creation process since it is at the firm level, where social progress is connected to business objectives, and at the network level, where economic sustainability is reached. Our findings also support the suggestions of some scientists (Brehmer et al., 2018; Dembek et al., 2018; França et al., 2017; Mason and Spring, 2011), about the interdependency between these levels of analysis.

## **2.2. Theoretical contributions to the BoP literature**

### **2.2.1. Determining the applicability of CSV strategies to the BoP**

The CSV has been labelled as an umbrella concept (Crane et al., 2014), where the BoP is an aspect (Porter and Kramer, 2014). Through the delineation and comparison, we confirmed that the BoP is a subcategory of CSV. However, whereas in the CSV, the three ways to create economic and social value are straightforward: (1) reconceive products and markets; (2) redefine productivity in the value chain; and (3) build supportive industry clusters; it does happen the same in the BoP literature. We analyzed the applicability of CSV strategies in the business models of an MNC serving the BoP. We found that MNCs apply the first two strategies, whereas they engage in transforming the network instead of merely building a supportive cluster. In line with the idea that value creation involves innovation (Lepak et al., 2007; Porter, 1998b), MNCs serving the BoP invented a fourth strategy regarding the revenue stream in order to ensure affordability.



### **2.2.2. Reinvigorating the role of MNCs and the mutual value concept**

Early articles relating to the base of the pyramid concept have emphasized that MNCs own the necessary capabilities to target low-income markets and contribute to poverty alleviation (Perrot, 2017; Prahalad, 2005; Prahalad and Hart, 2002). However, Kolk and colleagues (2014) concluded that the BOP concept had evolved dramatically, de-emphasizing the role of MNEs over time. Indeed, only a small number of reported BOP initiatives are led by MNEs. We retake the original idea regarding the central role that MNCs have in leveraging BoP initiatives.

Literature in BoP markets has paid disparate attention to the economic and social outcomes of BoP initiatives (Kolk et al., 2014), even though the BoP is underpinned by the mutual value concept (Dembek et al., 2019; London et al., 2010). There is an urgent need for empirical examination of the central tenet of BoP: that businesses can generate mutual value (Dembek et al., 2019). Our research not only distinguishes mutual value from shared value but also studies the strategies, tactics, and logics behind the simultaneous creation of economic and social value for various stakeholders.

### **2.2.3. Enhancing understanding of mutual value creation process**

There is already a recognition of the fact that existing, dominant business models will prove ineffective at the lowest level of the BOP (Dembek and York, 2022). Therefore, identifying the appropriate business strategies for social value creation is a key issue (Sinkovics et al., 2014), as well as a deeper analysis of the various business models at the BOP (Kolk et al., 2014). Congruently, we analyze the mutual value creation process considering two criteria mentioned in the BoP literature as indispensable for succeeding at the BoP: business model innovation and cross-network collaboration (Dembek et al., 2019; Mason et al., 2017; Nerurkar, 2021). We identified several strategies to create mutual value at the BoP at both the firm and the network-level of analysis. Moreover, we also found that MNCs equilibrate

contrasting objectives by focusing on each in a distinct business model dimension. That is, by managing the internal elements, social value strategies become an organic part of the business model, and by managing the external elements, the business model becomes sustainable economically.

Our findings show that MNCs have the capacity to deploy resources (knowledge, human resources, and networks) to design business models for mutual value creation. This confirms the stream of research that argues the need for MNCs to dramatically change their business models and develop new dynamic capabilities (Perrot, 2017), i.e., a firm's ability to *"integrate, build, and reconfigure internal and external competences"* (Teece et al., 1997, p. 512).

#### **2.2.4. Extending the three logics of value creation to explain mutual value creation by MNCs.**

Different combinations of logics shape strategic choices related to organizations' customer segments, value propositions, distribution channels, and networks, shaping, in this way, the business model (Ocasio and Radoynovska, 2016). Stabell and Fjeldstad (1998) propose three distinct logics –chain, shops, and networks– leading the value creation process. We add to the work of Dembek and colleagues (2018) and Dembek and York (2022) by analyzing different logics of value creation of business models serving the BoP. However, unlike the research of those scientists, we focus on multinational corporations instead of SMEs and NPOs. Furthermore, a key contribution of our work is the extension of the three value logics theory to show that different single business models following a distinct logic of value creation can create specific levels of well-being.

#### **2.2.5. Considering poverty as a multidimensional concept**

While previous BoP versions referred to social value, they have often left these concepts undefined and undifferentiated (Dembek et al., 2018). Recently, we have

seen calls for more BoP research to incorporate a broader definition of poverty beyond economic dimensions (Dembek et al., 2019) to establish a relationship between value creation logics and particular forms of value (Dembek et al., 2018). Defining social value in terms of development (Sinkovics et al., 2014) is essential since it avoids considering poverty the pure product of economical constraints. This research contributes with a multidimensional perspective that defines social value as any activity leading to cover one or all dimensions of development: sustenance, self-esteem, and freedom from servitude (Sinkovics et al., 2015, 2014; Todaro and Smith, 2012) to classify the social value created by MNCs at the BoP. By taking a holistic perspective, companies can identify new ways to help to poverty alleviation. Furthermore, we propose that certain logics are prone to produce benefits covering specific poverty layers.

## **2.3. Theoretical contributions to the business model literature**

### **2.3.1. A collaborative perspective in business models**

Mainstream business model research has often focused on individual organizations. What is often missing or lost in business model discussions is that the development and operationalization of businesses are often dependent on the collaboration of multiple actors (Pedersen et al., 2017a). Indeed, if companies neglect the power of networks and the values of their constituent actors, they fall short in solving urgent societal problems (Breuer and Lüdeke-Freund, 2017). Today's frameworks have underrepresented networks. It is critical to address collaborative BMs with a more holistic perspective that broadens the spectrum of solutions, stakeholders, and boundaries to address humanity's wicked problems (Pedersen et al., 2021).

This research responds to this call and approaches business models since a systemic perspective that recognizes BMs depends on different stakeholders' collaboration, even when it "belongs" to a determined firm. The proposed framework for the construction of mutual value creation gives partners' participation and

resources the importance they deserve and highlights the solving-problem potential of business models, an area of research that still needs to be explored.

### **2.3.2. Extending the applicability of conceptual boundaries to the business model.**

Social value creation is predominantly characterized as a behavior that is not confined within the boundaries of an enterprise (Austin et al., 2006; Brehmer et al., 2018). Congruently, we applied a boundary-spanning perspective on business models and extended the five conceptual boundaries of Santos and Eisenhardt (2009) to the business model literature as the rationale to explain firms' strategic choices to coordinate their network, access their resources, and gain efficiency.

### **2.3.3. Offering an integrative perspective: business logic, strategies, business models, and tactics.**

Casadesus Masanell and Ricart (2010) stated that the lack of consensus about the distinctive features of superior business models is the ambiguous distinction between the notions of strategy, business models, and tactics. Congruently, Williamsson and colleagues (2019) propose business logic as the missing link to integrate these three concepts. We contribute to clarifying these concepts empirically by identifying them in the case study. Besides, we proved that business logic establishes the contours within which a manager expects business models, strategies, and tactics to develop (Williamsson et al., 2019). We also agree that the concept can be a starting point when characterizing the conditions necessary for changing a business model (Williamsson et al., 2019).

### **SECTION 3: THE PRACTICAL IMPLICATIONS OF THE RESEARCH**

---

The proposed framework represents an effective approach to understanding a firm's mutual value creation process at the BOP. Based on a successful example, it provides a reasonable roadmap for entrenching social value to the core strategy and gaining economic sustainability. One particularly advantageous aspect of the framework is the conciliation of two levels of analysis, which provide a comprehensive overview of the BM by depicting how it looks and works (Brehmer et al., 2018; Dembek et al., 2018). Congruently, the framework can serve two purposes. The first is to describe the business models to help organizations identify the critical characteristics that allow reaching success at the BoP and where economic and social value creation could be enhanced in the BM. Indeed, the strategies and tactics identified in this thesis can be replicated by other companies. Still, more importantly, they can also create new ones as they mobilize BMs' internal and external elements.

The second is to serve as a guide for designing other business models. Practitioners can use the framework to understand how to improve their BMs. Therefore, if the company is open to innovation and crossing existing boundaries, the framework will be a helpful tool to elucidate the path to approaching the BOP segment sustainably. Moreover, understanding that certain value logics tend to produce specific types of social value will help managers to design better strategies and business models. Furthermore, we bridge concepts frequently used by managers when they explore businesses' past, present, and future. A precise understanding and integration of concepts will shed light on how they could address their objectives and create mutual well-being.

Multinational corporations from all sectors can adapt the framework's internal and external elements to construct business models for mutual value creation.

## **SECTION 4: THE METHODOLOGICAL AND EMPIRICAL LIMITATIONS**

---

A research process is always subject to a certain number of limits. These limits can be theoretical, methodological, related to the research field, or even linked to the limited time available for the research. However, they open new avenues for future research.

Our study is inherently limited by its specificity. Focusing on the analysis of just one case limits the capacity to make generalized conclusions—however, as the findings, framework and propositions are based on a revelatory case, they provide deep insights into how MNCs innovate their business model for creating economic value and helping to eradicate poverty. As such, it will help other MNCs to design business models with better probabilities of succeeding at BoP. Besides, we try to complement data by using documentary analysis that relies upon secondary sources.

The conclusions to be drawn from the data in this study are also limited in other ways. First, the applicability of the findings is restricted to big corporations. Although SMEs could benefit from the insights developed in this research, further understanding of their value creation logics and boundary decisions is needed to offer a better guide. Second, this study only points to links between BMs' elements and value chain logics, value chain logics and levels of social development. It does not prove causation.

A second limitation is that we collect the empirical data in a single country, even when the business models have been scaled to other locations. Although Mexico, like any other country in the third-world classification, has a significant percentage of people living in the poverty line, it has a specific socio-cultural context that may influence the results. However, centering in Mexico allows us to be near the company's headquarters.

Another methodological limitation may be found in the respondents, as some of them might show social desirability bias and give answers that they believe will make the company or themselves look better. Although some respondents from the company did not agree to be recorded, we countered it by taking field notes to recount what was said. This may be considered a limitation. However, assuming that capturing an interview on audio would always result in more reliable data misses the critical role that particular circumstances play in influencing what may be stated about a given experience and what can be trusted in what is said. Additionally, it ignores how the recording equipment affects what is said and the risk of losing what falls off the transcript (Rutakumwa et al., 2020).

## **SECTION 5: FUTURE RESEARCH**

---

A thorough analysis of the various BMs at the BoP will open fascinating avenues for future research (Kolk). As we base our analysis on a single case study, further multi-case studies will be helpful to confirm the results. Besides, we focus on a Mexican MNC, exists the possibility that the idiosyncrasy of the developed world influences how their MNCs create mutual value; further comparative studies will be very revelatory.

We visualize six avenues for future research. The first is replicating this study with other MNCs and regions to confirm the results. Also, an action research intervention approach will help refine the proposed framework. Also, comparing MNCs from developing countries and those from developed countries will be interesting to verify if the context influences the internal and external organization of BMs. Besides, researchers can apply this same analytical framework to SMEs; an understanding of how they manage their organizational frontiers in BoP markets will offer interesting insights.

The second line of research relates to crossing-boundary mechanisms. The analysis of boundary agents and boundary architects' functions in the collaborative BMs will shed light on the actions to ensure value creation with partners instead of value destruction. As a third option, we suggest quantitative studies showing causality between value chain logics and poverty dimensions. Indeed, developing a measurement system capable of pointing out the potential of BoP initiatives to cover the three poverty levels will apport to the general effort of developing a social equivalent of the economic double-entry bookkeeping system, capable of giving the validity that social value creation concepts still lack.

Regarding theory development and organizational value creation, we propose, as a fourth research avenue, to clarify the concept of shared value to establish its frontiers. Right now, the scope of CSV is so broad that any effort to deliver social value could become a CSV initiative. Besides, we notice a shortage of papers analyzing the managerial skills needed to cope with the tension of paradoxical objectives in specific contexts such as the BoP. By doing this, researchers will treat one of the most usual criticisms of business cases for social development: the tendency to ignore the inherent tension between social and economic objectives.

Finally, there is a need for further analysis of the ethical foundations of the MNCs' BMs at the BoP, starting with reevaluating responsibilities. Even if financial goals are essential to motivate corporations to serve BoP and help in the collaborative effort to face poverty, the moral and ethical responsibility does not end with good intentions, much less with economic sustainability; it requires further steps towards guidance and collaboration. Hence, If MNCs will orchestrate their BMs' network, must they ensure that all members perform their part adequately?

Alpha's social and inclusive BMs are innovative initiatives aiming to guide business models' partners and customers in creating their own (social) value. They constitute an excellent example of BoP strategy since the company never denies nor loses sight of its economic interests. However, one could find criticizable this voluntary



myopia and the comfortable position of assuming that all is working well with the activities performed by the actors in the network. By ignoring, do companies contribute to possible value destruction?

## REFERENCES

---

- Abdala, E.C., de Oliveiraa, E.J., Cezarino, L.O., 2018. Triple Bottom Line in Green Supply Chain Management: A Chemical Industry Study. *Braz. J. Oper. Prod. Manag.* 15, 162–172. <https://doi.org/10.14488/BJOPM.2018.v15.n1.a15>
- Abrahams, S., 2020. Creating Shared Value through Collaborative Communities: How Working Together Unlocks Transformational Possibilities. *Change Manag. Int. J.* 20, 17–33. <https://doi.org/10.18848/2327-798X/CGP/v20i01/17-33>
- Abreu Pederzini, G.D., 2016. Strategic management cultures: historical connections with science. *J. Manag. Hist.* 22, 214–235. <https://doi.org/10.1108/JMH-12-2015-0212>
- Acs, Z.J., Boardman, M.C., McNeely, C.L., 2013. The social value of productive entrepreneurship. *Small Bus. Econ.* 40, 785–796. <https://doi.org/10.1007/s11187-011-9396-6>
- Adams, T.-M., 2017. Great (Societal) Expectations: How Companies Navigate the New Normal - APCO Worldwide [WWW Document]. URL <https://apcoworldwide.com/blog/great-societal-expectations-how-companies-navigate-the-new-normal/> (accessed 9.20.22).
- Afuah, A., 2003. *Business Models: A Strategic Management Approach*.
- Afuah, A., 2001. Dynamic Boundaries of the Firm: Are Firms Better off Being Vertically Integrated in the Face of a Technological Change? *Acad. Manage. J.* 44, 1211–1228. <https://doi.org/10.2307/3069397>
- Afuah, A., Tucci, C., 2001. *Internet Business Models and Strategies*. Boston McGraw-Hill.
- Aguinis, H., Glavas, A., 2012. What We Know and Don't Know About Corporate Social Responsibility: A Review and Research Agenda. *J. Manag.* 38, 932–968. <https://doi.org/10.1177/0149206311436079>
- Ahen, F., Zettinig, P., 2015. Critical perspectives on strategic CSR: what is sustainable value co-creation orientation? *Crit. Perspect. Int. Bus.* 11, 92–109. <http://dx.doi.org/10.1108/cpoib-03-2012-0022>
- Ahmed, J., 2010. Documentary Research Method: New Dimensions. *Indus J. Manag. Soc. Sci. IJMSS* 4, 1–14.
- Ahmed, K.S., Weber, A.A., Asian Development Bank (Eds.), 2006. *Social protection index for committed poverty reduction*. Asian Development Bank, Mandaluyong City, Metro Manila, Philippines.
- Ahrens, T., Chapman, C.S., 2006. Doing qualitative field research in management accounting: Positioning data to contribute to theory. *Account. Organ. Soc.* 31, 819–841. <https://doi.org/10.1016/j.aos.2006.03.007>
- Aiyar, A., Venugopal, S., 2020. Addressing the Ethical Challenge of Market Inclusion in Base-of-the-Pyramid Markets: A Macromarketing Approach. *J. Bus. Ethics* 164, 243–260. <https://doi.org/10.1007/s10551-019-04275-9>
- Akpınar, M., 2020. Creating shared value in the circular economy of Finland: A quadruple helix perspective. *Finn. Bus. Rev.* 7, 27–40.

- Alam, Md.K., 2020. A systematic qualitative case study: questions, data collection, NVivo analysis and saturation. *Qual. Res. Organ. Manag. Int. J.* 16, 1–31. <https://doi.org/10.1108/QROM-09-2019-1825>
- Albert, P.J., Werhane, P., Rolph, T. (Eds.), 2014. Global poverty alleviation: a case book, *The International Society of Business, Economics, and Ethics Book Series*. Springer Netherlands, Dordrecht. <https://doi.org/10.1007/978-94-007-7479-7>
- Alberti, F.G., Belfanti, F., 2019. Creating shared value and clusters: The case of an Italian cluster initiative in food waste prevention. *Compet. Rev.* 29, 39–60. <https://doi.org/10.1108/CR-01-2017-0008>
- Alberts, B., Meertens, L., Iacob, M.-E., Nieuwenhuis, B., 2013. A Meta-Model Perspective on Business Models, *Lecture Notes in Business Information Processing*. [https://doi.org/10.1007/978-3-642-37478-4\\_4](https://doi.org/10.1007/978-3-642-37478-4_4)
- Allard-Poesi, F., 2005. The Paradox of Sensemaking in Organizational Analysis. *Organization* 12, 169–196. <https://doi.org/10.1177/1350508405051187>
- Allard-Poesi, F., Perret, V., 2014. Chapitre 1. Fondements épistémologiques de la recherche, in: *Méthodes de recherche en management*, Management Sup. Dunod, Paris, pp. 14–46. <https://doi.org/10.3917/dunod.thiet.2014.01.0014>
- Allen, T.D., Merlo, K., Lawrence, R.C., Slutsky, J., Gray, C.E., 2021. Boundary Management and Work-Nonwork Balance While Working from Home. *Appl. Psychol.* 70, 60–84. <https://doi.org/10.1111/apps.12300>
- Amit, R., Zott, C., 2015. Crafting Business Architecture: The Antecedents of Business Model Design. *Strateg. Entrep. J.* 9, 331–350. <https://doi.org/10.1002/sej.1200>
- Amit, R., Zott, C., 2001. Value Creation in E-Business. *Strateg. Manag. J. John Wiley Sons Inc* 22, 493. <https://doi.org/10.1002/smj.187>
- Andersen, P.H., Esbjerg, L., 2020. Weaving a strategy for a base-of-the-pyramid market: The case of Grundfos LIFELINK. *Bus. Strategy Environ. John Wiley Sons Inc* 29, 3687–3701. <https://doi.org/10.1002/bse.2604>
- Angot, J., Plé, L., 2015. Serving poor people in rich countries: the bottom-of-the-pyramid business model solution. *J. Bus. Strategy* 36, 3–15. <https://doi.org/10.1108/JBS-11-2013-0111>
- Ansari, S., Munir, K., Gregg, T., 2012. Impact at the ‘Bottom of the Pyramid’: The Role of Social Capital in Capability Development and Community Empowerment: Impact at the ‘Bottom of the Pyramid.’ *J. Manag. Stud.* 49, 813–842. <https://doi.org/10.1111/j.1467-6486.2012.01042.x>
- Anvari, S., Turkay, M., 2017. The facility location problem from the perspective of triple bottom line accounting of sustainability. *Int. J. Prod. Res.* 55, 6266–6287. <https://doi.org/10.1080/00207543.2017.1341064>
- Argyres, N.S., Zenger, T.R., 2012. Capabilities, Transaction Costs, and Firm Boundaries. *Organ. Sci.* 23, 1643–1657. <https://doi.org/10.1287/orsc.1110.0736>
- Artz, N., Gramlich, J., Porter, T., 2012. Low-profit Limited Liability Companies (L3Cs). *J. Public Aff.* 14723891 12, 230–238. <https://doi.org/10.1002/pa.1437>
- Aßmann, U., Zschaler, S., Wagner, G., 2006. Ontologies, Meta-models, and the Model-Driven Paradigm, in: Calero, C., Ruiz, F., Piattini, M. (Eds.), *Ontologies*

- for Software Engineering and Software Technology. Springer, Berlin, Heidelberg, pp. 249–273. [https://doi.org/10.1007/3-540-34518-3\\_9](https://doi.org/10.1007/3-540-34518-3_9)
- Auerswald, P.E., 2009. Creating Social Value.
- Ausrød, V.L., Sinha, V., Widding, Ø., 2017. Business model design at the base of the pyramid. *J. Clean. Prod.* 162, 982–996. <https://doi.org/10.1016/j.jclepro.2017.06.014>
- Austin, J., Stevenson, H., Wei-Skillern, J., 2006. Social and Commercial Entrepreneurship: Same, Different, or Both? *Entrep. Theory Pract.* 30, 1–22. <https://doi.org/10.1111/j.1540-6520.2006.00107.x>
- Austin, J.E., Seitanidi, M.M., 2012a. Collaborative value creation: a review of partnering between nonprofits and businesses. Part 2: partnership processes and outcomes. *Nonprofit Volunt. Sect. Q.* 41, 929–968. <https://doi.org/10.1177/0899764012454685>
- Austin, J.E., Seitanidi, M.M., 2012b. Collaborative value creation: a review of partnering between nonprofits and businesses: Part I. value creation spectrum and collaboration stages. *Nonprofit Volunt. Sect. Q.* 41, 726–758. <https://doi.org/10.1177/0899764012450777>
- Azmat, F., Fujimoto, Y., Subramaniam, N., 2019. Revisiting the concept of shared value in developing countries: Towards an organisational framework. *Soc. Bus.* 9, 205–226. <https://doi.org/10.1362/204440819X15633617555867>
- Azungah, T., 2018. Qualitative research: deductive and inductive approaches to data analysis. *Qual. Res. J.* 18, 383–400. <https://doi.org/10.1108/QRJ-D-18-00035>
- Bacq, S., Janssen, F., 2011. The multiple faces of social entrepreneurship: A review of definitional issues based on geographical and thematic criteria. *Entrep. Reg. Dev.* 23, 373–403. <https://doi.org/10.1080/08985626.2011.577242>
- Bacq, S., Janssen, F., Kickul, J., 2012. An Empirical Investigation of the Blended Value Approach: A Governance Answer for Social Entrepreneurial Ventures. *Front. Entrep. Res.* 434–448.
- Baden-Fuller, C., Mangematin, V., 2013. Business models: a challenging agenda. *Strateg. Organ.* 11, 418–427. <https://doi.org/10.1177/1476127013510112>
- Baden-Fuller, C., Morgan, M.S., 2010. Business Models as Models. *Long Range Plann., Business Models* 43, 156–171. <https://doi.org/10.1016/j.lrp.2010.02.005>
- Ballesteros-Sola, M., 2015. Stewardship revisited at the fuzzy ends of the Yunus social business framework. *Soc. Bus.* 5, 33–46. <https://doi.org/10.1362/204440815X14267607784802>
- Bamber, J., Borchers, A., 2020. Revisiting the Purpose of Business. *J. Biblic. Integr. Bus.* 23, 47–57.
- Banco Interamericano de desarrollo, 2015. LA BASE DE LA PIRÁMIDE EN MÉXICO.
- Banerjee, A.V., Duflo, E., 2012. Poor economics: a radical rethinking of the way to fight global poverty, Paperback ed. ed. PublicAffairs, New York.
- Banerjee, A.V., Duflo, E., 2009. The Experimental Approach to Development Economics. *Annu. Rev. Econ.* 1, 151–178. <https://doi.org/10.1146/annurev.economics.050708.143235>

- Bankvall, L., Dubois, A., Lind, F., 2017. Conceptualizing business models in industrial networks. *Ind. Mark. Manag.* 60, 196–203. <https://doi.org/10.1016/j.indmarman.2016.04.006>
- Barnard, C.I., 2002. The functions of the executive, 30. anniversary ed. with an introd. by Kenneth R. Andrews, 39. print. ed. Harvard Univ. Press, Cambridge, Mass.
- Barner-Rasmussen, W., Ehrnrooth, M., Koveshnikov, A., Mäkelä, K., 2014. Cultural and language skills as resources for boundary spanning within the MNC. *J. Int. Bus. Stud.* 45, 886–905. <https://doi.org/10.1057/jibs.2014.7>
- Barnett, J.M., 2002. Review: Benjamin Crabtree & William Miller (Eds.) (1999). *Doing Qualitative Research* (2nd edition). *Forum Qual. Sozialforschung Forum Qual. Soc. Res.* 3. <https://doi.org/10.17169/fqs-3.4.778>
- Barnett, M.L., 2019. The Business Case for Corporate Social Responsibility: A Critique and an Indirect Path Forward. *Bus. Soc.* 58, 167–190. <https://doi.org/10.1177/0007650316660044>
- Barrientos, A., 2011. Social protection and poverty. *Int. J. Soc. Welf.* 20, 240–249. <https://doi.org/10.1111/j.1468-2397.2011.00783.x>
- Barrientos, A., 2009. Introducing Basic Social Protection in Low-Income Countries: Lessons from Existing Programmes, in: Townsend, P. (Ed.), *Building Decent Societies: Rethinking the Role of Social Security in Development*. Palgrave Macmillan UK, London, pp. 253–273. [https://doi.org/10.1057/9780230251052\\_13](https://doi.org/10.1057/9780230251052_13)
- Battilana, J., Lee, M., 2014. Advancing Research on Hybrid Organizing – Insights from the Study of Social Enterprises. *Acad. Manag. Ann.* 8, 397–441. <https://doi.org/10.1080/19416520.2014.893615>
- Baulch, B., Wood, J., Weber, A., 2006. Developing a Social Protection Index for Asia. *Dev. Policy Rev.* 24, 5–29. <https://doi.org/10.1111/j.1467-7679.2006.00311.x>
- Bellman, R., Clark, C.E., Malcolm, D.G., Craft, C.J., Ricciardi, F.M., 1957. On the Construction of a Multi-Stage, Multi-Person Business Game. *Oper. Res.* 5, 469. <https://doi.org/10.1287/opre.5.4.469>
- Bennett, R., 1980. Objectives and Attitudes in Management Research. *Manag. Res. News* 3, 7–8. <https://doi.org/10.1108/eb027745>
- Berglund, H., Sandström, C., 2013. Business model innovation from an open systems perspective: structural challenges and managerial solutions. *Int. J. Prod. Dev.* 18, 274–285. <https://doi.org/10.1504/IJPD.2013.055011>
- Berle, A.A., Means, G.C., 1991. *The modern corporation and private property*. Transaction Publishers, New Brunswick, N.J., U.S.A.
- Bewley, K., Schneider, T., 2013. Triple Bottom Line Accounting and Energy-Efficiency Retrofits in the Social-Housing Sector: A Case Study. *Account. Public Interest* 13, 105–131. <https://doi.org/10.2308/apin-10359>
- Billis, D., 2010. Towards a theory of hybrid organizations. pp. 46–69. [https://doi.org/10.1007/978-0-230-36439-4\\_3](https://doi.org/10.1007/978-0-230-36439-4_3)
- Bini, L., Dainelli, F., Giunta, F., Simoni, L., 2019. Are non-financial KPIs in annual reports really “key”? An investigation of company disclosure and analyst reports in the UK.

- Bishop, L., Kuula-Luumi, A., 2017. Revisiting Qualitative Data Reuse: A Decade On. SAGE Open 7, 2158244016685136. <https://doi.org/10.1177/2158244016685136>
- Bittencourt Marconatto, D.A., Barin-Cruz, L., Pozzebon, M., Poitras, J.-E., 2016. Developing sustainable business models within BOP contexts: mobilizing native capability to cope with government programs. J. Clean. Prod. 129, 735–748. <https://doi.org/10.1016/j.jclepro.2016.03.038>
- Bleicher, K., 1994. Integrative management in a time of transformation. Long Range Plann. 27, 136–144. [https://doi.org/10.1016/0024-6301\(94\)90234-8](https://doi.org/10.1016/0024-6301(94)90234-8)
- Bocken, N., Boons, F., Baldassarre, B., 2019. Sustainable business model experimentation by understanding ecologies of business models. J. Clean. Prod. 208, 1498–1512. <https://doi.org/10.1016/j.jclepro.2018.10.159>
- Bocken, N.M.P., Short, S.W., Rana, P., Evans, S., 2014. A literature and practice review to develop sustainable business model archetypes. J. Clean. Prod. 65, 42–56. <https://doi.org/10.1016/j.jclepro.2013.11.039>
- Bockstette, V., Pfitzer, M., Smith, D., Bhavaraju, N., Priestley, C., Bhat, A., 2015. Banking on Shared Value: How Banks Profit by Rethinking Their Purpose, Shared Value Initiative. FSG.
- Bohlmann, C., Krumbholz, L., Zacher, H., 2018. The triple bottom line and organizational attractiveness ratings: The role of pro-environmental attitude. Corp. Soc. Responsib. Environ. Manag. 25, 912–919. <https://doi.org/10.1002/csr.1507>
- Bonache, J., Festing, M., 2020. Research paradigms in international human resource management: An epistemological systematisation of the field. Ger. J. Hum. Resour. Manag. 34, 99–123. <https://doi.org/10.1177/2397002220909780>
- Bonini, S., Emerson, J., 2005. Maximizing Blended Value– Building Beyond the Blended Value Map to Sustainable Investing, Philanthropy and Organizations.
- Boons, F., Lüdeke-Freund, F., 2013. Business models for sustainable innovation: state-of-the-art and steps towards a research agenda. J. Clean. Prod. 45, 9–19. <https://doi.org/10.1016/j.jclepro.2012.07.007>
- Borkan, J.M., 2022. Immersion-Crystallization: a valuable analytic tool for healthcare research. Fam. Pract. 39, 785–789. <https://doi.org/10.1093/fampra/cmab158>
- Borys, B., Jemison, D.B., 1989. Hybrid Arrangements as Strategic Alliances: Theoretical Issues in Organizational Combinations. Acad. Manage. Rev. 14, 234–249. <https://doi.org/10.5465/amr.1989.4282106>
- Bottenberg, K., Tuschke, A., Flickinger, M., 2017. Corporate Governance Between Shareholder and Stakeholder Orientation. J. Manag. Inq. 26, 165–180. <https://doi.org/10.1177/1056492616672942>
- Bourgeois, D., Bourgeois, D.T., 2014. Chapter 1: What Is an Information System?
- Bowen, H.R., 2013. Social responsibilities of the businessman, University of Iowa faculty connections. University of Iowa Press, Iowa City.
- Brahm, F., Parmigiani, A., Tarziján, J., 2021. Can Firms Be Both Broad and Deep? Exploring Interdependencies Between Horizontal and Vertical Firm Scope. J. Manag. 47, 1219–1254. <https://doi.org/10.1177/0149206320912296>

- Brehmer, M., Podoynitsyna, K., Langerak, F., 2018. Sustainable business models as boundary-spanning systems of value transfers. *J. Clean. Prod.* 172, 4514–4531. <https://doi.org/10.1016/j.jclepro.2017.11.083>
- Breuer, H., Lüdeke-Freund, F., 2017. VALUES-BASED NETWORK AND BUSINESS MODEL INNOVATION. *Int. J. Innov. Manag.* 21, 1750028. <https://doi.org/10.1142/S1363919617500281>
- Brickson, S.L., 2007. Organizational Identity Orientation: The Genesis of the Role of the Firm and Distinct Forms of Social Value. *Acad. Manage. Rev.* 32, 864–888. <https://doi.org/10.5465/AMR.2007.25275679>
- Brousseau, E., Penard, T., 2007. The Economics of Digital Business Models: A Framework for Analyzing the Economics of Platforms. *Rev. Netw. Econ.* 6, 81–114. <https://doi.org/10.2202/1446-9022.1112>
- Brown, A.D., 2000. Making Sense of Inquiry Sensemaking. *J. Manag. Stud.* 37. <https://doi.org/10.1111/1467-6486.00172>
- Brown, J.A., Forster, W.R., 2013. CSR and Stakeholder Theory: A Tale of Adam Smith. *J. Bus. Ethics* 112, 301–312.
- Browne, J., 2002. The Role of Multinational Corporations in Economic & Social Development of Poor Countries: Leading Toward a Better World? *Corp. Environ. Strategy* 9, 217. [https://doi.org/10.1016/S1066-7938\(02\)00065-9](https://doi.org/10.1016/S1066-7938(02)00065-9)
- Brusoni, S., Prencipe, A., Pavitt, K., 2001. Knowledge Specialization, Organizational Coupling, and the Boundaries of the Firm: Why Do Firms Know More Than They Make? *Adm. Sci. Q.* 46, 597. <https://doi.org/10.2307/3094825>
- Bryman, A., 2006. Paradigm Peace and the Implications for Quality. *Int. J. Soc. Res. Methodol.* 9, 111–126. <https://doi.org/10.1080/13645570600595280>
- Bryman, A., Bell, E., 2011. *Business research methods*, 3rd ed. ed. Oxford University Press, Cambridge ; New York, NY.
- Bugg-Levine, A., Emerson, J., 2011. *Impact investing: transforming how we make money while making a difference*, 1st ed. ed. Jossey-Bass, San Francisco.
- Burrell, G., Morgan, G., 2019. *Sociological paradigms and organisational analysis: elements of the sociology of corporate life*.
- Cabage, N., 2015. 7 Business Model Personalities [WWW Document]. Neal Cabage. URL <https://nealcabage.com/> (accessed 10.20.22).
- Cabage, N., Zhang, S., 2013. *The smarter startup: a better approach to online business for entrepreneurs*. New Riders, New York?
- Calás, M.B., Smircich, L., 1999. Past Postmodernism? Reflections and Tentative Directions. *Acad. Manage. Rev.* 24, 649–671. <https://doi.org/10.2307/259347>
- Calton, J.M., Werhane, P.H., Hartman, L.P., Bevan, D., 2013. Building Partnerships to Create Social and Economic Value at the Base of the Global Development Pyramid. *J. Bus. Ethics* 117, 721–733. <https://doi.org/10.1007/s10551-013-1716-0>
- Camilleri, M.A., 2022. Strategic attributions of corporate social responsibility and environmental management: The business case for doing well by doing good! *Sustain. Dev.* 30, 409–422. <https://doi.org/10.1002/sd.2256>
- Capurro, R., Fiorentino, R., Garzella, S., Lombardi, R., 2021. The role of boundary management in open innovation: towards a 3D perspective. *Bus. Process Manag. J.* 27, 57–84. <https://doi.org/10.1108/BPMJ-01-2021-0052>

- Carlile, P.R., 2004. Transferring, Translating, and Transforming: An Integrative Framework for Managing Knowledge across Boundaries. *Organ. Sci.* 15, 555–568.
- Carlile, P.R., 2002. A Pragmatic View of Knowledge and Boundaries: Boundary Objects in New Product Development. *Organ. Sci.* 13, 442–455. <https://doi.org/10.1287/orsc.13.4.442.2953>
- Carminati, L., 2018. Generalizability in Qualitative Research: A Tale of Two Traditions. *Qual. Health Res.* 28, 2094–2101. <https://doi.org/10.1177/1049732318788379>
- Carroll, A., 2008. A History of Corporate Social Responsibility: Concepts and Practices, in: *The Oxford Handbook of Corporate Social Responsibility*. pp. 19–46. <https://doi.org/10.1093/oxfordhb/9780199211593.003.0002>
- Carroll, A.B., 2016. Carroll's pyramid of CSR: taking another look. *Int. J. Corp. Soc. Responsib.* 1, 3. <https://doi.org/10.1186/s40991-016-0004-6>
- Carroll, A.B., 1999. Corporate Social Responsibility: Evolution of a Definitional Construct. *Bus. Soc.* 38, 268–295. <https://doi.org/10.1177/000765039903800303>
- Casadesus-Masanell, R., Ricart, J.E., 2010. From strategy to business models and onto tactics. *Long Range Plann.* 43, 195–215. <https://doi.org/10.1016/j.lrp.2010.01.004>
- Certo, T., Miller, T., 2008. Social Entrepreneurship: Key Issues and Concepts. *Bus. Horiz.* 51, 267–271. <https://doi.org/10.1016/j.bushor.2008.02.009>
- Chatterjee, S., 2020. A suitable woman: The coming-of-age of the “third world woman” at the bottom of the pyramid: A critical engagement. *Hum. Relat.* 73, 378–400. <https://doi.org/10.1177/0018726719828445>
- Chesbrough, H., 2010. Business Model Innovation: Opportunities and Barriers. *Long Range Plann., Business Models* 43, 354–363. <https://doi.org/10.1016/j.lrp.2009.07.010>
- Chesbrough, H., 2007. Business model innovation: it's not just about technology anymore. *Strategy Leadersh.* 35, 12–17. <https://doi.org/10.1108/10878570710833714>
- Chick, V., Dow, S., 2005. The meaning of open systems. *J. Econ. Methodol.* 12, 363–381. <https://doi.org/10.1080/13501780500223585>
- Chikweche, T., 2013. Revisiting the Business Environment at the Bottom of the Pyramid (BOP)—From Theoretical Considerations to Practical Realities. *J. Glob. Mark.* 26, 239–257. <https://doi.org/10.1080/08911762.2013.825039>
- Chliova, M., Ringov, D., 2017. Scaling Impact: Template Development and Replication at the Base of the Pyramid. *Acad. Manag. Perspect.* 31, 44–62. <https://doi.org/10.5465/amp.2015.0010>
- Chmielewski, D.A., Dembek, K., Beckett, J.R., 2018. 'Business unusual': building BoP 3.0. *J. Bus. Ethics.* <https://doi.org/10.1007/s10551-018-3938-7>
- Choi, C., Kim, S., Kim, J., 2010. Globalizing Business Ethics Research and the Ethical Need to Include the Bottom-of-the-Pyramid Countries: Redefining the Global Triad as Business Systems and Institutions. *J. Bus. Ethics* 94, 299–306. <https://doi.org/10.1007/s10551-009-0258-y>
- Chong, H.G., 2008. Measuring Performance of Small-and-Medium Sized Enterprises: the Grounded Theory Approach.



- Clarkson, M.B.E., 1995. A Stakeholder Framework for Analyzing and Evaluating Corporate Social Performance. *Acad. Manage. Rev.* 20, 92–117. <https://doi.org/10.2307/258888>
- Clauss, T., 2017. Measuring business model innovation: conceptualization, scale development, and proof of performance. *RD Manag.* 47, 385–403. <https://doi.org/10.1111/radm.12186>
- Coffman, M., Umemoto, K., 2010. The triple-bottom-line: framing of trade-offs in sustainability planning practice. *Environ. Dev. Sustain.* 12, 597–610. <https://doi.org/10.1007/s10668-009-9213-4>
- Collazzo Yelpeo, P., Kubelka, L., 2019. Shared value clusters in Austria. *Compet. Rev.* 29, 61–76. <https://doi.org/10.1108/CR-08-2016-0050>
- Collier, A., 1994. *Critical realism: an introduction to Roy Bhaskar's philosophy.* Verso, London ; New York.
- Collis, J., Hussey, R., 2014. *Business research: a practical guide for undergraduate & postgraduate students*, Fourth edition. ed. Palgrave Macmillan, Houndmills, Basingstoke, Hampshire ; New York, NY.
- Colombo, C.M., Mella, P., 2021. "Organization". A Multi Facet Concept. *Econ. Aziend. Online* 2000 Web 12, 487–506. <https://doi.org/10.13132/2038-5498/12.4.487-506>
- Conaty, F., 2021. Abduction as a Methodological Approach to Case Study Research in Management Accounting — An Illustrative Case. *Account. Finance Gov. Rev.* 27. <https://doi.org/10.52399/001c.22171>
- Coombes, P., Nicholson, J., 2013. Business models and their relationship with marketing: A systematic literature review. *Ind. Mark. Manag.* 42, 656–664. <https://doi.org/10.1016/j.indmarman.2013.05.005>
- Corazza, L., Scagnelli, S.D., Mio, C., 2017. Simulacra and Sustainability Disclosure: Analysis of the Interpretative Models of Creating Shared Value. *Corp. Soc. Responsib. Environ. Manag.* 24, 414–434. <https://doi.org/10.1002/csr.1417>
- Cornelissen, J.P., Durand, R., 2014. Moving Forward: Developing Theoretical Contributions in Management Studies: Theoretical Contributions in Management Studies. *J. Manag. Stud.* 51, 995–1022. <https://doi.org/10.1111/joms.12078>
- Correll, D., 2008. The politics of poverty and social development. *Int. Soc. Work* 51, 453–466. <https://doi.org/10.1177/0020872808090239>
- Corte, V., Del Gaudio, G., 2014. A literature review on value creation and value capturing in strategic management studies. *Corp. Ownersh. Control* 11, 328–346. <https://doi.org/10.22495/cocv11i2c3p2>
- Coşkun Arslan, M., Kisacik, H., 2017. The Corporate Sustainability Solution: Triple Bottom Line: Kurumsal Sürdürülebilirlik Çözümü: Üç Boyutlu Muhasebe. *J. Account. Finance* 18–34.
- Cox, M.Z., Daspit, J., McLaughlin, E., Jones III, R.J., 2012. Strategic Management: Is it an Academic Discipline? *J. Bus. Strateg.* 29, 25–42.
- Crabtree, B.F., Miller, W.L. (Eds.), 1999. *Doing qualitative research*, 2nd ed. ed. Sage Publications, Thousand Oaks, Calif.
- Crane, A., Palazzo, G., Spence, L.J., Matten, D., 2014. Contesting the value of creating shared value. *Calif. Manage. Rev.* 56, 130–153. <https://doi.org/10.1525/cmr.2014.56.2.130>

- Cubas-Díaz, M., Martínez Sedano, M.Á., 2018. Measures for Sustainable Investment Decisions and Business Strategy – A Triple Bottom Line Approach. *Bus. Strategy Environ.* John Wiley Sons Inc 27, 16–38. <https://doi.org/10.1002/bse.1980>
- Cummings, J.N., Kiesler, S., 2008. Who collaborates successfully? prior experience reduces collaboration barriers in distributed interdisciplinary research, in: *Proceedings of the 2008 ACM Conference on Computer Supported Cooperative Work, CSCW '08*. Association for Computing Machinery, New York, NY, USA, pp. 437–446. <https://doi.org/10.1145/1460563.1460633>
- Dahan, N.M., Doh, J.P., Oetzel, J., Yaziji, M., 2010. Corporate-NGO Collaboration: Co-creating New Business Models for Developing Markets. *Long Range Plann.* 43, 326–342. <https://doi.org/10.1016/j.lrp.2009.11.003>
- Dahlsrud, A., 2008. How corporate social responsibility is defined: an analysis of 37 definitions. *Corp. Soc. Responsib. Environ. Manag.* 15, 1–13. <https://doi.org/10.1002/csr.132>
- D'amour, D., Oandasan, I., 2005. Interprofessionality as the field of interprofessional practice and interprofessional education: An emerging concept. *J. Interprof. Care* 19, 8–20. <https://doi.org/10.1080/13561820500081604>
- Danse, M., Klerkx, L., Reintjes, J., Rabbinge, R., Leeuwis, C., 2020. Unravelling inclusive business models for achieving food and nutrition security in BOP markets. *Glob. Food Secur.* 24, 100354. <https://doi.org/10.1016/j.gfs.2020.100354>
- David, A., 1999. Logique, épistémologie et méthodologie en sciences de gestion. Presented at the Conférence de l'AIMS.
- Dayson, C., 2017. Evaluating social innovations and their contribution to social value: the benefits of a “blended value” approach. *Policy Polit.* 45, 395–411. <https://doi.org/10.1332/030557316X14564838832035>
- de los Reyes, G., Scholz, M., 2019. The limits of the business case for sustainability: Don't count on 'Creating Shared Value' to extinguish corporate destruction. *J. Clean. Prod.* 221, 785–794. <https://doi.org/10.1016/j.jclepro.2019.02.187>
- de los Reyes Jr., G., Scholz, M., Smith, N.C., 2017. Beyond the “Win-Win”: CREATING SHARED VALUE REQUIRES ETHICAL FRAMEWORKS. *Calif. Manage. Rev.* 59, 142–167. <https://doi.org/10.1177/0008125617695286>
- Decker, S., Obeng Dankwah, G., 2022. Co-opting Business Models at the Base of the Pyramid (BOP): Microentrepreneurs and Multinational Enterprises in Ghana. *Bus. Soc.* 00076503221085935. <https://doi.org/10.1177/00076503221085935>
- Dembek, K., Singh, P., Bhakoo, V., 2016. Literature Review of Shared Value: A Theoretical Concept or a Management Buzzword? *J. Bus. Ethics* 137, 231–267. <https://doi.org/10.1007/s10551-015-2554-z>
- Dembek, K., Sivasubramaniam, N., Chmielewski, D.A., 2019. A systematic review of the bottom/base of the pyramid literature: cumulative evidence and future directions. *J. Bus. Ethics.* <https://doi.org/10.1007/s10551-019-04105-y>
- Dembek, K., York, J., 2022. Applying a Sustainable Business Model Lens to Mutual Value Creation With Base of the Pyramid Suppliers. *Bus. Soc.* 61, 2156–2191. <https://doi.org/10.1177/0007650320973450>

- Dembek, K., York, J., Singh, P.J., 2018. Creating value for multiple stakeholders: sustainable business models at the base of the pyramid. *J. Clean. Prod.* 196, 1600–1612. <https://doi.org/10.1016/j.jclepro.2018.06.046>
- Demil, B., Lecocq, X., 2010. Business model evolution: in search of dynamic consistency. *Long Range Plann.* 43, 227–246. <https://doi.org/10.1016/j.lrp.2010.02.004>
- Department of Economic and Social Affairs, United Nations, 2022. Bringing Data to Life: SDG human impact stories from across the globe.
- Dhakal, H.R., 2020. How social enterprises called benefit organisations fulfil the triple bottom line. *Soc. Bus.* 10, 47–63. <https://doi.org/10.1362/204440820X15813359568228>
- Di Tullio, P., La Torre, M., Dumay, J., Rea, M.A., 2021. Accountingisation and the narrative (re)turn of business model information in corporate reporting. *J. Account. Organ. Change* 18, 592–615. <https://doi.org/10.1108/JAOC-09-2020-0144>
- Doherty, B., Haugh, H., Lyon, F., 2014. Social Enterprises as Hybrid Organizations: A Review and Research Agenda. *Int. J. Manag. Rev.* 16, 417–436. <https://doi.org/10.1111/ijmr.12028>
- Donaldson, L., 2003. A CRITIQUE OF POSTMODERNISM IN ORGANIZATIONAL STUDIES, in: *Research in the Sociology of Organizations*. Emerald (MCB UP ), Bingley, pp. 169–202. [https://doi.org/10.1016/S0733-558X\(03\)21006-5](https://doi.org/10.1016/S0733-558X(03)21006-5)
- Donaldson, T., Preston, L.E., 1995. The Stakeholder Theory of the Corporation: Concepts, Evidence, and Implications. *Acad. Manage. Rev.* 20, 65–91. <https://doi.org/10.2307/258887>
- Donaldson, T., Walsh, J.P., 2015. Toward a theory of business. *Res. Organ. Behav.* 35, 181–207. <https://doi.org/10.1016/j.riob.2015.10.002>
- Doz, Y.L., Kosonen, M., 2010. Embedding Strategic Agility: A Leadership Agenda for Accelerating Business Model Renewal. *Long Range Plann., Business Models* 43, 370–382. <https://doi.org/10.1016/j.lrp.2009.07.006>
- Dubois, A., Gadde, L.-E., 2002. Systematic combining: an abductive approach to case research. *J. Bus. Res., Markets as Networks* 55, 553–560. [https://doi.org/10.1016/S0148-2963\(00\)00195-8](https://doi.org/10.1016/S0148-2963(00)00195-8)
- Dubosson-Torbay, M., Osterwalder, A., Pigneur, Y., 2002. E-Business Model Design, Classification, and Measurements. *Thunderbird Int. Bus. Rev.* 44, 5–23. <https://doi.org/10.1002/tie.1036>
- Dufour, I.F., Richard, M.-C., 2019. Theorizing from secondary qualitative data: A comparison of two data analysis methods. *Cogent Educ.* 6, 1690265. <https://doi.org/10.1080/2331186X.2019.1690265>
- Dumalanède, C., Payaud, M.A., 2018. Reaching the bottom of the pyramid with a social enterprise model: The case of the NGO Entrepreneurs du Monde and its social enterprise Nafa Naana in Burkina Faso. *Glob. Bus. Organ. Excell.* 37, 30–39. <https://doi.org/10.1002/joe.21888>
- Dumez, H., Jeunemaître, A., 2010. The management of organizational boundaries: A case study. *M@n@gement* 13, 152–171. <https://doi.org/10.3917/mana.133.0152>

- Dyer, W.G., Wilkins, A.L., 1991. Better Stories, Not Better Constructs, to Generate Better Theory: A Rejoinder to Eisenhardt. *Acad. Manage. Rev.* 16, 613–619. <https://doi.org/10.2307/258920>
- Earvolino-Ramirez, M., 2007. Resilience: A Concept Analysis. *Nurs. Forum (Auckl.)* 42, 73–82. <https://doi.org/10.1111/j.1744-6198.2007.00070.x>
- Easterly, W., 2013. The tyranny of experts: economists, dictators, and the forgotten rights of the poor. Basic Books, a member of the Perseus Book Group, New York.
- Easterly, W., 2006. The White Man's Burden. The Penguin Press, New York.
- Ebrahim, A., Battilana, J., Mair, J., 2014. The governance of social enterprises: Mission drift and accountability challenges in hybrid organizations. *Res. Organ. Behav.* 34, 81–100. <https://doi.org/10.1016/j.riob.2014.09.001>
- Edelman, 2022. EDELMAN TRUST BAROMETER 2022 Global Report.
- Eisenhardt, K.M., 1989. Building Theories from Case Study Research. *Acad. Manage. Rev.* 14, 532–550. <https://doi.org/10.2307/258557>
- Eisenhardt, K.M., Graebner, M.E., 2007. Theory Building From Cases: Opportunities And Challenges. *Acad. Manage. J.* 50, 25–32. <https://doi.org/10.5465/amj.2007.24160888>
- Eisenhardt, K.M., Martin, J.A., 2000. DYNAMIC CAPABILITIES: WHAT ARE THEY? *Strateg. Manag. J.* John Wiley Sons Inc 21, 1105.
- El Ebrashi, R., Abdel Aziz, H.H., 2017. Strategies for Tackling Institutional Voids at the Bottom of the Pyramid in Egypt. *Afr. J. Bus. Econ. Res.* 12, 43–89. [https://doi.org/10.31920/1750-4562/2017/v12n2\\_3a2](https://doi.org/10.31920/1750-4562/2017/v12n2_3a2)
- Elango, B., Chen, S., Jones, J., 2019. Sticking to the social mission: Microinsurance in bottom of the pyramid markets. *J. Gen. Manag.* 44, 209–219. <https://doi.org/10.1177/0306307018822592>
- Elkington, J., 2018. 25 Years Ago I Coined the Phrase “Triple Bottom Line.” Here’s Why It’s Time to Rethink It. *Harv. Bus. Rev. Digit. Artic.* 2–5.
- Elkington, J., 2012. Sustainability should not be consigned to history by Shared Value. *The Guardian*.
- Elkington, J., 2004. Enter the triple bottom line, in: Henriques, A., Richardson, J. (Eds.), *The Triple Bottom Line, Does It All Add Up?: Assessing the Sustainability of Business and CSR*. Earthscan, London.
- Elkington, J., 1998a. *Cannibals with forks: the triple bottom line of 21st century business, Conscientious commerce*. New Society Publishers, Gabriola Island, BC ; Stony Creek, CT.
- Elkington, J., 1998b. ACCOUNTING FOR THE TRIPLE BOTTOM LINE. *Meas. Bus. Excell.* 2, 18–22. <https://doi.org/10.1108/eb025539>
- Elkington, J., 1994. Towards the Sustainable Corporation: Win-Win-Win Business Strategies for Sustainable Development. *Calif. Manage. Rev.* 36, 90–100. <https://doi.org/10.2307/41165746>
- Ellingson, C., 2019. Why hubs, clusters and ecosystems matter. *Bus. Calg.* 29, 107–107.
- Emerson, J., 2010. Blended Value, in: Anheier, H.K., Toepler, S. (Eds.), *International Encyclopedia of Civil Society*. Springer US, New York, NY, pp. 66–68. [https://doi.org/10.1007/978-0-387-93996-4\\_67](https://doi.org/10.1007/978-0-387-93996-4_67)

- Emerson, J., 2003. The Blended Value Proposition: Integrating Social and Financial Returns. *Calif. Manage. Rev.* 45, 35–51. <https://doi.org/10.2307/41166187>
- Emerson, J., 2000. The Nature of Returns: A Social Capital Markets Inquiry into Elements of Investment and The Blended Value Proposition.
- Emerson, J., Bonini, S., Brehm, K., 2003. THE BLENDED VALUE MAP: Tracking the Intersects and Opportunities of Economic, Social and Environmental Value Creation.
- ESCAP, 2009. What is Good Governance?
- Farha, L., 2016. Report of the Special Rapporteur on adequate housing as a component of the right to an adequate standard of living, and on the right to non-discrimination in this context. United Nations.
- Fernández-Gámez, M.Á., Gutiérrez-Ruiz, A.M., Becerra-Vicario, R., Ruiz-Palomo, D., 2020. The impact of creating shared value on hotels online reputation. *Corp. Soc. Responsib. Environ. Manag.* 27, 2201–2211. <https://doi.org/10.1002/csr.1958>
- Fingfeld-Connett, D., 2007. Concept Comparison of Caring and Social Support. *Int. J. Nurs. Terminol. Classif.* 18, 58–68. <https://doi.org/10.1111/j.1744-618X.2007.00051.x>
- Fisher, W.R., 1989. Clarifying the narrative paradigm. *Commun. Monogr.* 56, 55–58. <https://doi.org/10.1080/03637758909390249>
- Fitzgerald, T., 2012. Research Methods in Educational Leadership & Management, in: *Research Methods in Educational Leadership & Management*. SAGE Publications Ltd, London, pp. 296–308. <https://doi.org/10.4135/9781473957695>
- Flores, F.S., Gavronski, I., Nardi, V., Haag, R., 2017. The Influence of Triple Bottom Line on International Operations Management. *J. Oper. Supply Chain Manag.* 10, 85–99. <https://doi.org/10.12660/joscmv10n2p85-99>
- Fortes, B.J., Souza, J.P. de, 2020. Decision of the firm's vertical boundaries: Considerations on complementarity. *Context. – Rev. Contemp. Econ. E Gest.* 18, 123–145.
- Foss, N.J., Saebi, T., 2018. Business models and business model innovation: Between wicked and paradigmatic problems. *Long Range Plann.* 51, 9–21. <https://doi.org/10.1016/j.lrp.2017.07.006>
- Foss, N.J., Saebi, T., 2017. Fifteen Years of Research on Business Model Innovation. *J. Manag.* 43, 200–227. <https://doi.org/10.1177/0149206316675927>
- França, C.L., Broman, G., Robèrt, K.-H., Basile, G., Trygg, L., 2017. An approach to business model innovation and design for strategic sustainable development. *J. Clean. Prod., Systematic Leadership towards Sustainability* 140, 155–166. <https://doi.org/10.1016/j.jclepro.2016.06.124>
- Frank, J., 1933. Review of The Modern Corporation and Private Property, Adolph A. Berle, Jr. *Yale Law J.* 42, 989–1000. <https://doi.org/10.2307/790998>
- Frederiksen, D.J., Kringelum, L.B., 2021. Five potentials of critical realism in management and organization studies. *J. Crit. Realism* 20, 18–38. <https://doi.org/10.1080/14767430.2020.1846153>
- Freeman, H.E., 1999. Divergent Stakeholder Theory. *Acad. Manage. Rev.* 24, 233–236. <https://doi.org/10.5465/AMR.1999.1893932>

- Freeman, R.E., 1984. Strategic management: a stakeholder approach, Pitman series in business and public policy. Pitman, Boston.
- Freudenreich, B., Lüdeke-Freund, F., Schaltegger, S., 2020. A Stakeholder Theory Perspective on Business Models: Value Creation for Sustainability. *J. Bus. Ethics* 166, 3–18. <https://doi.org/10.1007/s10551-019-04112-z>
- Friedman, M., 1970. A Friedman doctrine-- The Social Responsibility Of Business Is to Increase Its Profits. *N. Y. Times*.
- Gale, N.K., Heath, G., Cameron, E., Rashid, S., Redwood, S., 2013. Using the framework method for the analysis of qualitative data in multi-disciplinary health research. *BMC Med. Res. Methodol.* 13, 117. <https://doi.org/10.1186/1471-2288-13-117>
- Gamble, E.N., Parker, S.C., Moroz, P.W., 2020. Measuring the Integration of Social and Environmental Missions in Hybrid Organizations. *J. Bus. Ethics* 167, 271–284. <https://doi.org/10.1007/s10551-019-04146-3>
- Gandia, R., Parmentier, G., 2020. Managing Open Innovation through Digital Boundary Control: The Case of Multi-Sided Platforms in the Collaborative Economy. *J. Innov. Econ. Manag.* 32, 159–180.
- Gardeva, A., Goldstein, J., Levai, D., Mesa, K., Rhyne, E., 2009. Mexico's Prospects for Full Financial Inclusion: A White Paper from the Financial Inclusion 2020 Project. Center for financial inclusion.
- Gassmann, O., Frankenberger, K., Sauer, R., 2016. Leading Business Model Research: The Seven Schools of Thought, in: Gassmann, O., Frankenberger, K., Sauer, R. (Eds.), *Exploring the Field of Business Model Innovation: New Theoretical Perspectives*. Springer International Publishing, Cham, pp. 7–46. [https://doi.org/10.1007/978-3-319-41144-6\\_2](https://doi.org/10.1007/978-3-319-41144-6_2)
- Gateau, T., Simon, L., 2016. CLOWN SCOUTING AND CASTING AT THE CIRQUE DU SOLEIL: DESIGNING BOUNDARY PRACTICES FOR TALENT DEVELOPMENT AND KNOWLEDGE CREATION. *Int. J. Innov. Manag.* 20, 1640006. <https://doi.org/10.1142/S1363919616400065>
- Gauthier, J., 2017. Sustainable business strategies: typologies and future directions. *Soc. Bus. Rev.* 12, 77–93. <https://doi.org/10.1108/SBR-01-2016-0005>
- Gautier, A., Badea, A., Berger-Douce, S., 2017. Les PME : un contexte pertinent pour l'étude des leviers de la création de valeur partagée: Las PYMES: un contexto relevante para el estudio de las palancas de creación de valor compartido. *SMEs Relev. Context Study Levers Creat. Shar. Value* 21, 109–125. <https://doi.org/10.7202/1053581ar>
- Gebauer, H., Haldimann, M., Saul, C.J., 2017a. Business model innovations for overcoming barriers in the base-of-the-pyramid market. *Ind. Innov.* 24, 543–568. <https://doi.org/10.1080/13662716.2017.1310033>
- Gebauer, H., Saul, C.J., Haldimann, M., 2017b. Business model innovation in base of the pyramid markets. *J. Bus. Strategy* 38, 38–46. <https://doi.org/10.1108/JBS-05-2016-0051>
- Gelo, O., Braakmann, D., Benetka, G., 2008. Quantitative and Qualitative Research: Beyond the Debate. *Integr. Psychol. Behav. Sci.* 42, 266–290. <https://doi.org/10.1007/s12124-008-9078-3>

- George, G., Bock, A.J., 2011. The Business Model in Practice and its Implications for Entrepreneurship Research. *Entrep. Theory Pract.* 35, 83–111. <https://doi.org/10.1111/j.1540-6520.2010.00424.x>
- Geradts, T.H.J., Alt, E., 2022. Social entrepreneurial action in established organizations: Developing the concept of social intrapreneurship. *J. Bus. Res.* 151, 197–206. <https://doi.org/10.1016/j.jbusres.2022.06.047>
- Gerszon Mahler, D., Yonzan, N., Hill, R., Lakner, C., Wu, H., Yoshida, N., 2022. Pandemic, prices, and poverty. URL <https://blogs.worldbank.org/opendata/pandemic-prices-and-poverty> (accessed 8.30.22).
- Ghaziani, A., Ventresca, M.J., 2005. Keywords and Cultural Change: Frame Analysis of Business Model Public Talk, 1975-2000. *Sociol. Forum* 20, 523–559.
- Ghosh, S., Rajan, J., 2019. The business case for SDGs: an analysis of inclusive business models in emerging economies. *Int. J. Sustain. Dev. World Ecol.* 26, 344–353. <https://doi.org/10.1080/13504509.2019.1591539>
- Gimenes, N., Payaud, M., 2017. Value Chain and CSR of Global Pharmaceutical Companies: A Framework to Define Practices. pp. 199–220. [https://doi.org/10.1007/978-3-319-40096-9\\_11](https://doi.org/10.1007/978-3-319-40096-9_11)
- Given, L., 2008. Documents, in: *The SAGE Encyclopedia of Qualitative Research Methods*. SAGE Publications, Inc., Thousand Oaks, pp. 232–233. <https://doi.org/10.4135/9781412963909>
- Glavas, A., Mish, J., 2015. Resources and Capabilities of Triple Bottom Line Firms: Going Over Old or Breaking New Ground? *J. Bus. Ethics* 127, 623–642. <https://doi.org/10.1007/s10551-014-2067-1>
- Gomm, R., Hammersley, M., Foster, P. (Eds.), 2000. *Case study method: key issues, key texts*. SAGE, London ; Thousand Oaks, Calif.
- Gomm, R., Hammersley, M., Foster, P., Donmoyer, R., 2009. *Generalizability and the Single-Case Study*. SAGE Publications Ltd, 1 Oliver's Yard, 55 City Road, London England EC1Y 1SP United Kingdom, pp. 45–68. <https://doi.org/10.4135/9780857024367.d7>
- Gonin, M., 2015. Adam Smith's Contribution to Business Ethics, Then and Now. *J. Bus. Ethics* 129, 221–236. <https://doi.org/10.1007/s10551-014-2153-4>
- Goodrich, K.A., Sjostrom, K.D., Vaughan, C., Nichols, L., Bednarek, A., Lemos, M.C., 2020. Who are boundary spanners and how can we support them in making knowledge more actionable in sustainability fields? *Curr. Opin. Environ. Sustain.*, Advancing the science of actionable knowledge for sustainability 42, 45–51. <https://doi.org/10.1016/j.cosust.2020.01.001>
- Gordijn, J., 2002. E3-value in a Nutshell.
- Gordijn, J., Akkermans, H., 2001. Designing and evaluating e-business models. *IEEE Intell. Syst.* 16, 11–17. <https://doi.org/10.1109/5254.941353>
- Govindarajan, V., Trimble, C., Nooyi, I.K., 2012. *Reverse innovation: create far from home, win everywhere*. Perseus Book LLC (Ingram), Boston.
- Goyal, S., Kapoor, A., Esposito, M., Sergi, B., 2017. Understanding business model - literature review of concept and trends. *Int. J. Compet.* 1, 99. <https://doi.org/10.1504/IJC.2017.084715>

- Griffiths, P., Norman, I., 2013. Qualitative or quantitative? Developing and evaluating complex interventions: time to end the paradigm war. *Int. J. Nurs. Stud.* 50, 583–584. <https://doi.org/10.1016/j.ijnurstu.2012.09.008>
- Grove, A., Berg, G.A., 2014. *Social business: theory, practice, and critical perspectives*. Springer, Heidelberg.
- Guelmami, H., 2021. Chapitre 2. Les paradigmes de recherche, in: *La recherche en santé*, Business Science Institute. EMS Editions, Caen, pp. 21–27.
- Guliman, S.D.O., Uy, A.O.O., 2019. The Curious Case of Filipino Micro-Entrepreneurs' Financial Sophistication and the Triple Bottom Line. *DLSU Bus. Econ. Rev.* 28, 1–10.
- Gupta, S., Jaiswal, A.K., 2013. Making the Case for Harming the Poor - A Review of Marketing Tactics at the Bottom of the Pyramid. *J. Appl. Bus. Econ.* 14, 30–40.
- Gupta, S., Pirsch, J., 2014. Consumer Evaluation of Target Marketing to the Bottom of the Pyramid. *J. Int. Consum. Mark.* 26, 58–74. <https://doi.org/10.1080/08961530.2014.848084>
- Gupta, S., Srivastav, P., 2016. An exploratory investigation of aspirational consumption at the bottom of the pyramid. *J. Int. Consum. Mark.* 28, 2–15. <https://doi.org/10.1080/08961530.2015.1055873>
- Hafenbrädl, S., Waeger, D., 2021. The business case for CSR: A trump card against hypocrisy? *J. Bus. Res.* 129, 838–848. <https://doi.org/10.1016/j.jbusres.2019.08.043>
- Haggège, M., Collet, L., 2010. EXPLORING NEW BUSINESS MODELS WITH A NARRATIVE PERSPECTIVE.
- Håkansson, H., Snehota, I. (Eds.), 1995. *Developing relationships in business networks*. Routledge, London ; New York.
- Halal, W.E., 2000. Corporate community:: a theory of the firm uniting profitability and responsibility. *Strategy Leadersh.* 28, 10–16. <https://doi.org/10.1108/10878570010341582>
- Halme, M., Kourula, A., Lindeman, S., Kallio, G., Lima-Toivanen, M., Korsunova, A., 2016. Sustainability innovation at the Base of the Pyramid through multi-sited rapid ethnography: sustainability Innovation through rapid ethnography at the BOP. *Corp. Soc. Responsib. Environ. Manag.* 23, 113–128. <https://doi.org/10.1002/csr.1385>
- Hamel, G., 2000. *Leading the revolution*. Harvard Business School Press, Boston, Mass.
- Hammer, J., 2013. The Triple Bottom Line Tool. *Retail Prop. Insights* 20, 43–47.
- Hammer, J., Pivo, G., 2017. The Triple Bottom Line and Sustainable Economic Development Theory and Practice. *Econ. Dev. Q.* 31, 25–36. <https://doi.org/10.1177/0891242416674808>
- Hanna, D., 1997. The organization as an open system, in: Harris, A., Bennett, N., Preddy, M. (Eds.), *Organizational Effectiveness and Improvement in Education*. McGraw-Hill Education (UK).
- Harris, M., 2012. Nonprofits and Business: Toward a Subfield of Nonprofit Studies. *Nonprofit Volunt. Sect. Q.* 41, 892–902. <https://doi.org/10.1177/0899764012443735>



- Hart, S.L., Casado Cañeque, F., Spack, A., Dasgupta, P., 2013. Raising the Base of the Pyramid Through Enterprise: Innovative Case Studies of BoP Ventures and Initiatives. *BoP Glob. Netw.* 1–43.
- Hart, S.L., London, T., 2005. Developing Native Capability. What Multinational Corporations Can Learn from the Base of the Pyramid. *Stanf. Soc. Innov. Rev.*
- Hart, S.L., Sharma, S., 2004. Engaging fringe stakeholders for competitive imagination. *Acad. Manag. Perspect.* 18, 7–18. <https://doi.org/10.5465/ame.2004.12691227>
- Hart, S.L., Sharma, S., Halme, M., 2016. Poverty, business strategy, and sustainable development. *Organ. Environ.* 29, 401–415. <https://doi.org/10.1177/1086026616677170>
- Hartman, L.P., Dhanda, K.K., 2018. Cross-Sector Partnerships: An Examination of Success Factors. *Bus. Soc. Rev.* 123, 181–214. <https://doi.org/10.1111/basr.12139>
- Hasan, R., Liu, Y., Kitchen, P.J., Rahman, M., 2019. Exploring consumer mobile payment adoption in the bottom-of-the-pyramid context: A qualitative study. *Strateg. Change* 28, 345–353. <https://doi.org/10.1002/jsc.2289>
- Hashai, N., 2015. Within-industry diversification and firm performance-an S-shaped hypothesis: Within-Industry Diversification and Performance. *Strateg. Manag. J.* 36, 1378–1400. <https://doi.org/10.1002/smj.2290>
- Hedman, J., Kalling, T., 2003. The business model concept: theoretical underpinnings and empirical illustrations. *Eur. J. Inf. Syst.* 12, 49–59. <https://doi.org/10.1057/palgrave.ejis.3000446>
- Heikkilä, M., Kuivaniemi, L., 2012. Ecosystem Under Construction: An Action Research Study on Entrepreneurship in a Business Ecosystem. *Technol. Innov. Manag. Rev.* 2, 18–24. <https://doi.org/10.22215/timreview/564>
- Henry, L.A., Buyl, T., Jansen, R.J.G., 2019. Leading corporate sustainability: The role of top management team composition for triple bottom line performance. *Bus. Strategy Environ.* John Wiley Sons Inc 28, 173–184. <https://doi.org/10.1002/bse.2247>
- Hesse-Biber, S., 2015. Mixed Methods Research: The “Thing-ness” Problem. *Qual. Health Res.* 25, 775–788. <https://doi.org/10.1177/1049732315580558>
- Hessen, R., 1983. The Modern Corporation and Private Property: A Reappraisal. *J. Law Econ.* 26, 273–289.
- Hick, R., 2012. The Capability Approach: Insights for a New Poverty Focus. *J. Soc. Policy* 41, 291–308. <https://doi.org/10.1017/S0047279411000845>
- Hickey, G., Kipping, C., 1996. A multi-stage approach to the coding of data from open-ended questions: A structured approach to analysing data collected from open-ended questions can help to make the process clear, suggest Gary Hickey and Cheryl Kipping. *Nurse Res.* 4, 81–91. <https://doi.org/10.7748/nr.4.1.81.s9>
- Hills, G., Russell, P., Borgonovi, V., Doty, A., Iyer, L., 2012. SHARED VALUE IN EMERGING MARKETS: How Multinational Corporations are Redefining Business Strategies to Reach Poor or Vulnerable Populations. FSG.
- Hirvilammi, T., Laakso, S., Lettenmeier, M., Lähteenoja, S., 2013. Studying Well-being and its Environmental Impacts: A Case Study of Minimum Income

- Receivers in Finland. *J. Hum. Dev. Capab.* 14, 134–154. <https://doi.org/10.1080/19452829.2012.747490>
- Hockerts, K., 2015. A Cognitive Perspective on the Business Case for Corporate Sustainability. *Bus. Strategy Environ.* John Wiley Sons Inc 24, 102–122. <https://doi.org/10.1002/bse.1813>
- Holden, M., Lynch, P., 2004. Choosing the Appropriate Methodology: Understanding Research Philosophy. *Mark. Rev.* - *Mark. Rev.* 4. <https://doi.org/10.1362/1469347042772428>
- Holland, J., 2004. Corporate Intangibles, Value Relevance and Disclosure Content.
- Hollos, D., Blome, C., Foerstl, K., 2012. Does sustainable supplier co-operation affect performance? Examining implications for the triple bottom line. *Int. J. Prod. Res.* 50, 2968–2986. <https://doi.org/10.1080/00207543.2011.582184>
- Hourneaux, F., Gabriel, M.L. da S., Gallardo-Vázquez, D.A., 2018. Triple bottom line and sustainable performance measurement in industrial companies. *REGE Rev. Gest.* 25, 413–429. <http://dx.doi.org/10.1108/REGE-04-2018-0065>
- How, S.-M., Lee, C.G., Brown, D.M., 2019. Shareholder Theory Versus Stakeholder Theory in Explaining Financial Soundness. *Int. Adv. Econ. Res.* 25, 133–135. <https://doi.org/10.1007/s11294-019-09722-x>
- Howell, R., Sinha, K.M., Wagner, N., Doorn, N., van Beers, C., 2020. Consumption of Bottled Water at the Bottom of the Pyramid: Who Purchases First? *J. Macromarketing* 40, 31–50. <https://doi.org/10.1177/0276146719866890>
- Hsieh, H.-F., Shannon, S.E., 2005. Three Approaches to Qualitative Content Analysis. *Qual. Health Res.* 15, 1277–1288. <https://doi.org/10.1177/1049732305276687>
- Hsieh, N., 2017. The Responsibilities and Role of Business in Relation to Society: Back to Basics? *Bus. Ethics Q.* 27, 293–314. <https://doi.org/10.1017/beq.2017.8>
- Hughes, J., Goodwin, J. (Eds.), 2014. Documentary and archival research, SAGE benchmarks in social research methods. SAGE, Thousand Oaks, California.
- Hughes, J.A., Sharrock, W.W., 1997. The philosophy of social research, 3rd ed. ed. Longman, London.
- Hunt, S., 2005. For Truth and Realism in Management Research. *J. Manag. Inq.* - *J. MANAGE Inq.* 14, 127–138. <https://doi.org/10.1177/1056492605275242>
- Hunt, S.D., 1991. Modern marketing theory: critical issues in the philosophy of marketing science. South-Western Pub. Co, Cincinnati, OH.
- Hurth, V., 2017. Organizations as Open Systems That Need Purpose and Integrated Thinking. *Board Leadersh.* 2017, 1–8. <https://doi.org/10.1002/bl.30069>
- Hussain, N., Rigoni, U., Orij, R.P., 2018. Corporate Governance and Sustainability Performance: Analysis of Triple Bottom Line Performance. *J. Bus. Ethics* 149, 411–432. <https://doi.org/10.1007/s10551-016-3099-5>
- Husted, B.W., Allen, D.B., Kock, N., 2015. Value Creation Through Social Strategy. *Bus. Soc.* 54, 147–186. <https://doi.org/10.1177/0007650312439187>
- Ilahiane, H., Sherry, J.W., 2012. The Problematics of the “Bottom of the Pyramid” Approach to International Development: The Case of Micro-Entrepreneurs’ Use of Mobile Phones in Morocco. *Inf. Technol. Int. Dev.* 8, 13–26.

- Ingram, M., 2016. Inclusive Business or Social Enterprise? [WWW Document]. iBAN. URL <https://www.inclusivebusiness.net/ib-voices/inclusive-business-or-social-enterprise> (accessed 10.3.22).
- Jackson, I., Limbrick, L., 2019. Creating shared value in an industrial conurbation: Evidence from the North Staffordshire ceramics cluster. *Strateg. Change* 28, 133–138. <https://doi.org/10.1002/jsc.2254>
- Jackson, M.C., 1999. Towards Coherent Pluralism in Management Science. *J. Oper. Res. Soc.* 50, 12–22. <https://doi.org/10.2307/3010384>
- Jacobides, M.G., Billinger, S., 2006. Designing the Boundaries of the Firm: From “Make, Buy, or Ally” to the Dynamic Benefits of Vertical Architecture. *Organ. Sci.* 17, 249–261. <https://doi.org/10.1287/orsc.1050.0167>
- Jæger, K., Pedersen, A.G.J., 2020. Understanding organizational boundaries. *Globe J. Lang. Culture and Communication*, 1-14 Pages. <https://doi.org/10.5278/OJS.GLOBE.V9I.4286>
- Jansen, A., Moses, M., Mujuta, S., Yu, D., 2015. Measurements and determinants of multifaceted poverty in South Africa. *Dev. South. Afr.* 32, 151–169. <https://doi.org/10.1080/0376835X.2014.984377>
- Jarvenpaa, S.L., Lang, K.R., 2011. Boundary Management in Online Communities: Case Studies of the Nine Inch Nails and ccMixter Music Remix Sites. *Long Range Plann., Social Software: Strategy, Technology, and Community* 44, 440–457. <https://doi.org/10.1016/j.lrp.2011.09.002>
- Jebarajakirthy, C., Lobo, A., Hewege, C., 2015. Enhancing youth’s attitudes towards microcredit in the bottom of the pyramid markets. *Int. J. Consum. Stud.* 39, 180–192. <https://doi.org/10.1111/ijcs.12166>
- Jensen, A.B., 2013. Do we need one business model definition? *J. Bus. Models* 1. <https://doi.org/10.5278/ojs.jbm.v1i1.705>
- Jin, C., 2018. The effects of creating shared value (CSV) on the consumer self–brand connection: Perspective of sustainable development. *Corp. Soc. Responsib. Environ. Manag.* 25, 1246–1257. <https://doi.org/10.1002/csr.1635>
- Jocevski, M., Arvidsson, N., Ghezzi, A., 2020. Interconnected business models: present debates and future agenda. *J. Bus. Ind. Mark.* 35, 1051–1067. <https://doi.org/10.1108/JBIM-06-2019-0292>
- Johnson, M.W., Christensen, C.M., Kagermann, H., 2008. Reinventing Your Business Model. (cover story). *Harv. Bus. Rev.* 86, 50–59.
- Jones, S., Wright, C., 2018. Fashion or future: does creating shared value pay? *Account. Finance* 58, 1111–1139. <https://doi.org/10.1111/acfi.12243>
- Jones, T.M., Wicks, A.C., 1999. Convergent Stakeholder Theory. *Acad. Manage. Rev.* 24, 206–221. <https://doi.org/10.5465/AMR.1999.1893929>
- Jones, T.M., Wicks, A.C., Freeman, R.E., 2017. Stakeholder Theory: The State of the Art, in: *The Blackwell Guide to Business Ethics*. John Wiley & Sons, Ltd, pp. 17–37. <https://doi.org/10.1002/9781405164771.ch1>
- Jonker, J., Faber, N., 2021. Business Model Archetypes, in: Jonker, J., Faber, N. (Eds.), *Organizing for Sustainability: A Guide to Developing New Business Models*. Springer International Publishing, Cham, pp. 75–90. [https://doi.org/10.1007/978-3-030-78157-6\\_6](https://doi.org/10.1007/978-3-030-78157-6_6)

- Jordan, P.J., Ashkanasy, N.M., Hartel, C.E.J., 2002. Emotional Intelligence as a Moderator of Emotional and Behavioral Reactions to Job Insecurity. *Acad. Manage. Rev.* 27, 361–372. <https://doi.org/10.2307/4134384>
- Joyce, A., Paquin, R.L., 2016. The triple layered business model canvas: A tool to design more sustainable business models. *J. Clean. Prod.* 135, 1474–1486. <https://doi.org/10.1016/j.jclepro.2016.06.067>
- Justice, D.W., 2006. CORPORATE SOCIAL RESPONSIBILITY and Society's Expectations of Business. *Perspect. Work* 9, 14–16.
- Kamprath, M., Halecker, B., 2012. A Systematic Approach for Business Model Taxonomy - How to operationalize and compare large Quantities of Business Models? *Proc. ISPIIM Conf.* 1–32.
- Kansal, P., 2016. Factors Affecting Adoption of Mobile Banking at the Bottom of the Pyramid in India. *Int. J. Mark. Bus. Commun.* 5, 8–19.
- Karamchandani, A., Kubzansky, M., Lalwani, N., 2011. Is the Bottom Of the Pyramid Really for You? *Harv. Bus. Rev.* 89, 107–111.
- Karnani, A., 2017. The roles of the private and public sectors in poverty reduction. *J. Mark. Manag.* 33, 1585–1592. <https://doi.org/10.1080/0267257X.2017.1313758>
- Karnani, A., 2007. The mirage of marketing to the Bottom of the Pyramid: how the private sector can help alleviate poverty. *Calif. Manage. Rev.* 49, 90–111. <https://doi.org/10.2307/41166407>
- Karnani, A., 2005. Misfortune at the Bottom of the Pyramid. *Greener Manag. Int.* 99–110. <https://doi.org/10.9774/gleaf.3062.2005.au.00009>
- Kealy, T., 2019. Triple Bottom Line Sustainability Reporting: How to Make it More Tangible. *Am. J. Manag.* 19, 107–140. <https://doi.org/10.33423/ajm.v19i5.2634>
- Kelly, L.M., Cordeiro, M., 2020. Three principles of pragmatism for research on organizational processes. *Methodol. Innov.* 13, 2059799120937242. <https://doi.org/10.1177/2059799120937242>
- Kesting, P., 2021. The Interaction Between Business Models and Business Reality. *J. Bus. Models* 9, 13–35. <https://doi.org/10.5278/jbm.v9i4.6238>
- Ketokivi, M., Choi, T., 2014. Renaissance of case research as a scientific method. *J. Oper. Manag.* 32, 232–240. <https://doi.org/10.1016/j.jom.2014.03.004>
- Khurshid, H., Snell, R.S., 2021. Examining mechanisms for creating shared value by Asian firms. *J. Bus. Res.* 129, 122–133. <https://doi.org/10.1016/j.jbusres.2021.02.030>
- Kickul, J., Janssen-Selvadurai, C., Griffiths, M.D., 2012a. A Blended Value Framework for Educating the Next Cadre of Social Entrepreneurs. *Acad. Manag. Learn. Educ.* 11, 479–493. <https://doi.org/10.5465/amle.2011.0018>
- Kickul, J., Terjesen, S., Bacq, S., Griffiths, M., 2012b. Social Business Education: An Interview With Nobel Laureate Muhammad Yunus. *Acad. Manag. Learn. Educ.* 11, 453–462. <https://doi.org/10.5465/amle.2011.0500>
- Kilduff, M., Mehra, A., 1997. Postmodernism and Organizational Research. *Acad. Manage. Rev.* 22, 453–481. <https://doi.org/10.2307/259330>
- Kim, W.C., Mauborgne, R., 2000. Knowing a Winning Business Idea When You See One. *Harv. Bus. Rev.*

- Kinzel, K., 2021. Wilhelm Windelband, in: Zalta, E.N. (Ed.), *The Stanford Encyclopedia of Philosophy*. Metaphysics Research Lab, Stanford University.
- Kolk, A., Rivera-Santos, M., Rufin, C., 2014. Reviewing a decade of research on the “Base/Bottom of the Pyramid” (BOP) concept. *Bus. Soc.* 53, 338–377. <https://doi.org/10.1177/0007650312474928>
- Kondracki, N.L., Wellman, N.S., Amundson, D.R., 2002. Content Analysis: Review of Methods and Their Applications in Nutrition Education. *J. Nutr. Educ. Behav.* 34, 224–230. [https://doi.org/10.1016/S1499-4046\(06\)60097-3](https://doi.org/10.1016/S1499-4046(06)60097-3)
- Kong, Y., Antwi-Adjei, A., Bawuah, J., 2020. A systematic review of the business case for corporate social responsibility and firm performance. *Corp. Soc. Responsib. Environ. Manag.* 27, 444–454. <https://doi.org/10.1002/csr.1838>
- Kramer, M.R., Pfitzer, M.W., 2016. The Ecosystem of Shared Value. *Harv. Bus. Rev.* 94, 80–89.
- Kulkov, I., 2021. Next-generation business models for artificial intelligence start-ups in the healthcare industry. *Int. J. Entrep. Behav. Res.* ahead-of-print. <https://doi.org/10.1108/IJEBr-04-2021-0304>
- Laasch, O., 2018. Beyond the purely commercial business model: Organizational value logics and the heterogeneity of sustainability business models. *Long Range Plann.* 51, 158–183. <https://doi.org/10.1016/j.lrp.2017.09.002>
- Lai Ken Tan, Egan, M., 2018. The Public Accountability Value of a Triple Bottom Line Approach to Performance Reporting in the Water Sector. *Aust. Account. Rev.* 28, 235–250. <https://doi.org/10.1111/auar.12173>
- Landrum, N.E., 2020. A critical discourse analysis to explain the failure of BoP strategies. *Crit. Perspect. Int. Bus.* 17, 599–618. <https://doi.org/10.1108/cpoib-08-2018-0066>
- Lashitew, A.A., Narayan, S., Rosca, E., Bals, L., 2021. Creating Social Value for the ‘Base of the Pyramid’: An Integrative Review and Research Agenda. *J. Bus. Ethics.* <https://doi.org/10.1007/s10551-020-04710-2>
- Latapí Agudelo, M.A., Jóhannsdóttir, L., Davídsdóttir, B., 2019. A literature review of the history and evolution of corporate social responsibility. *Int. J. Corp. Soc. Responsib.* 4, 1. <https://doi.org/10.1186/s40991-018-0039-y>
- Laudal, T., 2018. Measuring shared value in multinational corporations. *Soc. Responsib. J.* 14, 917–933. <https://doi.org/10.1108/SRJ-08-2017-0169>
- Laukkanen, M., Tura, N., 2022. Sustainable value propositions and customer perceived value: Clothing library case. *J. Clean. Prod.* 378, 134321. <https://doi.org/10.1016/j.jclepro.2022.134321>
- Lawless, J., Toronto, C., Grammatica, G., 2016. Health literacy and information literacy: A concept comparison. *Ref. Serv. Rev.* 44. <https://doi.org/10.1108/RSR-02-2016-0013>
- Laya, A., Markendahl, J., Lundberg, S., 2018. Network-centric business models for health, social care and wellbeing solutions in the internet of things. *Scand. J. Manag.* 34, 103–116. <https://doi.org/10.1016/j.scaman.2018.02.004>
- Lecocq, X., Demil, B., Ventura, J., 2010. Business Models as a Research Program in Strategic Management: An Appraisal based on Lakatos. *M@n@gement* 13, 214–225. <https://doi.org/10.3917/mana.134.0214>
- Lecocq, X., Demil, B., Warnier, V., 2006. Le business model, un outil d’analyse stratégique. *Expans. Manag. Rev.* N° 123, 96–109.

- Lee, D., Moon, J., Cho, J., Kang, H.-G., Jeong, J., 2014. From corporate social responsibility to creating shared value with suppliers through mutual firm foundation in the Korean bakery industry: a case study of the SPC Group. *Asia Pac. Bus. Rev.* 20, 461–483. <https://doi.org/10.1080/13602381.2014.929301>
- Lee, Y.W., 2019. Enhancing shared value and sustainability practices of global firms: The case of samsung electronics. *Strateg. Change* 28, 139–145. <https://doi.org/10.1002/jsc.2255>
- Lehikoinen, L.E., Lundh, A., Meert, L., Waeingnier, K., Bentsen, N., Norbye, I.B.T., 2018. Innovation and Creativity at the Bottom of the Pyramid. *Int. J. Bus. Econ. Sci. Appl. Res.* 11, 13–25. <https://doi.org/10.25103/ijbesar.111.02>
- Leimeister, S., 2010. Theoretical and Methodological Foundations for Classifying Data, in: Leimeister, S. (Ed.), *IT Outsourcing Governance: Client Types and Their Management Strategies*. Gabler, Wiesbaden, pp. 81–109. [https://doi.org/10.1007/978-3-8349-6303-1\\_4](https://doi.org/10.1007/978-3-8349-6303-1_4)
- Leminen, S., Rajahonka, M., Westerlund, M., Siuruainen, R., 2015. Ecosystem business models for the Internet of Things. <https://doi.org/10.13140/RG.2.1.4292.1126>
- Lengnick-Hall, C.A., Beck, T.E., Lengnick-Hall, M.L., 2011. Developing a capacity for organizational resilience through strategic human resource management. *Hum. Resour. Manag. Rev.*, *International Human Resource Management: Theoretical and Strategic Advances* 21, 243–255. <https://doi.org/10.1016/j.hrmr.2010.07.001>
- Leong, C., Shan L. Pan, Leidner, D.E., Jin-Song Huang, 2019. Platform Leadership: Managing Boundaries for the Network Growth of Digital Platforms. *J. Assoc. Inf. Syst.* 20, 1531–1565. <https://doi.org/10.17705/1jais.00577>
- Lepak, D.P., Smith, K.G., Taylor, M.S., 2007. Introduction to Special Topic Forum: Value Creation and Value Capture: A Multilevel Perspective. *Acad. Manage. Rev.* 32, 180–194.
- Levina, N., Vaast, E., 2005. The Emergence of Boundary Spanning Competence in Practice: Implications for Implementation and Use of Information Systems. *MIS Q.* 29, 335–363. <https://doi.org/10.2307/25148682>
- Levitt, T., 1958. The Dangers of Social Responsibility. *Harv. Bus. Rev.* 36, 41–50.
- Lewis, M., 2000. *The new new thing: a Silicon Valley story*, 1st ed. ed. W. W. Norton, New York.
- Lindgren, P., Taran, Y., Boer, H., 2010. From single firm to network-based business model innovation. *Int. J. Entrep. Innov. Manag.* 12, 122. <https://doi.org/10.1504/IJEIM.2010.034417>
- Lindhult, E., Nygren, C., 2018. Fuzzy front end of business model innovation. *Proc. ISPIM Conf.* 1–12.
- London, T., 2008. THE BASE-OF-THE-PYRAMID PERSPECTIVE: A NEW APPROACH TO POVERTY ALLEVIATION, in: *Academy of Management Annual Meeting Proceedings*.
- London, T., Anupindi, R., 2012. Using the base-of-the-pyramid perspective to catalyze interdependence-based collaborations. *Proc. Natl. Acad. Sci.* 109, 12338–12343. <https://doi.org/10.1073/pnas.1013626108>

- London, T., Anupindi, R., Sheth, S., 2010. Creating mutual value: lessons learned from ventures serving base of the pyramid producers. *J. Bus. Res.* 63, 582–594. <https://doi.org/10.1016/j.jbusres.2009.04.025>
- London, T., Hart, S.L. (Eds.), 2011. Next generation business strategies for the base of the pyramid: new approaches for building mutual value. FT Press, Upper Saddle River, N.J.
- London, T., Hart, S.L., 2004. <i>Reinventing strategies for emerging markets: beyond the transnational model</i>. *J. Int. Bus. Stud.* 35, 350–370. <https://doi.org/10.1057/palgrave.jibs.8400099>
- Longoni, A., Cagliano, R., 2018. Sustainable Innovativeness and the Triple Bottom Line: The Role of Organizational Time Perspective. *J. Bus. Ethics* 151, 1097–1120. <https://doi.org/10.1007/s10551-016-3239-y>
- Lu, W., Chau, K.W., Wang, H., Pan, W., 2014. A decade's debate on the nexus between corporate social and corporate financial performance: a critical review of empirical studies 2002–2011. *J. Clean. Prod.* 79, 195–206. <https://doi.org/10.1016/j.jclepro.2014.04.072>
- Luck, L., Jackson, D., Usher, K., 2006. Case study: a bridge across the paradigms. *Nurs. Inq.* 13, 103–109. <https://doi.org/10.1111/j.1440-1800.2006.00309.x>
- Ludwig, D., Ruphy, S., 2021. Scientific Pluralism, in: Zalta, E.N. (Ed.), *The Stanford Encyclopedia of Philosophy*. Metaphysics Research Lab, Stanford University.
- Lumpkin, G.T., Dess, G.G., 2004. E-Business Strategies and Internet Business Models: Organ. Dyn. 33, 161–173. <https://doi.org/10.1016/j.orgdyn.2004.01.004>
- Lutz Preuss, 2011. Innovative CSR. *J. Corp. Citizsh.* 17–33. <https://doi.org/10.9774/GLEAF.4700.2011.su.00004>
- Lynn, A., 2021. Why “Doing Well by Doing Good” Went Wrong: Getting Beyond “Good Ethics Pays” Claims in Managerial Thinking. *Acad. Manage. Rev.* 46, 512–533. <https://doi.org/10.5465/amr.2018.0250>
- Macaulay, C.D., Peng, M.W., Richard, O.C., Washburn, M., 2018. Balancing on the Triple Bottom Line: An Examination of Firm CSR Strategies. *SAM Adv. Manag. J.* 07497075 83, 27–36.
- MacDonald, C., Norman, W., 2007. Rescuing the Baby from the Triple-Bottom-Line Bathwater: A Reply to Pava. *Bus. Ethics Q.* 17, 111–114. <https://doi.org/10.5840/beq200717118>
- MacInnis, D.J., 2011. A Framework for Conceptual Contributions in Marketing. *J. Mark.* 75, 136–154. <https://doi.org/10.1509/jmkg.75.4.136>
- Mackey, J., Sisodia, R., 2013. Conscious capitalism: liberating the heroic spirit of business. Harvard Business Review Press, Boston, Mass.
- Maestre-Matos, M., Páez Cabas, A.P., Lombana-Coy, J.-E., 2020. Shared value: a bibliometric review of the literature from the approaches of strategy, corporate social responsibility and stakeholder: Valor compartido: una revisión de literatura desde los enfoques de estrategia, responsabilidad social corporativa y de partes interesadas. *Cuad. Adm.* 36, 172–186. <https://doi.org/10.25100/cdea.v36i66.7764>
- Magretta, J., 2002. Why business models matter. *Harv. Bus. Rev.* 80, 86–92.
- Mahadevan, B., 2004. A framework for business model innovation.

- Mahadevan, B., 2000. Business Models for Internet-Based E-Commerce: An Anatomy. *Calif. Manage. Rev.* 42, 55–69. <https://doi.org/10.2307/41166053>
- Mahembe, E., Odhiambo, N.M., 2019. Foreign aid and poverty reduction: A review of international literature. *Cogent Soc. Sci.* 5, 1625741. <https://doi.org/10.1080/23311886.2019.1625741>
- Malterud, K., 2001. Qualitative research: standards, challenges, and guidelines. *The Lancet* 358, 483–488. [https://doi.org/10.1016/S0140-6736\(01\)05627-6](https://doi.org/10.1016/S0140-6736(01)05627-6)
- Manetti, G., 2014. The Role of Blended Value Accounting in the Evaluation of Socio-Economic Impact of Social Enterprises. *Volunt. Int. J. Volunt. Nonprofit Organ.* 25, 443–464.
- Maon, F., Lindgreen, A., Swaen, V., 2010. Organizational Stages and Cultural Phases: A Critical Review and a Consolidative Model of Corporate Social Responsibility Development. *Int. J. Manag. Rev.* 12, 20–38. <https://doi.org/10.1111/j.1468-2370.2009.00278.x>
- Margalit, A., Goldblum, N., 1998. *The decent society*, 1. Harvard Univ. Press paperback ed. ed. Harvard Univ. Press, Cambridge, Mass.
- Mariotto, F.L., Zanni, P.P., Moraes, G.H.S.M.D., 2014. WHAT IS THE USE OF A SINGLE-CASE STUDY IN MANAGEMENT RESEARCH? *Rev. Adm. Empres.* 54, 358–369. <https://doi.org/10.1590/S0034-759020140402>
- Martinet, A.C., 2020. Chapitre 10. Quelle épistémologie pour la recherche en management en Afrique ?, in: *La recherche enracinée en management*, Business Science Institute. EMS Editions, Caen, pp. 175–193. <https://doi.org/10.3917/ems.kamde.2020.01.0175>
- Martinet, A.C., Payaud, M.A., 2008. Le développement durable, vecteur et produit d'une régénération de la gouvernance et du management stratégique : Un cadre théorique intégrateur. *Rev. Manag. Int.* 12, 13.
- Martinuzzi, A., Krumay, B., 2013. The Good, the Bad, and the Successful – How Corporate Social Responsibility Leads to Competitive Advantage and Organizational Transformation. *J. Change Manag.* 13, 424–443. <https://doi.org/10.1080/14697017.2013.851953>
- Mason, K., Chakrabarti, R., Singh, R., 2017. Markets and marketing at the bottom of the pyramid. *Mark. Theory* 17, 261–270. <https://doi.org/10.1177/1470593117702286>
- Mason, K., Palo, T., 2012. Innovating markets by putting business models to work, in: *28th Industrial Marketing & Purchasing Conference*. Presented at the 28th Industrial Marketing & Purchasing Conference, ITA.
- Mason, K., Spring, M., 2011. The sites and practices of business models. *Ind. Mark. Manag., Business Networks: Global, Regional and Local The Best from IMP 2010 - Budapest* 40, 1032–1041. <https://doi.org/10.1016/j.indmarman.2011.06.032>
- Mason, P.R., 2020. The Community Interest Company. *Soc. Bus.* 10, 65–84. <https://doi.org/10.1362/204440820X15813359568264>
- Massa, L., Gianluigi, V., Tucci, C., 2018. Business Models and Complexity. *J. Bus. Models* 6, 59–71. <https://doi.org/10.5278/ojs.jbm.v6i1.2579>
- Massa, L., Tucci, C.L., 2014. *Business Model Innovation*. Oxford University Press. <https://doi.org/10.1093/oxfordhb/9780199694945.013.002>



- Massa, L., Tucci, C.L., Afuah, A., 2017. A Critical Assessment of Business Model Research. *Acad. Manag. Ann.* 11, 73–104. <https://doi.org/10.5465/annals.2014.0072>
- McGhee, P., Grant, P., 2017. Applying critical realism in spirituality at work research 40, 845–869.
- McMullen, J.S., Warnick, B.J., 2016. Should We Require Every New Venture to Be a Hybrid Organization? *J. Manag. Stud.* John Wiley Sons Inc 53, 630–662. <https://doi.org/10.1111/joms.12150>
- McWilliams, A., Parhankangas, A., Coupet, J., Welch, E., Barnum, D.T., 2016. Strategic Decision Making for the Triple Bottom Line. *Bus. Strategy Environ.* John Wiley Sons Inc 25, 193–204. <https://doi.org/10.1002/bse.1867>
- McWilliams, A., Siegel, D., 2001. Corporate Social Responsibility: A Theory of the Firm Perspective. *Acad. Manage. Rev.* 26, 117–127. <https://doi.org/10.5465/AMR.2001.4011987>
- Meira Oliveira, G., Carvalho Machado, A.G., 2017. Dynamic of Innovation in Services for Consumers at the Bottom of the Pyramid. *Braz. Bus. Rev. Port. Ed.* 14, 609–623. <https://doi.org/10.15728/bbr.2017.14.6.4>
- Mejia, S., 2019. Weeding Out Flawed Versions of Shareholder Primacy: A Reflection on the Moral Obligations That Carry Over from Principals to Agents. *Bus. Ethics Q.* 29, 519–544. <https://doi.org/10.1017/beq.2019.18>
- Mendy, J., 2019. Supporting the creation of shared value. *Strateg. Change* 28, 157–161. <https://doi.org/10.1002/jsc.2257>
- Merriam, S.B., Tisdell, E.J., 2016. Qualitative research: a guide to design and implementation, Fourth edition. ed, The Jossey-Bass higher and adult education series. Jossey-Bass, San Francisco, CA.
- Mestrum, F., 2003. Poverty Reduction and Sustainable Development. *Environ. Dev. Sustain.* 5, 41–61. <https://doi.org/10.1023/A:1025363729611>
- Meyer, M., 2015. Positive business: doing good and doing well. *Bus. Ethics Eur. Rev.* 24, S175–S197. <https://doi.org/10.1111/beer.12105>
- Mezias, S.J., Fakhreddin, M., 2014. Building Iterative Boundary Capabilities to Succeed at the Base of the Pyramid. *INSEAD Work. Pap. Collect.* 1–39.
- Michellini, L., 2012. Social Innovation and new business models: creating shared value in low-income markets, *SpringerBriefs in business.* Springer, Heidelberg.
- Michellini, L., Fiorentino, D., 2012. New business models for creating shared value. *Soc. Responsib. J.* 8, 561–577. <https://doi.org/10.1108/17471111211272129>
- Miller, S., 2011. *The Essential MBA.* SAGE Publications Ltd, 1 Oliver's Yard, 55 City Road, London EC1Y 1SP United Kingdom. <https://doi.org/10.4135/9781473914612>
- Mills, A.J., Mills, J.H., 2018. The SAGE Handbook of Qualitative Business and Management Research Methods: Methods and Challenges, in: *The SAGE Handbook of Qualitative Business and Management Research Methods: Methods and Challenges.* SAGE Publications Ltd, 55 City Road, pp. 32–45. <https://doi.org/10.4135/9781526430236>
- Milne, M., Gray, R., 2013. W(h)ither Ecology? The Triple Bottom Line, the Global Reporting Initiative, and Corporate Sustainability Reporting. *J. Bus. Ethics* 118, 13–29. <https://doi.org/10.1007/s10551-012-1543-8>

- Mio, C., Panfilo, S., Blundo, B., 2020. Sustainable development goals and the strategic role of business: A systematic literature review. *Bus. Strategy Environ.* John Wiley Sons Inc 29, 3220–3245. <https://doi.org/10.1002/bse.2568>
- Mir, R., Watson, A., 2000. Strategic Management and the Philosophy of Science: The Case for a Constructivist Methodology. *Strateg. Manag. J.* 21, 941–953.
- Mish, J., Scammon, D.L., 2010. Principle-Based Stakeholder Marketing: Insights from Private Triple-Bottom-Line Firms. *J. Public Policy Mark.* 29, 12–26. <https://doi.org/10.1509/jppm.29.1.12>
- Mogalakwe, M., 2006. The Use of Documentary Research Methods in Social Research. *Afr. Sociol. Rev. Rev. Afr. Sociol.* 10, 221–230.
- Möller, K., Rajala, A., 2007. Rise of strategic nets — New modes of value creation. *Ind. Mark. Manag.* 36, 895–908. <https://doi.org/10.1016/j.indmarman.2007.05.016>
- Moon, H., Parc, J., 2019. Shifting corporate social responsibility to corporate social opportunity through creating shared value. *Strateg. Change* 28, 115–122. <https://doi.org/10.1002/jsc.2252>
- Moore, C., 2014. CSR and creating shared value: shat's the difference? *Heifer Int.*
- Morais-da-Silva, R.L., Orsiolli, T.A.E., Nobre, F.S., Walker, D., 2016. Innovation for Sustainability: Creating Mutual Values. *Proc. ISPIM Conf.* 1–14.
- Morgan, D.L., 2014. Pragmatism as a Paradigm for Social Research. *Qual. Inq.* 20, 1045–1053. <https://doi.org/10.1177/1077800413513733>
- Morgan, D.L., 2007. Paradigms Lost and Pragmatism Regained: Methodological Implications of Combining Qualitative and Quantitative Methods. *J. Mix. Methods Res.* 1, 48–76. <https://doi.org/10.1177/2345678906292462>
- Morgan, G., Smircich, L., 1980. The Case for Qualitative Research. *Acad. Manage. Rev.* 5, 491–500. <https://doi.org/10.2307/257453>
- Morris, M., Schindehutte, M., Allen, J., 2005. The entrepreneur's business model: toward a unified perspective. *J. Bus. Res., Special Section: The Nonprofit Marketing Landscape* 58, 726–735. <https://doi.org/10.1016/j.jbusres.2003.11.001>
- Morse, J.M., 1995. Exploring the theoretical basis of nursing using advanced techniques of concept analysis: *Adv. Nurs. Sci.* 17, 31–46. <https://doi.org/10.1097/00012272-199503000-00005>
- Morse, J.M., Hupcey, J.E., Penrod, J., Mitcham, C., 2002. Integrating Concepts for the Development of Qualitatively-Derived Theory. *Res. Theory Nurs. Pract.* 16, 5–18. <https://doi.org/10.1891/rtnp.16.1.5.52995>
- Morse, J.M., Mitcham, C., Hupcey, J.E., Cerdas Tason, M., 1996. Criteria for concept evaluation. *J. Adv. Nurs.* 24, 385–390. <https://doi.org/10.1046/j.1365-2648.1996.18022.x>
- Nam, S., Hwang, H., 2019. What makes consumers respond to creating shared value strategy? Considering consumers as stakeholders in sustainable development. *Corp. Soc. Responsib. Environ. Manag.* 26, 388–395. <https://doi.org/10.1002/csr.1690>
- Nason, R.S., Wiklund, J., McKelvie, A., Hitt, M., Yu, W., 2019. Orchestrating boundaries: The effect of R&D boundary permeability on new venture growth. *J. Bus. Ventur.* 34, 63–79. <https://doi.org/10.1016/j.jbusvent.2018.05.003>

- Nerurkar, O., 2021. Bop 3.0 Opportunity Identification and Sustainable Business Model Innovation Conceptual Framework.
- Neumann, M., 2017. Open Innovation vs Crowdsourcing vs Co-creation by M Neumann | NextStart. URL <https://www.nextstart.fr/2017/05/22/open-innovation-vs-crowdsourcing-vs-co-creation-by-m-neumann/> (accessed 4.21.22).
- Nicholls, A., 2009. 'We do good things, don't we?': 'Blended Value Accounting' in social entrepreneurship. *Account. Organ. Soc.* 34, 755–769. <https://doi.org/10.1016/j.aos.2009.04.008>
- Nichols, B.S., Stolze, H., Kirchoff, J.F., 2019. Spillover effects of supply chain news on consumers' perceptions of product quality: An examination within the triple bottom line. *J. Oper. Manag.* 65, 536–559. <https://doi.org/10.1002/joom.1033>
- Nielsen, C., Lund, M., 2014. A Brief History of the Business Model Concept, in: *The Basics of Business Models*. Ventus, pp. 21–27.
- Norman, W., MacDonald, C., 2004. Getting to the Bottom of "Triple Bottom Line." *Bus. Ethics Q.* 14, 243–262. <https://doi.org/10.5840/beq200414211>
- Normann, R., Ramirez, R., 1993. From value chain to value constellation: Designing interactive strategy. *Harv. Bus. Rev.* 71, 65–77.
- Ocasio, W., Radoynovska, N., 2016. Strategy and commitments to institutional logics: Organizational heterogeneity in business models and governance. *Strateg. Organ.* 14, 287–309. <https://doi.org/10.1177/1476127015625040>
- Osterwalder, A., Pigneur, Y., 2010. *Business model generation: a handbook for visionaries, game changers, and challengers*. Wiley, Hoboken, NJ.
- Osterwalder, A., Pigneur, Y., 2005. Clarifying Business Models: Origins, Present, and Future of the Concept. *Commun. Assoc. Inf. Syst.* 16, 1–25. <https://doi.org/10.17705/1CAIS.01601>
- O'Toole, J., Vogel, D., 2011. Two and a Half Cheers for Conscious Capitalism. *Calif. Manage. Rev.* 53, 60–76. <https://doi.org/10.1525/cmr.2011.53.3.60>
- Ovans, A., 2015. What Is a Business Model? *Harv. Bus. Rev.*
- Ozanne, L.K., Phipps, M., Weaver, T., Carrington, M., Luchs, M., Catlin, J., Gupta, S., Santos, N., Scott, K., Williams, J., 2016. Managing the Tensions at the Intersection of the Triple Bottom Line: A Paradox Theory Approach to Sustainability Management. *J. Public Policy Mark.* 35, 249–261. <https://doi.org/10.1509/jppm.15.143>
- Öztürk, B.A., Özçelik, F., 2014. Sustainable Supplier Selection with A Fuzzy Multi-Criteria Decision Making Method Based on Triple Bottom Line. *Bus. Econ. Res. J.* 5, 129–147.
- Palo, T., Tähtinen, J., 2013. Networked business model development for emerging technology-based services. *Ind. Mark. Manag., Business Models – Exploring value drivers and the role of marketing* 42, 773–782. <https://doi.org/10.1016/j.indmarman.2013.05.015>
- Palomares-Aguirre, I., Barnett, M., Layrisse, F., Husted, B.W., 2018. Built to scale? How sustainable business models can better serve the base of the pyramid. *J. Clean. Prod.* 172, 4506–4513. <https://doi.org/10.1016/j.jclepro.2017.11.084>
- Pan, M.-Z., Mao, J.-Y., 2016. Cross Boundary Mechanisms for Knowledge Management by User Representatives in Enterprise Systems

- Implementation. *IEEE Trans. Eng. Manag.* 63, 438–450. <https://doi.org/10.1109/TEM.2016.2596319>
- Panwar, R., Nybakk, E., Hansen, E., Pinkse, J., 2017. Does the Business Case Matter? The Effect of a Perceived Business Case on Small Firms' Social Engagement. *J. Bus. Ethics* 144, 597–608. <https://doi.org/10.1007/s10551-015-2835-6>
- Parmar, B.L., Freeman, R.E., Harrison, J.S., Wicks, A.C., Purnell, L., de Colle, S., 2010. Stakeholder Theory: The State of the Art. *Acad. Manag. Ann.* 4, 403–445. <https://doi.org/10.1080/19416520.2010.495581>
- Parolini, C., 1999. *The value net: a tool for competitive strategy*. Wiley, Chichester ; New York.
- Pateli, A., Giaglis, G., 2004. A Research Framework for Analysing eBusiness models. *EJIS* 13, 302–314. <https://doi.org/10.1057/palgrave.ejis.3000513>
- Patton, E., Appelbaum, S.H., 2003. The case for case studies in management research. *Manag. Res. News* 26, 60–71. <https://doi.org/10.1108/01409170310783484>
- Paula Ilmarinen, 2018. Creating shared value in the banking industry: A case study from Finland. *Finn. Bus. Rev.* 1–10.
- Pavlovich, K., Corner, P., 2014. Conscious Enterprise Emergence: Shared Value Creation Through Expanded Conscious Awareness. *J. Bus. Ethics* 121, 341–351. <https://doi.org/10.1007/s10551-013-1726-y>
- Payaud, M.A., 2014a. Marketing strategies at the bottom of the pyramid: examples from Nestlé, Danone, and Procter & Gamble. *Glob. Bus. Organ. Excell.* 33, 51–63. <https://doi.org/10.1002/joe.21533>
- Payaud, M.A., 2014b. Management stratégique BoP : une modélisation à l'épreuve d'une recherche-intervention chez Nestlé Cameroun. *BoP Strateg. Manag. Framew. Valid. Action Res. Nestlé-Cameroon* 18, 212–228. <https://doi.org/10.7202/1027874ar>
- Payaud, M.A., Martinet, A.-C., Géro Amoussouga, F., 2014. La contribution de la RSE aux objectifs d'un développement durable de l'ONU. Cadre d'analyse et propositions pour les pouvoirs publics des « pays les moins avancés ». *Rev. Fr. Gest.* 245, 133–158.
- Payaud, M.A., Martinet, A.C., 2010. Stratégies RSE-BOP et Soins des Communautés Humaines. Concepts et Propositions Génériques. *Manag. Int.* 14, 31–51. <https://doi.org/10.7202/039547ar>
- Pedersen, E.R.G., Gwozdz, W., Hvass, K.K., 2018. Exploring the Relationship Between Business Model Innovation, Corporate Sustainability, and Organisational Values within the Fashion Industry. *J. Bus. Ethics* 149, 267–284. <https://doi.org/10.1007/s10551-016-3044-7>
- Pedersen, E.R.G., Lüdeke-Freund, F., Henriques, I., Seitanidi, M.M., 2021. Toward Collaborative Cross-Sector Business Models for Sustainability. *Bus. Soc.* 60, 1039–1058. <https://doi.org/10.1177/0007650320959027>
- Pedersen, E.R.G., Lüdeke-Freund, F., Henriques, I., Seitanidi, M.M., 2017a. Collaborative Cross-Sector Business Models for Sustainability.
- Pedersen, E.R.G., Rosati, F., Lauesen, L.M., Farsang, A., 2017b. What is in a business case? Business cases as a tool-in-use for promoting water

- management practices in the food sector. *J. Clean. Prod.* 162, 1048–1060. <https://doi.org/10.1016/j.jclepro.2017.06.055>
- Pedrini, M., Ferri, L.M., 2019. Stakeholder management: a systematic literature review. *Corp. Gov.* 19, 44–59. <http://dx.doi.org/10.1108/CG-08-2017-0172>
- Peifer, J.L., Newman, D.T., 2020. Making the business case for corporate social responsibility and perceived trustworthiness: A cross-stakeholder analysis. *Bus. Soc. Rev.* 00453609 125, 161–181. <https://doi.org/10.1111/basr.12210>
- Perkmann, M., Spicer, A., 2010. What are Business Models? Developing a Theory of Performative Representations. *Res. Sociol. Organ.* 29. [https://doi.org/10.1108/S0733-558X\(2010\)0000029020](https://doi.org/10.1108/S0733-558X(2010)0000029020)
- Perrot, F., 2017. Multinational Corporations' Strategies at the Base of the Pyramid: An Action Research Inquiry. *J. Bus. Ethics* 146, 59–76. <https://doi.org/10.1007/s10551-015-2785-z>
- Pervez, T., Maritz, A., de Waal, A., 2013. Innovation and Social Entrepreneurship at the Bottom of the Pyramid - a Conceptual Framework. *South Afr. J. Econ. Manag. Sci.* 16, 54–66. <https://doi.org/10.4102/sajems.v16i5.628>
- Pfitzer, M., Bockstette, V., Stamp, M., 2013. Innovating for shared value. *Harv. Bus. Rev.* 91, 100–107.
- Piacentini, M., Hamilton, K., 2013. Consumption lives at the bottom of the pyramid. *Mark. Theory* 13, 397–400. <https://doi.org/10.1177/1470593113489195>
- Porter, M.E., 2001. Strategy and the Internet. *Harv. Bus. Rev.*
- Porter, M.E., 1998a. Clusters and the New Economics of Competition. *Harv. Bus. Rev.*
- Porter, M.E., 1998b. Competitive advantage: creating and sustaining superior performance: with a new introduction, 1st Free Press ed. ed. Free Press, New York.
- Porter, M.E., Hills, G., Pfitzer, M., Patscheke, S., Hawkins, E., 2012. Measuring shared value how to unlock value by linking social and business results.
- Porter, M.E., Kramer, M.R., 2014. A response to Andrew Crane et al.'s article by Michael E. Porter and Mark R. Kramer.
- Porter, M.E., Kramer, M.R., 2011. Creating shared value. *Harv. Bus. Rev.*
- Porter, M.E., Kramer, M.R., 2006. Strategy & Society: The Link Between Competitive Advantage and Corporate Social Responsibility. *Harv. Bus. Rev.* 84, 78–92.
- Powell, W.W., Sophe, B., 2015. Boundaries and New Organization Forms, in: *International Encyclopedia of the Social & Behavioral Sciences*. Elsevier, pp. 768–772. <https://doi.org/10.1016/B978-0-08-097086-8.73050-9>
- Prahalad, C.K., 2012. Bottom of the pyramid as a source of breakthrough innovations: BOP as source of innovations. *J. Prod. Innov. Manag.* 29, 6–12. <https://doi.org/10.1111/j.1540-5885.2011.00874.x>
- Prahalad, C.K., 2005. The fortune at the bottom of the pyramid. Wharton School Publishing, Upper Saddle River, NJ.
- Prahalad, C.K., Hart, S.L., 2002. The Fortune at the Bottom of the Pyramid. *strategy+business* 1–21.
- Prahalad, C.K., Lieberthal, K., 1998. The End of Corporate Imperialism. *Harv. Bus. Rev.* 76, 68–79.

- Preghenella, N., Battistella, C., 2021. Exploring business models for sustainability: A bibliographic investigation of the literature and future research directions. *Bus. Strategy Environ.* 30, 2505–2522. <https://doi.org/10.1002/bse.2760>
- PWC, 2019. SDG Challenge: Creating a strategy for a better world, How the Sustainable Development Goals can provide the framework for business to deliver progress on our global challenges.
- Quélin, B.V., Kivleniece, I., Lazzarini, S., 2017. Public-private collaboration, hybridity and social value: towards new theoretical perspectives: public-private collaboration, hybridity and value. *J. Manag. Stud.* 54, 763–792. <https://doi.org/10.1111/joms.12274>
- Radjou, N., Prabhu, J.C., Ahuja, S., 2012. Jugaad innovation: think frugal, be flexible, generate breakthrough growth, 1st ed. ed. Jossey-Bass, A Wiley Imprint, San Francisco, CA.
- Ralston, D., Egri, C., Karam, C., Naoumova, I., Srinivasan, N., Casado, T., Li, Y., Alas, R., 2015. The triple-bottom-line of corporate responsibility: Assessing the attitudes of present and future business professionals across the BRICs. *Asia Pac. J. Manag.* 32, 145–179. <https://doi.org/10.1007/s10490-014-9376-x>
- Ramsdal, H., Bjørkquist, C., 2020. Value-based innovations in a Norwegian hospital: from conceptualization to implementation. *Public Manag. Rev.* 22, 1717–1738. <https://doi.org/10.1080/14719037.2019.1648695>
- Randles, S., Laasch, O., 2016. Theorising the Normative Business Model. *Organ. Environ.* 29, 53–73. <https://doi.org/10.1177/1086026615592934>
- Randrianasolo, A.A., 2018. Organizational Legitimacy, Corporate Social Responsibility, and Bottom of the Pyramid Consumers. *J. Int. Consum. Mark.* 30, 206–218. <https://doi.org/10.1080/08961530.2018.1423661>
- Ranjatoelina, J., 2017. What is an inclusive business model? An ‘extended resource-based theory’ definition built on the investigation of three inclusive enterprises in France.
- Rasmussen, B., 2007. Business models and the theory of the firm (No. 32). CSES, Victoria University, Melbourne.
- Reficco, E., Márquez, P., 2012. Inclusive Networks for Building BOP Markets. *Bus. Soc.* 51, 512–556. <https://doi.org/10.1177/0007650309332353>
- Reinhardt, R., Christodoulou, I., García, B.A., Gassó-Domingo, S., 2020. Sustainable business model archetypes for the electric vehicle battery second use industry: Towards a conceptual framework. *J. Clean. Prod.* 254, 119994. <https://doi.org/10.1016/j.jclepro.2020.119994>
- Remenyi, D., Williams, B., Money, A., Swartz, E., 1998. *Doing Research in Business and Management: An Introduction to Process and Method*. SAGE Publications Ltd, 1 Oliver’s Yard, 55 City Road, London EC1Y 1SP United Kingdom. <https://doi.org/10.4135/9781446280416>
- Revert, A.G., Garcia-Sabater, J.P., Insa, C.M., 2018. Triple Bottom-line Business Model. Case study on the organic food retailing: Modelo de Negocio Triplemente Sostenible. Caso de Estudio en la venta directa de alimentos ecológicos. *Work. Pap. Oper. Manag.* 9, 30–52. <https://doi.org/10.4995/wpom.v9i1.9131>

- Richard, A.A., Shea, K., 2011. Delineation of self-care and associated concepts. *J. Nurs. Scholarsh. Off. Publ. Sigma Theta Tau Int. Honor Soc. Nurs.* 43, 255–264. <https://doi.org/10.1111/j.1547-5069.2011.01404.x>
- Richardson, J., 2008. The business model: an integrative framework for strategy execution. *Strateg. Change* 17, 133–144. <https://doi.org/10.1002/jsc.821>
- Robeyns, I., 2006. The Capability Approach in Practice\*. *J. Polit. Philos.* 14, 351–376. <https://doi.org/10.1111/j.1467-9760.2006.00263.x>
- Roche, B., Jakub, J., 2017. Completing capitalism: heal business to heal the world, First Edition. ed. Barrett-Koehler Publishers, a BK Business Book, Oakland, CA.
- Rodríguez, D., 2021. La “base de la pirámide”: un concepto que no muestra la desigualdad entre los mexicanos. *El País*.
- Rogers, K., Hudson, B., 2011. The Triple Bottom Line: The Synergies of Transformative Perceptions and Practices for Sustainability. *OD Pract.* 43, 3–9.
- Rönnegard, D., Smith, N.C., 2018. Shareholder Primacy vs. Stakeholder Theory: The Law as Constraint and Potential Enabler of Stakeholder Concerns. *INSEAD Work. Pap. Collect.* 1–31.
- Rosca, E., Bendul, J., 2016. Sustainable Business Models for Base of the Pyramid: The Role of Customer Participation and Cross-Sector Collaboration. *Proc. Eur. Conf. Innov. Entrep.* 979–987.
- Rosenau, P.V., 1992. Post-modernism and the social sciences: insights, inroads, and intrusions. Princeton University Press, Princeton, N.J.
- Roser, R., Ortiz-Ospina, M., 2018. Global Partnerships [WWW Document]. *SDG-Tracker.org*. URL <https://www.un.org/sustainabledevelopment/globalpartnerships/> (accessed 2.18.20).
- Rousseau, D.M., 2006. Is there such a thing as “evidence-based management”? *Acad. Manage. Rev.* 31, 256–269. <https://doi.org/10.2307/20159200>
- Ruphy, S., 2017. Scientific Pluralism Reconsidered: A New Approach to the (Dis)Unity of Science. University of Pittsburgh Press. <https://doi.org/10.2307/j.ctt1mtz6n9>
- Rutakumwa, R., Mbonye, M., Kiwanuka, T., Bagiire, D., Seeley, J., 2015. Why do men often not use condoms in their relationships with casual sexual partners in Uganda? *Cult. Health Sex.* 17, 1237–1250. <https://doi.org/10.1080/13691058.2015.1053413>
- Rutakumwa, R., Mugisha, J.O., Bernays, S., Kabunga, E., Tumwekwase, G., Mbonye, M., Seeley, J., 2020. Conducting in-depth interviews with and without voice recorders: a comparative analysis. *Qual. Res.* 20, 565–581. <https://doi.org/10.1177/1468794119884806>
- Saad, L., 2021. Confidence in Big Business, Big Tech Wanes Among Republicans [WWW Document]. *Gallup.com*. URL <https://news.gallup.com/poll/352484/confidence-big-business-big-tech-wanes-among-republicans.aspx> (accessed 9.4.22).
- Sachs, J., 2015. The end of poverty: economic possibilities for our time, This edition with a new preface published 2015. ed. Penguin Books, New York, NY.
- Sachs, J.D., 2020. Trials and Tribulations.

- Sachs, J.D., 2012. From Millennium Development Goals to Sustainable Development Goals. *The Lancet* 379, 2206–2211. [https://doi.org/10.1016/S0140-6736\(12\)60685-0](https://doi.org/10.1016/S0140-6736(12)60685-0)
- Sackett, D.L., Rosenberg, W.M., Gray, J.A., Haynes, R.B., Richardson, W.S., 1996. Evidence based medicine: what it is and what it isn't. *BMJ* 312, 71–72. <https://doi.org/10.1136/bmj.312.7023.71>
- Saenz, C., 2019. Creating shared value using materiality analysis: Strategies from the mining industry. *Corp. Soc. Responsib. Environ. Manag.* 26, 1351–1360. <https://doi.org/10.1002/csr.1751>
- Salovey, P., Mayer, J.D., 1990. Emotional Intelligence. *Imagin. Cogn. Personal.* 9, 185–211. <https://doi.org/10.2190/DUGG-P24E-52WK-6CDG>
- Sánchez, P., Ricart, J.E., 2010. Business model innovation and sources of value creation in low-income markets. *Eur. Manag. Rev.* 7, 138–154. <https://doi.org/10.1057/emr.2010.16>
- Santos, F.M., Eisenhardt, K.M., 2009. Constructing Markets and Shaping Boundaries: Entrepreneurial Power in Nascent Fields. *Acad. Manage. J.* 52, 643–671.
- Santos, F.M., Eisenhardt, K.M., 2005. Organizational Boundaries and Theories of Organization. *Organ. Sci.* 16, 491–508. <https://doi.org/10.1287/orsc.1050.0152>
- Santos, F.M., Pache, A.-C., Birkholz, C., 2015. Making hybrids work: aligning business models and organizational design for social enterprises. *Calif. Manage. Rev.* 57, 36–58. <https://doi.org/10.1525/cmr.2015.57.3.36>
- saraç, M., 2021. Social Enterprises as Hybrid Organisations: Balancing of Value Creating and Value Capturing. pp. 73–85. <https://doi.org/10.4018/978-1-7998-4727-4.ch004>
- Sarkar, S., 2018. Grassroots entrepreneurs and social change at the bottom of the pyramid: the role of bricolage. *Entrep. Reg. Dev.* 30, 421–449. <https://doi.org/10.1080/08985626.2017.1413773>
- Saunders, M.N.K., Lewis, P., Thornhill, A., 2019. Research methods for business students, Eighth Edition. ed. Pearson, New York.
- Schaltegger, S., Freund, F.L., Hansen, E.G., 2012. Business cases for sustainability: the role of business model innovation for corporate sustainability. *Int. J. Innov. Sustain. Dev.* 6, 95. <https://doi.org/10.1504/IJISD.2012.046944>
- Scharmer, C., 2010. Seven Acupuncture Points for Shifting Capitalism to Create a Regenerative Ecosystem Economy.
- Schneider, S.C., 1987. Managing Boundaries in Organizations. *Polit. Psychol.* 8, 379–393. <https://doi.org/10.2307/3791041>
- Schoneveld, G.C., 2020. Sustainable business models for inclusive growth: Towards a conceptual foundation of inclusive business. *J. Clean. Prod.* 277, 124062. <https://doi.org/10.1016/j.jclepro.2020.124062>
- Schönherr, N., Findler, F., Martinuzzi, A., 2017. Exploring the interface of CSR and the Sustainable Development Goals. *Transnatl. Corp.* 24, 33–47. <https://doi.org/10.18356/cfb5b8b6-en>
- Schramm, C., 2012. Social Enterprise and Inclusive Business - Definitions from a Development Bank [WWW Document]. iBAN. URL



- <https://www.inclusivebusiness.net/ib-voices/social-enterprise-and-inclusive-business-definitions-development-bank> (accessed 10.3.22).
- Schreyögg, G., Sydow, J., 2010. Organizing for Fluidity? Dilemmas of New Organizational Forms. *Organ. Sci.* 21, 1251–1262. <https://doi.org/10.1287/orsc.1100.0561>
- Schroeder, B., Denoble, A., 2014. How to Design a Triple Bottom Line Organization. *J. Organ. Des.* 3, 48–57. <https://doi.org/10.7146/jod.16726>
- Schulkind, J., Mbonye, M., Watts, C., Seeley, J., 2016. The social context of gender-based violence, alcohol use and HIV risk among women involved in high-risk sexual behaviour and their intimate partners in Kampala, Uganda. *Cult. Health Sex.* 18, 770–784. <https://doi.org/10.1080/13691058.2015.1124456>
- Schuster, T., Holtbrügge, D., 2014. Benefits of Cross-sector Partnerships in Markets at the Base of the Pyramid: Benefits of Cross-sector Partnerships in BOP Markets. *Bus. Strategy Environ.* 23, 188–203. <https://doi.org/10.1002/bse.1780>
- Scott, J., 1990. A matter of record: documentary sources in social research. Polity Press ; B. Blackwell, Cambridge, UK : Cambridge, MA, USA.
- Scott, W.R., Davis, G.F., Scott, W.R., 2007. Organizations and organizing: rational, natural, and open system perspectives, 1st ed. ed. Pearson Prentice Hall, Upper Saddle River, N.J.
- Seelos, C., Mair, J., 2007. Profitable Business Models and Market Creation in the Context of Deep Poverty: A Strategic View. *Acad. Manag. Perspect.* 21, 49–63. <https://doi.org/10.5465/AMP.2007.27895339>
- Seitanidi, M.M., Crane, A. (Eds.), 2014. Social partnerships and responsible business: a research handbook. Routledge, Taylor & Francis Group, London ; New York.
- Sen, A., 1999. Development as freedom, 1st. ed. ed. Knopf, New York.
- Sen, A., 1997. Development and Thinking at the Beginning of the 21st Century.
- Shafer, S.M., Smith, H.J., Linder, J.C., 2005. The power of business models. *Bus. Horiz.* 48, 199–207. <https://doi.org/10.1016/j.bushor.2004.10.014>
- Sharma, B.R., Gupta, N., 2021. A Qualitative Investigation of Shopping Behavior of Customers at Bottom of the Pyramid. *J. Glob. Mark.* 34, 308–327. <https://doi.org/10.1080/08911762.2021.1897917>
- Sharma, G., Jaiswal, A.K., 2018. Unsustainability of Sustainability: Cognitive Frames and Tensions in Bottom of the Pyramid Projects. *J. Bus. Ethics* 148, 291–307. <https://doi.org/10.1007/s10551-017-3584-5>
- Sheth, J., 2020. Business of business is more than business: Managing during the Covid crisis. *Ind. Mark. Manag.* 88, 261–264. <https://doi.org/10.1016/j.indmarman.2020.05.028>
- Simanis, E., 2012. Reality check at the bottom of the pyramid. *Harv. Bus. Rev.* 90.
- Simanis, E., Hart, S., Enk, G., Duke, D., Gordon, M., Lippert, A., 2005. Strategic Initiatives at the Base of the Pyramid A Protocol for Mutual Value Creation.
- Simpson, B., den Hond, F., 2022. The Contemporary Resonances of Classical Pragmatism for Studying Organization and Organizing. *Organ. Stud.* 43, 127–146. <https://doi.org/10.1177/0170840621991689>
- Singh, A., 2016. The Concepts of ‘Social Value Creation’ and ‘Social Value,’ in: Singh, A. (Ed.), The Process of Social Value Creation: A Multiple-Case Study

- on Social Entrepreneurship in India, Contributions to Economics. Springer India, New Delhi, pp. 105–116. [https://doi.org/10.1007/978-81-322-2827-1\\_5](https://doi.org/10.1007/978-81-322-2827-1_5)
- Singh, P.K., Chudasama, H., 2020. Evaluating poverty alleviation strategies in a developing country. *PLoS ONE* 15, e0227176. <https://doi.org/10.1371/journal.pone.0227176>
- Singh, R., Bakshi, M., Mishra, P., 2015. Corporate Social Responsibility: Linking Bottom of the Pyramid to Market Development? *J. Bus. Ethics* 131, 361–373. <https://doi.org/10.1007/s10551-014-2283-8>
- Sinkovics, N., Archie-acheampong, J., 2019. The social value creation of MNEs – a literature review across multiple academic fields. *Crit. Perspect. Int. Bus.* ahead-of-print. <https://doi.org/10.1108/cpoib-06-2017-0038>
- Sinkovics, N., Sinkovics, R.R., Hoque, S.F., Czaban, L., 2015. A reconceptualisation of social value creation as social constraint alleviation. *Crit. Perspect. Int. Bus.* 11, 340–363. <https://doi.org/10.1108/cpoib-06-2014-0036>
- Sinkovics, N., Sinkovics, R.R., Yamin, M., 2014. The role of social value creation in business model formulation at the bottom of the pyramid – Implications for MNEs? *Int. Bus. Rev.* 23, 692–707. <https://doi.org/10.1016/j.ibusrev.2013.12.004>
- Sisodia, R.S., 2011. Conscious Capitalism: A BETTER WAY TO WIN. *Calif. Manage. Rev.* 53, 98–109. <https://doi.org/10.1525/cmr.2011.53.3.98>
- Sivapragasam, N., Agüero, A., de Silva, H., 2011. The potential of mobile remittances for the bottom of the pyramid: findings from emerging Asia. *Info* 13, 91–109. <https://doi.org/10.1108/14636691111131475>
- Slaper, T.F., Hall, T.J., 2011. The Triple Bottom Line: What Is It and How Does It Work? *Indiana Bus. Rev.* 86, 4–8.
- Smith, A., 2007. *Wealth of nations*. Cosimo Classics, New York.
- Smith, A., 2005. *The theory of moral sentiments*, Reprint der Orig.-Ausg. London, Richard Griffin and Co., 1854. ed, Great books in philosophy. Prometheus Books, Amherst, NY.
- Smith, B.R., Knapp, J.R., Cannatelli, B.L., 2022. Entrepreneurship at the Base of the Pyramid: The Moderating Role of Person-Facilitator Fit and Poverty Alleviation. *J. Soc. Entrep.* 13, 299–323. <https://doi.org/10.1080/19420676.2020.1779789>
- Smith, D., Chandrasekhar, R., Parkhurst, M., Sud, P., 2014. Thirsty for more Coca-Cola's shared value approach with communities across Brazil.
- Smith, N.C., Rönnegard, D., 2014. Shareholder Primacy, Corporate Responsibility, and the Role of Business Schools.
- Spens, K.M., Kovács, G., 2006. A content analysis of research approaches in logistics research. *Int. J. Phys. Distrib. Logist. Manag.* 36, 374–390. <https://doi.org/10.1108/09600030610676259>
- Stabell, C.B., Fjeldstad, Ø.D., 2011. Configuring Value for Competitive Advantage: On Chains Shops and Networks by C. Stabell & O. Fjeldstad. URL <http://victormlgh.blogspot.com/2011/03/configuring-value-for-competitive.html> (accessed 2.12.20).
- Stabell, C.B., Fjeldstad, Ø.D., 1998. Configuring value for competitive advantage: on chains, shops, and networks. *Strateg. Manag. J.* 19, 413–437.

- [https://doi.org/10.1002/\(SICI\)1097-0266\(199805\)19:5<413::AID-SMJ946>3.0.CO;2-C](https://doi.org/10.1002/(SICI)1097-0266(199805)19:5<413::AID-SMJ946>3.0.CO;2-C)
- Star, S.L., 2010. This is Not a Boundary Object: Reflections on the Origin of a Concept. *Sci. Technol. Hum. Values* 35, 601–617. <https://doi.org/10.1177/0162243910377624>
- Stewart, D.W., Zhao, Q., 2000. Internet Marketing, Business Models, and Public Policy. *J. Public Policy Mark.* 19, 287–296.
- Stewart, H., Gapp, R., Harwood, I., 2017. Exploring the Alchemy of Qualitative Management Research: Seeking Trustworthiness, Credibility and Rigor Through Crystallization. *Qual. Rep.* 22, 1–19. <https://doi.org/10.46743/2160-3715/2017.2604>
- Strand, R., Freeman, R., 2015. Scandinavian Cooperative Advantage: The Theory and Practice of Stakeholder Engagement in Scandinavia. *J. Bus. Ethics* 127, 65–85. <https://doi.org/10.1007/s10551-013-1792-1>
- Sugawara, H., 2010. Japanese business and poverty reduction. *Soc. Bus. Rev.* 5, 198–216. <https://doi.org/10.1108/17465681011055604>
- Sullivan, K., Thomas, S., Rosano, M., 2018. Using industrial ecology and strategic management concepts to pursue the Sustainable Development Goals. *J. Clean. Prod.* 174, 237–246. <https://doi.org/10.1016/j.jclepro.2017.10.201>
- Sungbum Jun, Lee, D., Park, J., 2013. Determining business models in bottom-of-the-pyramid markets. *Ind. Manag. Data Syst.* 113, 1064–1082. <https://doi.org/10.1108/IMDS-02-2013-0060>
- Svensson, G., Høgevold, N., Ferro, C., Varela, J.C.S., Padin, C., Wagner, B., 2016. A Triple Bottom Line Dominant Logic for Business Sustainability: Framework and Empirical Findings. *J. Bus.--Bus. Mark.* 23, 153–188. <https://doi.org/10.1080/1051712X.2016.1169119>
- Swart, J., Harvey, P., 2011. Identifying knowledge boundaries: the case of networked projects. *J. Knowl. Manag.* 15, 703–721. <https://doi.org/10.1108/13673271111174285>
- Szennay, Á., Szigeti, C., Kovács, N., Szabó, D.R., 2019. Through the Blurry Looking Glass—SDGs in the GRI Reports. *Resources* 8, 101. <https://doi.org/10.3390/resources8020101>
- Tan, F.T.C., Ondrus, J., Tan, B., Oh, J., 2020. Digital transformation of business ecosystems: Evidence from the Korean pop industry. *Inf. Syst. J.* 30, 866–898. <https://doi.org/10.1111/isj.12285>
- Tate, W.L., Bals, L., 2018. Achieving Shared Triple Bottom Line (TBL) Value Creation: Toward a Social Resource-Based View (SRBV) of the Firm. *J. Bus. Ethics* 152, 803–826. <https://doi.org/10.1007/s10551-016-3344-y>
- Teece, D.J., 2018. Business models and dynamic capabilities. *Long Range Plann.* 51, 40–49. <https://doi.org/10.1016/j.lrp.2017.06.007>
- Teece, D.J., 2010. Business models, business strategy and innovation. *Long Range Plann.* 43, 172–194. <https://doi.org/10.1016/j.lrp.2009.07.003>
- Teece, D.J., Pisano, G., Shuen, A., 1997. Dynamic capabilities and strategic management. *Strateg. Manag. J.* 18, 509–533. [https://doi.org/10.1002/\(SICI\)1097-0266\(199708\)18:7<509::AID-SMJ882>3.0.CO;2-Z](https://doi.org/10.1002/(SICI)1097-0266(199708)18:7<509::AID-SMJ882>3.0.CO;2-Z)
- The Economist, 2008. Agents of change. *The Economist*.

- Themaat, T., Schutte, C., Lutters, E., Kennon, D., 2013. Designing A Framework To Design A Business Model For The “Bottom Of The Pyramid” Population. *South Afr. J. Ind. Eng.* 24, 190–204. <https://doi.org/10.7166/24-3-633>
- Thiétart, R.-A., 2014. Introduction, in: *Méthodes de recherche en management, Management Sup.* Dunod, Paris, pp. 1–11. <https://doi.org/10.3917/dunod.thiet.2014.01.0001>
- Thomas, G., 2010. Doing Case Study: Abduction Not Induction, Phronesis Not Theory. *Qual. Inq.* 16, 575–582. <https://doi.org/10.1177/1077800410372601>
- Thorpe, J., Alison, M., Ghore, Y., 2017. A TYPOLOGY OF MARKET-BASED APPROACHES TO INCLUDE THE MOST MARGINALISED. ADD International, Coady Institute, IDS.
- Timmers, P., 1998. Business Models for Electronic Markets. *Electron. Mark.* 8. <https://doi.org/10.1080/10196789800000016>
- Tippins, S., 2012. Triple Bottom Line: A Further Development. *Ethics Crit. Think. J.* 2012, 18–22.
- Tippmann, E., Sharkey Scott, P., Parker, A., 2017. Boundary Capabilities in MNCs: Knowledge Transformation for Creative Solution Development. *J. Manag. Stud.* 54, 455–482. <https://doi.org/10.1111/joms.12253>
- Todaro, M.P., Smith, S.C., 2012. *Economic development*, 11th ed. ed. Addison-Wesley, Boston, Mass.
- Trevinyo-Rodríguez, R.N., Chamiec-Case, L., 2012. Pursuing Financial Inclusion of Family Firms at the Base of the Pyramid (BoP): The Case of Convenience Stores and Microenterprises in Nuevo León, Mexico. *J. Small Bus. Entrep.* 25, 231–248. <https://doi.org/10.1080/08276331.2012.10593571>
- Trivedi, C., 2010. Towards a Social Ecological Framework for Social Entrepreneurship. *J. Entrep.* 19, 63–80. <https://doi.org/10.1177/097135570901900104>
- Tullberg, J., 2012. Triple bottom line - a vaulting ambition? *Bus. Ethics Eur. Rev.* 21, 310–324. <https://doi.org/10.1111/j.1467-8608.2012.01656.x>
- UN Global compact, 2021. *UN GLOBAL COMPACT STRATEGY: 2021-2023*. UN Global compact, New York, NY.
- UN Global compact, wbcscd, 2016. *SDG Compass: end poverty in all its forms everywhere*.
- United Nations, 2020. *No Poverty: Why it matters*.
- Vakkayil, J.D., 2012. Boundaries and organizations: a few considerations for research. *Int. J. Organ. Anal.* 20, 203–220. <https://doi-org.ezscd.univ-lyon3.fr/10.1108/19348831211227837>
- van Marrewijk, M., 2003. Concepts and Definitions of CSR and Corporate Sustainability: Between Agency and Communion. *J. Bus. Ethics* 44, 95–105. <https://doi.org/10.1023/A:1023331212247>
- van Westen, A. (Guus), Mangnus, E., Wangu, J., Worku, S.G., 2019. Inclusive agribusiness models in the Global South: the impact on local food security. *Curr. Opin. Environ. Sustain., Sustainability Science: Inclusive business: A multi-Stakeholder issue* 41, 64–68. <https://doi.org/10.1016/j.cosust.2019.11.003>

- van Zanten, J.A., van Tulder, R., 2018. Multinational enterprises and the Sustainable Development Goals: An institutional approach to corporate engagement. *J. Int. Bus. Policy* 1, 208–233. <https://doi.org/10.1057/s42214-018-0008-x>
- Vassallo, J.P., Prabhu, J.C., Banerjee, S., Voola, R., 2019. The Role of Hybrid Organizations in Scaling Social Innovations in Bottom-of-the-Pyramid Markets: Insights from Microfinance in India. *J. Prod. Innov. Manag.* 36, 744–763. <https://doi.org/10.1111/jpim.12504>
- Velter, M.G.E., Bitzer, V., Bocken, N.M.P., Kemp, R., 2020. Sustainable business model innovation: The role of boundary work for multi-stakeholder alignment. *J. Clean. Prod.* 247, 119497. <https://doi.org/10.1016/j.jclepro.2019.119497>
- Vermolen, R., Kijil, B., Wijnhoven, B., Nieuwenhuis, B., 2012. Reflecting on business model research: current gaps and future directions.
- Verwaal, E., Klein, M., La Falce, J., 2021. Business Model Involvement, Adaptive Capacity, and the Triple Bottom Line at the Base of the Pyramid. *J. Bus. Ethics.* <https://doi.org/10.1007/s10551-021-04934-w>
- Voelpel †, S.C., Leibold, M., Tekie, E.B., 2004. The wheel of business model reinvention: how to reshape your business model to leapfrog competitors. *J. Change Manag.* 4, 259–276. <https://doi.org/10.1080/1469701042000212669>
- Voltan, A., Hervieux, C., Mills, A., 2017. Examining the win-win proposition of shared value across contexts: Implications for future application. *Bus. Ethics Eur. Rev.* 26, 347–368. <https://doi.org/10.1111/beer.12159>
- Wan, W.P., Hoskisson, R.E., Short, J.C., Yiu, D.W., 2011. Resource-Based Theory and Corporate Diversification: Accomplishments and Opportunities. *J. Manag.* 37, 1335–1368. <https://doi.org/10.1177/0149206310391804>
- Weill, P., Vitale, M.R., 2001. Place to Space: Migrating to eBusiness Models, in: Harvard Business School Press Books. p. 1.
- Wentzel, J.P., Diatha, K.S., Yadavalli, V.S.S., 2016. An investigation into factors impacting financial exclusion at the bottom of the pyramid in South Africa. *Dev. South. Afr.* 33, 203–214. <https://doi.org/10.1080/0376835X.2015.1120648>
- Wettstein, F., 2012. CSR and the Debate on Business and Human Rights: Bridging the Great Divide. *Bus. Ethics Q.* 22, 739–770.
- Whiteman, G., Walker, B., Perego, P., 2013. Planetary Boundaries: Ecological Foundations for Corporate Sustainability. *J. Manag. Stud.* 50, 307–336. <https://doi.org/10.1111/j.1467-6486.2012.01073.x>
- Williamsson, J., Sandoff, A., Schaad, G., 2019. Business logic-the missing link between strategy, business model and business process? *J. Bus. Models* 7, 66–72.
- Wilson, F., Post, J.E., 2013. Business models for people, planet (& profits): exploring the phenomena of social business, a market-based approach to social value creation. *Small Bus. Econ.* 40, 715–737. <https://doi.org/10.1007/s11187-011-9401-0>
- Wimmer, J., Backmann, J., Hoegl, M., 2019. In or Out? Exploring the Inconsistency and Permeability of Team Boundaries. *Small Group Res.* 50, 699–727. <https://doi.org/10.1177/1046496419851842>
- Windsor, D., 2017. Value Creation Theory: Literature Review and Theory Assessment, in: Wasieleski, D.M., Weber, J. (Eds.), *Business and Society*

360. Emerald Publishing Limited, pp. 75–100. <https://doi.org/10.1108/S2514-1759201700000004>
- Winkler, R., Deller, S., Marcouiller, D., 2015. Recreational Housing and Community Development: A Triple Bottom Line Approach. *Growth Change* 46, 481–500. <https://doi.org/10.1111/grow.12100>
- Wirtz, B.W., Pistoia, A., Ullrich, S., Göttel, V., 2016. Business models: origin, development and future research perspectives. *Long Range Plann.* 49, 36–54. <https://doi.org/10.1016/j.lrp.2015.04.001>
- Wirtz, B.W., Schilke, O., Ullrich, S., 2010. Strategic Development of Business Models: Implications of the Web 2.0 for Creating Value on the Internet. *Long Range Plann., Business Models* 43, 272–290. <https://doi.org/10.1016/j.lrp.2010.01.005>
- Wójcik, P., 2018. The business case for corporate social responsibility: A literature overview and integrative framework. *J. Manag. Bus. Adm. Cent. Eur.* 26, 121–148. <https://doi.org/10.7206/jmba.ce.2450-7814.222>
- Wolfberg, A., 2019. Problem-Solving in Complex Settings: Techniques for Crossing Organizational Boundaries. *Engaged Manag. Rev.* 2. <https://doi.org/10.28953/2375-8643.1047>
- Wolfberg, A., 2017. At the Street-level Intersection of Organizational Boundaries: Competencies for Sustainable Change. pp. 19–48.
- Wynn, Jr., Donald, Williams, C.K., 2012. Principles for Conducting Critical Realist Case Study Research in Information Systems. *MIS Q.* 36, 787–810. <https://doi.org/10.2307/41703481>
- Yin, R.K., 2018. Case study research and applications: design and methods, Sixth edition. ed. SAGE, Los Angeles.
- Yunus, M., 2006. Social Business Entrepreneurs Are the Solution. <https://doi.org/10.1017/CBO9780511808395.026>
- Yunus, M., Moingeon, B., Lehmann-Ortega, L., 2010. Building social business models: lessons from the Grameen experience. *Long Range Plann.* 43, 308–325. <https://doi.org/10.1016/j.lrp.2009.12.005>
- Zhou, Y.M., Wan, X., 2017. Product variety and vertical integration. *Strateg. Manag. J. John Wiley Sons Inc* 38, 1134–1150. <https://doi.org/10.1002/smj.2540>
- Zietsma, C., Lawrence, T.B., 2010. Institutional Work in the Transformation of an Organizational Field: The Interplay of Boundary Work and Practice Work. *Adm. Sci. Q.* 55, 189–221. <https://doi.org/10.2189/asqu.2010.55.2.189>
- Zobel, A.-K., Hagedoorn, J., 2020. Implications of Open Innovation for Organizational Boundaries and the Governance of Contractual Relations. *Acad. Manag. Perspect.* 34, 400–423. <https://doi.org/10.5465/amp.2016.0175>
- Zondag, M.M., Mueller, E.F., Ferrin, B.G., 2017. The application of value nets in food supply chains: A multiple case study. *Scand. J. Manag.* 33, 199–212. <https://doi.org/10.1016/j.scaman.2017.10.002>
- Zott, C., Amit, R., 2017. Business Model Innovation: How to Create Value in a Digital World. *NIM Mark. Intell. Rev.* 9, 18–23. <https://doi.org/10.1515/gfkmir-2017-0003>
- Zott, C., Amit, R., 2010. Business model design: an activity system perspective. *Long Range Plann.* 43, 216–226. <https://doi.org/10.1016/j.lrp.2009.07.004>

Zott, C., Amit, R., Massa, L., 2011. The Business Model: Recent Developments and Future Research. *J. Manag.* 37, 1019–1042.  
<https://doi.org/10.1177/0149206311406265>

## ANNEXES

---

ANNEX 1: ARTICLES INCLUDED IN THE ANALYSIS OF DIFFERENCES AND SIMILITUDES OF BVP, TBL, CSV, AND BOP .....	432
ANNEX 2: SEMI-STRUCTURED INTERVIEW GUIDE FOR TYPE OF INTERVIEWEE (ALLY, ALPHA, AND PARTICIPANTS).....	444
ANNEX 3: <i>PHOTOS OF THE FIELD TRIP</i> .....	448
ANNEX 4: <i>VALIDATION OF THE RESEARCH NOTES</i> .....	449
ANNEX 5: <i>E-MAIL ON THE NEGOTIATION TO IMPLEMENT THE BUSINESS MODEL</i> .....	450
ANNEX 6: <i>EXAMPLE OF VERBATIM</i> .....	451
ANNEX 7: <i>PHOTOGRAPHY OF A PRECAST CONCRETE STOVE</i> .....	452
ANNEX 8: <i>FRENCH ABSTRACT</i> .....	453



*Annex 1: Articles included in the analysis of differences and similitudes of BVP, TBL, CSV, and BoP*

ARTICLES INCLUDED IN THE ANALYSIS				
BLENDED VALUE				
		AUTHORS	TITLE	YEAR
Seminal article		Emerson	The Blended Value Proposition: Integrating Social and Financial Returns	2003
Author's publication	1	Emerson	The Nature of Returns: A Social Capital Markets Inquiry into Elements of Investment and The Blended Value Proposition	2000
	2	Emerson	THE BLENDED VALUE MAP: Tracking the Intersects and Opportunities of Economic, Social and Environmental Value Creation	2003
	3	Emerson	Unified Investment Strategy. Where Money Meets Mission: Breaking Down the Firewall Between Foundation Investments and Programming	2003
	4	Emerson	Blended value	2010
	5	Emerson and colleagues	Blended value investing: Capital investment opportunities for social and environmental impact	2006
	6	Bugg-Levine and Emerson	Impact Investing: Transforming How We Make Money While Making a Difference	2011
	7	Bonini and Emerson	Maximizing Blended Value—Building Beyond the Blended Value Map to Sustainable Investing, Philanthropy and Organizations	2005
Scientific papers	1	Dayson	Evaluating social innovations and their contribution to social value: the benefits of a 'blended value' approach	2017
	2	Hechavarría and colleagues	Taking care of business: the impact of culture and gender on entrepreneurs' blended value creation goals	2017
	3	McMullen and Warnick	Should We Require Every New Venture to Be a Hybrid Organization?: Exploring the Limits of a World of Blended Value	2016
	4	Manetti	The Role of Blended Value Accounting in the Evaluation of Socio-Economic Impact of Social Enterprises	2014
	5	Kickul and colleagues	A Blended Value Framework for Educating the Next Cadre of Social Entrepreneurs	2012
	6	Bacq and colleagues	AN EMPIRICAL INVESTIGATION OF THE BLENDED VALUE APPROACH: A GOVERNANCE ANSWER FOR SOCIAL ENTREPRENEURIAL VENTURES	2012
TRIPLE BOTTOM LINE				
		AUTHORS	TITLE	YEAR

Seminal article		Elkington	Towards the sustainable corporation: win-win-win business strategies for sustainable development	1994
Author's publication	1	Elkington	25 Years Ago I Coined the Phrase "Triple Bottom Line." Here's Why It's Time to Rethink It.	2018
	3	Elkington	Accounting for the triple bottom line	1998
	4	Elkington	Partnerships with cannibals with forks: the triple bottom line of 21st-century business	1998
Scientific papers	1	Dhakal	How social enterprises called benefit organisations fulfil the triple bottom line	2020
	2	Weidner and colleagues	Sustainable innovation and the triple bottom-line: a market-based capabilities and stakeholder perspective	2020
	3	Henry and colleagues	Leading corporate sustainability: the role of top management team composition for triple bottom line performance	2019
	4	Nichols and colleagues	Spillover effects of supply chain news on consumers' perceptions of product quality: an examination within the triple bottom line	2019
	5	Guliman and Uy	The curious case of Filipino micro-entrepreneurs' financial sophistication and the triple bottom line	2019
	6	Kealy	Triple bottom line sustainability reporting: how to make it more tangible	2019
	7	Tate and Bals	Achieving Shared Triple Bottom Line (TBL) Value Creation: Toward a Social Resource-Based View (SRBV) of the Firm	2018
	8	Macaulay and colleagues	Balancing on the triple bottom line: an examination of firm CSR strategies	2018
	9	Hussain and colleagues	Corporate governance and sustainability performance: analysis of triple bottom line performance	2018
	10	Cubas-Díaz and Martínez Sedano	Measures for Sustainable Investment Decisions and Business Strategy – A Triple Bottom Line Approach	2018
	11	Longoni and Cagliano	Sustainable innovativeness and the triple bottom line: the role of organizational time perspective	2018
	12	Lai Ken Tan and Egan	The public accountability value of a triple bottom line approach to performance reporting in the water sector	2018
	13	Bohlmann and colleagues	The triple bottom line and organizational attractiveness ratings: The role of pro-environmental attitude	2018
	14	Hourneaux and colleagues	Triple bottom line and sustainable performance measurement in industrial companies	2018
	15	Abdala and colleagues	Triple bottom line in green supply chain management: a chemical industry study	2018

1 6	Revert and colleagues	Triple Bottom-line Business Model. Case study on the organic food retailing	2018
1 7	Gunesch	Squaring the Triangle of Economic, Ecological and Social Sustainability: Worldwide Tourism Substantiating Its Care for Planetary Concerns with the Triple Bottom Line, and with the Discovery of Slowness	2017
1 8	Coşkun Arslan and Kisacik	The corporate sustainability solution: triple bottom line	2017
1 9	Anvari and Turkey	The facility location problem from the perspective of triple bottom line accounting of sustainability	2017
2 0	Hammer and Pivo	The triple bottom line and sustainable economic development theory and practice	2017
2 1	Isil and Hernke	The triple bottom line: a critical review from a transdisciplinary perspective	2017
2 2	Svensson and colleagues	A triple bottom line dominant logic for business sustainability: framework and empirical findings	2016
2 3	Ozanne and colleagues	Managing the tensions at the intersection of the triple bottom line: a paradox theory approach to sustainability management	2016
2 4	Glavas and Mish	Resources and capabilities of triple bottom line firms: going over old or breaking new ground?	2016
2 5	Winkler and colleagues	Recreational housing and community development: a triple bottom line approach	2015
2 6	Ralston and colleagues	The triple-bottom-line of corporate responsibility: Assessing the attitudes of present and future business professionals across the BRICs	2015
2 7	Schroeder and Denoble	How to design a triple bottom line organization	2014
2 8	Öztürk and Özçelik	Sustainable supplier selection with a fuzzy multi-criteria decision making method based on triple bottom line	2014
2 9	Wyszomirski	Shaping a triple-bottom line for nonprofit arts organizations: Micro-, macro-, and meta-policy influences	2013
3 0	Bewley and Schneider	Triple bottom line accounting and energy-efficiency retrofits in the social-housing sector: a case study	2013
3 1	Milne and Gray	W(h)ither ecology? The triple bottom line, the global reporting initiative, and corporate sustainability reporting	2013
3 2	Hollos and colleagues	Does sustainable supplier co-operation affect performance? Examining implications for the triple bottom line	2012

	3	Tullberg	Triple bottom line - a vaulting ambition?	2012
	3	Tippins	Triple bottom line: a further development	2012
	3	Rogers and Hudson	The triple bottom line: the synergies of transformative perceptions and practices for sustainability	2011
	3	Slaper and Hall	The triple bottom line: what is it and How does it work?	2011
	3	Mish and Scammon	Principle-Based Stakeholder Marketing: Insights from Private Triple-Bottom-Line Firms	2010
	3	Coffman and Umemoto	The triple-bottom-line: framing of trade-offs in sustainability planning practice	2010
	3	Goel	Triple bottom line reporting: an analytical approach for corporate sustainability	2010
	9			
<b>CREATING SHARED VALUE</b>				
		<b>AUTHORS</b>	<b>TITLE</b>	<b>YEA R</b>
Seminal article		Porter and Kramer	Creating shared value	2011
Author's publication	1	Kramer and Pfitzer	The Ecosystem of Shared Value	2016
	2	Porter and Kramer	A response to Andrew Crane et al.'s article	2014
	3	Porter and colleagues	Measuring shared value how to unlock value by linking social and business results	2012
	4	Kania and Kramer	Collective Impact	2011
	5	Porter and Kramer	Strategy and Society: The Link Between Competitive Advantage and Corporate Social Responsibility	2006
Scientific papers	1	Abrahams	Creating Shared Value through Collaborative Communities: How Working Together Unlocks Transformational Possibilities	2020
	2	Akpinar	Creating shared value in the circular economy of Finland: A quadruple helix perspective	2020
	3	Giulani and colleagues	Creating Shared Value Meets Human Rights: A Sense-Making Perspective in Small-Scale Firms	2020
	4	Grzegorzczuk	Links Between the Creating Shared Value Concept and a Company's Marketing Strategy	2020
	5	Jackson and Limbrick	Creating shared value in an industrial conurbation: Evidence from the North Staffordshire ceramics cluster	2019

6	Moon & Parc	Shifting corporate social responsibility to corporate social opportunity through creating shared value	2019
7	Nam and Hwang	What makes consumers respond to creating shared value strategy? Considering consumers as stakeholders in sustainable development	2019
8	Saenz	Creating shared value using materiality analysis: Strategies from the mining industry	2019
9	Jin	The effects of creating shared value (CSV) on the consumer self-brand connection: Perspective of sustainable development	2018
10	Jones and colleagues	Fashion or future: does creating shared value pay?	2018
11	Min Heekyung Jo and colleagues	Creating Shared Value based on Relational Benefits: A Case of Korean CJ Group's Project in Vietnam	2018
12	Paula Ilmarinen	Creating shared value in the banking industry: A case study from Finland	2018
13	Corazza and colleagues	Simulacra and Sustainability Disclosure: Analysis of the Interpretative Models of Creating Shared Value	2017
14	De los Reyes and colleagues	Beyond the "Win-Win": Creating Shared Value Requires Ethical Frameworks	2017
15	Gautier and colleagues	Les PME : un contexte pertinent pour l'étude des leviers de la création de valeur partagée	2017
16	Grèzes and colleagues	A Process for Co-Creating Shared Value with the Crowd: Tourism Case Studies from a Regional Innovation System in Western Switzerland	2016
17	Smith	From Corporate Philanthropy to Creating Shared Value: Big Pharma's New Business Models in Developing Markets	2016
18	Wójcik	How Creating Shared Value Differs From Corporate Social Responsibility	2016
19	Bockstette and colleagues	Banking on Shared Value: How Banks Profit by Rethinking Their Purpose	2015
20	Mewaldt	Creating Shared Value Through Vet Internationalisation: A Conceptual Framework in the Context of Economic Globalisation	2015
21	Visser and Kymal	Integrated Value Creation (IVC): Beyond Corporate Social Responsibility (CSR) and Creating Shared Value (CSV)	2015
22	Crane and colleagues	Contesting the value of creating shared value	2014

	2 3	Lee and colleagues	From corporate social responsibility to creating shared value with suppliers through mutual firm foundation in the Korean bakery industry: a case study of the SPC Group	2014
	2 4	Muñoz-Martín	Ética empresarial, Responsabilidad Social Corporativa (RSC) y Creación de Valor Compartido (CVC)	2013
	2 5	Pfizer and colleagues	Innovating for shared value	2013
	2 6	Spitzeck and Chapman	Creating shared value as a differentiation strategy – the example of BASF in Brazil	2012
	2 7	Vaidyanathan and Scott	Creating Shared Value in India: The Future for Inclusive Growth	2012
	2 8	Florin and Schmidt	Creating Shared Value in the Hybrid Venture Arena: A Business Model Innovation Perspective	2011
<b>THE BOTTOM/BASE OF THE PYRAMID</b>				
		<b>AUTHORS</b>	<b>TITLE</b>	<b>YEA R</b>
Seminal article		Prahalad and Hart	The Fortune at the Bottom of the Pyramid	2002
Author's publication	1	Hart and colleagues	Poverty, business strategy, and sustainable development	2016
	2	Hart and colleagues	Raising the Base of the Pyramid Through Enterprise: Innovative Case Studies of BoP Ventures and Initiatives	2013
	3	Prahalad	Bottom of the Pyramid as a Source of Breakthrough Innovations	2012
	4	Simanis and Hart	The Base of the Pyramid Protocol:Toward Next Generation BoP Strategy	2008
	5	Hart and London	Developing Native Capability. What Multinational Corporations Can Learn from the Base of the Pyramid	2005
	6	Simanis, Hart, and colleagues	Strategic Initiatives at the Base of the Pyramid A Protocol for Mutual Value Creation	2005
	7	London and Hart	Reinventing strategies for emerging markets: beyond the transnational model	2004
	8	Hart and Christensen	The Great Leap: Driving Innovation From the Base of the Pyramid	2002
	9	Prahalad and Hart	Strategies for the Bottom of the Pyramid: Creating Sustainable Development (Working paper)	1999
	10	Prahalad and Lieberthal	The End of Corporate Imperialism	1998

Scientific papers	1	Aiyar and Venugopal	Addressing the Ethical Challenge of Market Inclusion in Base-of-the-Pyramid Markets: A Macromarketing Approach	2020
	2	Andrade Battistuzzo	The influence of institutional environment in the execution of complex projects for accessing the base of the pyramid: a case study of brazilian utilities services organizations	2020
	3	Chatterjee	A suitable woman: The coming-of-age of the 'third world woman' at the bottom of the pyramid: A critical engagement	2020
	4	Howell and colleagues	Consumption of Bottled Water at the Bottom of the Pyramid: Who Purchases First?	2020
	5	Lashitew and colleagues	Inclusive Business at the Base of the Pyramid: The Role of Embeddedness for Enabling Social Innovations	2020
	6	Ruano-Arcos and colleagues	Adoption of Mobile Banking by Microentrepreneurs at the Bottom of the Pyramid	2020
	7	David-West and colleagues	Mobile money as a frugal innovation for the bottom of the pyramid – Cases of selected African countries	2019
	8	Elango and colleagues	Sticking to the social mission: Microinsurance in bottom of the pyramid markets	2019
	9	Hasan and colleagues	Exploring consumer mobile payment adoption in the bottom-of-the-pyramid context: A qualitative study	2019
	10	Mahapatra and colleagues	Alignment in the Base of the Pyramid Producer Supply Chains: The Case of the Handloom Sector in Odisha, India	2019
	11	Vassallo and colleagues	The Role of Hybrid Organizations in Scaling Social Innovations in Bottom-of-the-Pyramid Markets: Insights from Microfinance in India	2019
	12	Ausrød	It takes two to tango: mobilizing strategic, ordinary, and weak resources at the base of the pyramid	2018
	13	Dembek and colleagues	Creating value for multiple stakeholders: sustainable business models at the base of the pyramid	2018
	14	Dumalanède and Payaud	Reaching the bottom of the pyramid with a social enterprise model: The case of the NGO Entrepreneurs du Monde and its social enterprise Nafa Naana in Burkina Faso	2018
	15	Lehikoinen and colleagues	Innovation and Creativity at the Bottom of the Pyramid	2018
	16	Morais-Da-Silva and colleagues	Enterprises operating in the bottom of the pyramid and their contributions to sustainability: framework of analysis and empirical evidences	2018

17	Nuhu and colleagues	Product Differentiation at the Base of the Pyramid: Individual-Level Antecedents and Performance Outcomes	2018
18	Randrianasolo	Organizational Legitimacy, Corporate Social Responsibility, and Bottom of the Pyramid Consumers	2018
19	Sarkar	Grassroots entrepreneurs and social change at the bottom of the pyramid: the role of bricolage	2018
20	Schaefers and colleagues	Access-Based Services for the Base of the Pyramid	2018
21	Sharma and Jaiswal	Unsustainability of Sustainability: Cognitive Frames and Tensions in Bottom of the Pyramid Projects	2018
22	Wirawan Dony Dahana and colleagues	Empirical Study of Heterogeneous Behavior at the Base of the Pyramid: The Influence of Demographic and Psychographic Factors	2018
23	Yessoufou and colleagues	The process of entrepreneurial action at the base of the pyramid in developing countries: a case of vegetable farmers in Benin	2018
24	Ausrød and colleagues	Business model design at the base of the pyramid	2017
25	Chliova and Ringov	Scaling Impact: Template Development and Replication at the Base of the Pyramid	2017
26	El Ebrashi and Abdel Aziz	Strategies for Tackling Institutional Voids at the Bottom of the Pyramid in Egypt	2017
27	Karnani	Confusion at the Bottom of the Pyramid in Brazil	2017
28	Oliveira and Machado	Dynamic of Innovation in Services for Consumers at the Bottom of the Pyramid	2017
29	Perrot	Multinational Corporations' Strategies at the Base of the Pyramid: An Action Research Inquiry	2017
30	Chatterjee	Articulating Globalization: Exploring the Bottom of the Pyramid (BOP) Terrain	2016
31	Dolan and Rajak	Remaking Africa's Informal Economies: Youth, Entrepreneurship and the Promise of Inclusion at the Bottom of the Pyramid	2016
32	Gupta and Srivastav	An exploratory investigation of aspirational consumption at the bottom of the pyramid	2016



	3 3	Halme and colleagues	Sustainability innovation at the Base of the Pyramid through multi-sited rapid ethnography: sustainability Innovation through rapid ethnography at the BOP	2016
	3 4	Kansal	Factors Affecting Adoption of Mobile Banking at the Bottom of the Pyramid in India	2016
	3 5	Panapanaan and colleagues	Analysis of Shared and Sustainable Value Creation of Companies Providing Energy Solutions at the Base of the Pyramid (BoP)	2016
	3 6	Saxena and Kohli	Impacting the Bottom of the Pyramid Through Self Help Group	2016
	3 7	Taj and colleagues	Sustainability and Business Model Innovation at the Bottom of the Pyramid: A Graduate Business Project	2016
	3 8	Wentzel and colleagues	An investigation into factors impacting financial exclusion at the bottom of the pyramid in South Africa	2016
	3 9	Fawcett and Waller	Designing the Supply Chain for Success at the Bottom of the Pyramid	2015
	4 0	Garcia-DeLeone and Taj	A Business Model Designed to Tap into the Bottom of the Pyramid	2015
	4 1	Garrette and colleagues	Défis au Bas de la Pyramide	2015
	4 2	Giovinazzo Spers and Coulter Wright	Consumption Characteristics Mapping of the Base of the Pyramid (BOP) Population in Brazil	2015
	4 3	Jebarajakirthy and colleagues	Enhancing youth's attitudes towards microcredit in the bottom of the pyramid markets	2015
	4 4	Jones Christensen and colleagues	Consumer behavior change at the base of the pyramid: Bridging the gap between for-profit and social responsibility strategies	2015
	4 5	Martin and Hill	Saving and Well-Being at the Base of the Pyramid: Implications for Transformative Financial Services Delivery	2015
	4 6	Parmigiani and Rivera-Santos	Sourcing for the base of the pyramid: Constructing supply chains to address voids in subsistence markets	2015

4 7	Singh and colleagues	Corporate Social Responsibility: Linking Bottom of the Pyramid to Market Development?	2015
4 8	Tasavori and colleagues	The creation view of opportunities at the base of the pyramid	2015
4 9	Desa and Koch	Scaling Social Impact: Building Sustainable Social Ventures at the Base-of-the-Pyramid	2014
5 0	Gupta and Pirsch	Consumer Evaluation of Target Marketing to the Bottom of the Pyramid	2014
5 1	Payaud	Marketing Strategies at the Bottom of the Pyramid: Examples From Nestlé, Danone, and Procter & Gamble	2014
5 2	Schuster and Holtbrügge	Benefits of Cross-sector Partnerships in Markets at the Base of the Pyramid: Benefits of Cross-sector Partnerships in BOP Markets	2014
5 3	Sutter and colleagues	Adaptations to Knowledge Templates in Base-of-the-Pyramid Markets: The Role of Social Interaction	2014
5 4	Berger and Nakata	Implementing Technologies for Financial Service Innovations in Base of the Pyramid Markets	2013
5 5	Kistruck and colleagues	Mitigating Principal-Agent Problems in Base-of-the-Pyramid Markets: An Identity Spillover Perspective	2013
5 6	Kistruck and colleagues	Social Intermediation in Base-of-the-Pyramid Markets	2013
5 7	Martin and Hill	Life Satisfaction, Self-Determination, and Consumption Adequacy at the Bottom of the Pyramid	2013
5 8	Mason and colleagues	What are bottom of the pyramid markets and why do they matter?	2013
5 9	Mee-Shew Cheung and Belden	Beyond Business Basics at the Base-of-the-Pyramid: the Perspectives of Multinational Corporations	2013
6 0	Pervez and colleagues	Innovation and Social Entrepreneurship at the Bottom of the Pyramid - a Conceptual Framework	2013
6 1	Petrescu and Bhatli	Consumer Behavior in Flea Markets and Marketing to the Bottom of the Pyramid	2013
6 2	Piacentini and Hamilton	Consumption lives at the bottom of the pyramid	2013
6 3	Rahman and colleagues	Brand Orientation as a Strategy That Influences the Adoption of Innovation in the Bottom of the Pyramid Market	2013
6 4	Webb and colleagues	Microenterprise Growth at the Base of the Pyramid: A Resource-Based Perspective	2013

6	5	Agnihotri	Revisiting the Debate over the Bottom of the Pyramid Market	2012
6	6	Hall and colleagues	Entrepreneurship and Innovation at the Base of the Pyramid: A Recipe for Inclusive Growth or Social Exclusion?	2012
6	7	Ilahiane and Sherry	The Problematics of the "Bottom of the Pyramid" Approach to International Development: The Case of Micro-Entrepreneurs' Use of Mobile Phones in Morocco	2012
6	8	London and Anupindi	Using the base-of-the-pyramid perspective to catalyze interdependence-based collaborations	2012
6	9	Majumder	A Critical Approach in Understanding Bottom of the Pyramid Propositions	2012
7	0	Schrader and colleagues	Business Strategy at the Base of the Pyramid	2012
7	1	Simanis	Reality Check at the Bottom of the Pyramid	2012
7	2	Tarafdar and colleagues	Market development at the bottom of the pyramid: examining the role of information and communication technologies	2012
7	3	Treviño-Rodríguez and Chamiec-Case	Pursuing Financial Inclusion of Family Firms at the Base of the Pyramid (BoP): The Case of Convenience Stores and Microenterprises in Nuevo León, Mexico	2012
7	4	Varman and colleagues	Conflicts at the Bottom of the Pyramid: Profitability, Poverty Alleviation, and Neoliberal Governmentality	2012
7	5	Agüero	Bottom of the Pyramid Expenditure Patterns on Mobile Services in Selected Emerging Asian Countries	2011
7	6	Bonsu and Polsa	Governmentality at the Base-of-the-Pyramid	2011
7	7	Chatbury and colleagues	Servant leadership, trust and implications for the "Base-of-the-Pyramid" segment in South Africa	2011
7	8	Karamchandani and colleagues	Is the Bottom Of the Pyramid Really for You?	2011
7	9	Samarajiva	Mobile at the Bottom of the Pyramid: Informing Policy from the Demand Side	2011
8	0	Barki and Parente	Consumer Behaviour of the Base of the Pyramid Market in Brazil	2010
8	1	Choi and colleagues	Globalizing Business Ethics Research and the Ethical Need to Include the Bottom-of-the-Pyramid Countries: Redefining the Global Triad as Business Systems and Institutions	2010

	8 2	Gardetti and D'Andrea	Masisa Argentina and the Evolution of its Strategy at the Base of the Pyramid	2010
	8 3	Gollakota and colleagues	Reaching customers at the base of the pyramid—a two-stage business strategy	2010
	8 4	London and colleagues	Creating mutual value: lessons learned from ventures serving base of the pyramid producers	2010
	8 5	Saunders	An Exploratory Study into the Disposition Behaviour of Poor Bottom-of-the-Pyramid Urban Consumers	2010
	8 6	Webb and colleagues	The Entrepreneurship Process in Base of the Pyramid Markets: The Case of Multinational Enterprise/Nongovernment Organization Alliances	2010

*Annex 2: Semi-structured interview guide for type of interviewee (ally, alpha, and participants)*

**SEMI-STRUCTURED INTERVIEW GUIDE  
(ALLY)**

**Participants:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The research project, how do MNCs create mutual value at BoP?, aims to describe the business models' innovations to create and deliver economic and social value simultaneously. This study takes two complementary perspectives. One centers on the strategies and logics of value creation realized inside an organization (intra-organizational), and the other (inter-organizational) focuses on the management and coordination of organizational boundaries due to the activities that trespass the limits of an organization. Together, these two perspectives help classify the type of social value delivered according to Todaro and Smith's typology: sustenance, self-esteem, and freedom from servitude.

1. How did you hear about Alpha's business models?
2. What did motivate you to ally with Alpha?
3. What expectations and objectives encouraged you to partner with Alpha?
4. How do you conciliate the economic objectives of Alpha with your goals?
5. You signed a collaboration agreement. How were the terms hereof determined?
6. How do you coordinate the activities under your responsibility with those activities performed by Alpha? For example, participants' attraction to the brick factory with the training workshops
7. Could you please share with us a specific case of disagreement and how you and Alpha reached an accord?
8. What tangible and intangible resources do you consider have contributed, and what resources do Alpha contribute?
9. How do you receive and provide feedback?
10. Do you consider having reached your objectives?
11. In your opinion, what is the key to the success of Alpha's initiatives?
12. What other social benefits deliver these initiatives in addition to a home?
13. Do you believe that the benefices delivered by the initiatives of Alpha could have a long-term impact on the life of participants?
14. Among participants' comments, feedback or testimonies, which has impacted you the most?

## SEMI-STRUCTURED INTERVIEW GUIDE (BENEFICIARIES)

Participants: \_\_\_\_\_

The research project, how do MNCs create mutual value at BoP?, aims to describe the business models' innovations to create and deliver economic and social value simultaneously. This study takes two complementary perspectives. The first one centers on the strategies and logics of value creation realized inside an organization (intra-organizational), and the other (inter-organizational) focuses on the management and coordination of organizational boundaries due to the activities that trespass the limits of an organization. Together, these two perspectives help classify the type of social value delivered according to Todaro and Smith's typology: sustenance, self-esteem, and freedom from servitude.

1. How did you hear about the initiative?
2. What did motivate you to participate?
3. Could you please tell us about your activities in the brick factory?
4. Your role was worker-beneficiary. As a worker, did you receive feedback about the quality of the bricks?
5. You can keep half of the bricks. How long do you estimate it will take (or took) to produce the number of bricks necessary to construct your house?
6. Do you consider that the construction of your house will progress satisfactorily?
7. In addition to the know-how in construction, what other knowledge and skills have you obtained from participating in the program?
8. Could you apply these new capabilities beyond the program?
9. Which element of the program is the most enriching for your life?
10. Do you consider your situation in life better after participating in the program?

## SEMI-STRUCTURED INTERVIEW GUIDE (ALPHA)

Participants: \_\_\_\_\_

---

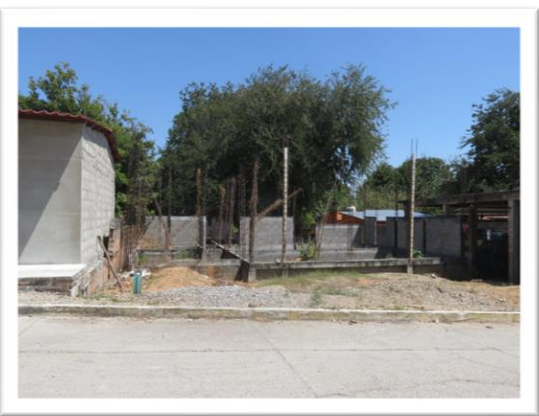
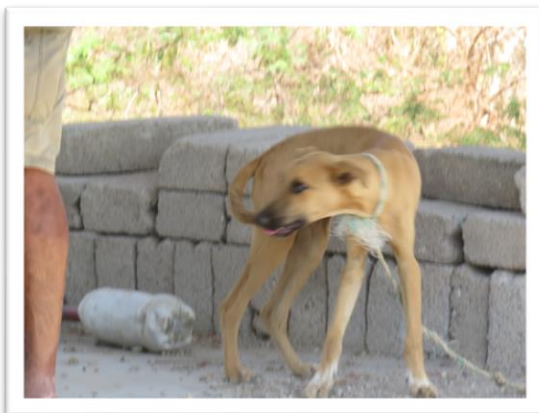
The research project, how do MNCs create mutual value at BoP?, aims to describe the business models' innovations to create and deliver economic and social value simultaneously. This study takes two complementary perspectives. The first one centers on the strategies and logics of value creation realized inside an organization (intra-organizational), and the other (inter-organizational) focuses on the management and coordination of organizational boundaries due to the activities that trespass the limits of an organization. Together, these two perspectives help classify the type of social value delivered according to Todaro and Smith's typology: sustenance, self-esteem, and freedom from servitude.

1. How do the social and inclusive business models differentiate themselves from the traditional business models of Alpha?
2. How did you design these business models? Who did participate in their design?
3. Do you consider that social and economic value are placed at the core of those business models?
4. Did you encounter internal resistance while implementing the social and inclusive business models?
5. Were the social and inclusive business models a product of an identity change in Alpha? Or were those business models the change force inside Alpha?
6. Among the initiatives making up the growth platform, which are the main elements or strategies that allow the creation of economic and social value?
7. The BM2 includes four solutions: the brick factory, the construction school, prepaid cards, and community workshops. Which one can be applied independently, and which of them in combination? What factors determine the application of the whole business model?
8. How often do you apply the whole business model?
9. The activities making up the business models, who and how were designed?
10. Alpha defines itself as a link between communities, governments, and civil society organizations to reach social development. How do you obtain the cooperation and engagement of external allies?
11. What are the criteria for choosing your allies, those that perform some activities of the social and inclusive business models?
12. How do you manage potential conflicts of interest to align objectives, interests, value perceptions, and ways of performing the activities?

13. How do you ensure the permanency and participation of allies and beneficiaries?
14. What was the most challenging obstacle you faced while designing and implementing social and inclusive business models? How did you resolve it?
15. Have you perceived the necessity of acquiring new knowledge, resources, and competencies to accomplish your objectives and those of your allies?
16. Have you modified your ecosystem? That is, in terms of training and transferring knowledge and behaviors?
17. Did you internalize any deficiency in your network or of your allies?
18. The BM2 has been implemented in seven countries, and the BM1 in five. Considering that a significant part of social and inclusive business models struggles to be sustainable and scale, what do you think is the key to Alpha's success?
19. You have mentioned that the business models contribute to reducing poverty and inequalities through adequate housing, land ownership, access to basic services, employment, and financial inclusion. Have you received testimonies from beneficiaries that lead you to think in deeper layers of well-being, such as self-esteem, autonomy, and skill development, to face life better?



*Annex 3: Photos of the field trip*



## Annex 4: Validation of the research notes

2/3/23, 1:51 PM

Courrier - mariana.vazquez-pacho@univ-lyon3.fr

### RE: Acuerdo entrevista y guía de entrevista

Luz

mer. 11/08/2021 00:43

A: VAZQUEZ PACHO Mariana <mariana.vazquez-pacho@univ-lyon3.fr>;

Estimada Mariana, buenas tardes.

Te comparto mis impresiones a tu pregunta, espero te sean de utilidad:

¿Qué criterios se consideran para elegir los socios estratégicos?

Para CEMEX la elección de un socio o aliado se fundamenta en que tengamos propósitos u objetivos similares – que tengamos un fin común. Igualmente, que haya flexibilidad por ambas partes para modularnos y poder encontrar los mejores “cómos” para impactar positivamente a los stakeholders.

No tenemos que ser iguales, pues en la diversidad de capacidades y ópticas podemos crear cosas nuevas que funcionen para ese fin de bienestar común.

En esto entra, por supuesto, el apego a nuestros valores: hacer las cosas con excelencia, con integridad, transparencia y que suma y contribuya a nuestro modelo de sostenibilidad y nuestro propósito de construir un mejor futuro.

Mucho éxito y un abrazo desde Monterrey

Luz

Directora de Impacto Social - Asuntos Corporativos y Admon. de Riesgos Empresariales - México

Oficina: +52(81)83283692

Dirección: Av. Constitución 444 pte Col. Centro Monterrey, N.L. C.P. 64000

e-Mail



Considera el medio ambiente antes de imprimir este correo.

## *Annex 5: E-mail on the negotiation to implement the business model*

2/3/23, 1:50 PM

Courrier - mariana.vazquez-pacho@univ-lyon3.fr

### Presentación

lun. 14/03/2022 18:14

À : niltepecano@hotmail.com <niltepecano@hotmail.com>;

Cc : VAZQUEZ PACHO Mariana <mariana.vazquez-pacho@univ-lyon3.fr>;

📎 1 pièce(s) jointe(s) (4 Mo)

Presentación Final Portafolio NIS 2020 - Yo Construyo.pdf;

Buen día alcalde,

Como acordamos el día viernes, le hago llegar la presentación con el portafolio de iniciativas de negocios inclusivos y sociales, esperando que podamos trabajar en conjunto para mejorar la calidad de la vivienda de los habitantes de Niltepec.

Cualquier duda o comentario quedo a sus órdenes.

Muchas gracias y saludos.

---

Asesor de Negocios Inclusivos y Sociales - México  
Oficina: +52(81)83283452 Celular: +52(81)12770867  
Dirección: Av. Constitución 444 Pte. Col. Centro  
e-Mail:

 [Responsabilidad Social](#)

Considera el medio ambiente antes de imprimir este correo.

**\*\*AVISO DE CONFIDENCIALIDAD\*\*** El Contenido de este mensaje y archivos adjuntos es estrictamente confidencial, son propiedad exclusiva de la entidad a la que pertenece el remitente. No puede ser difundido ni usado por persona distinta a quien va dirigido, ni puede ser copiado o reenviado de cualquier forma. Si se recibió por error, por favor notifique al remitente y borrelo de su sistema. De igual forma, el presente y sus archivos adjuntos no constituyen ni constituirán de forma alguna consentimiento de las entidades financieras integrantes o demás afiliadas, subsidiarias o relacionadas a las que pertenece el remitente a menos que se establezca expresamente en el texto del presente y se confirme por escrito por el representante legal correspondiente.

CONFIDENTIALITY: The information contained in this transmission may contain privileged and confidential information. It is intended only for the use of the person(s) named above. If you are not the intended recipient, you are hereby notified that any review, dissemination, distribution or duplication of this communication, and the information contained in it, is strictly prohibited. If you are not the intended recipient, please contact the sender and immediately destroy all copies of the original message.

## *Annex 6: Example of verbatim*

**FMS:** Bueno pues ahí, hace unos días hicimos un recorrido en todo el municipio y se... y se... este... identificaron alrededor de unas mil doscientas viviendas que todavía... pues les falta muchas... muchas... cómo te diré... Pues unas de plano no están reconstruidas y otras falta... Mira, no sé si me ves, aquí tengo todos los expedientes que fuimos a buscar de casa en casa al visitar las viviendas.

**MAGV:** Ok.

**FMS:** Esto fue el día 10 de enero del 2022 ¿No? Apenas de este año, de toda la cabecera y de las agencias. Siete agencias y salieron mas de mil doscientas viviendas afectadas. Lo hicimos para pedir apoyo ante las instituciones correspondientes federales y estatales porque este es el último año que el gobierno federal apoyará para la reconstrucción y pos nos dimos a la tarea de hacer eso, buscamos la SEDATU y ellos también vinieron a revisar algunas viviendas que pues creo que sí nos van apoyar pero en un mínimo. Yo creo que ni cien, es que están muy estrictos, dicen que pues ya deben tener sus casas y que no sé qué... En fin, ellos están en su tema.

**MAGV:** Ok. Bueno, vamos empezando y si tiene alguna duda ahí me pueden ir interrumpiendo. Negocios inclusivos y sociales tienen como objetivo mejor la calidad de vida y sus espacios... de la vivienda y sus espacios perdón, incentivar el trabajo y la participación de la gente y el desarrollo de capacidades. Para nosotros es bien importante no solamente pues dejar la vivienda o el mejoramiento o el block sino también el desarrollo de alguna capacidad en la comunidad, en las personas que están participando en nuestros proyectos. Y el portafolio consiste en estas cinco iniciativas que ahorita voy a mencionar a detalle que son los centros productivos de autoempleo o las bloqueras, construapoyo, construyo contigo (una capacitación en autoconstrucción) y estufas ecológicas.

La primera y ésta es la que ya tuvieron ustedes ahí en el municipio es el centro productivo de autoempleo. Esta iniciativa consiste en facilitar la maquinaria, la materia prima y la capacitación para elaborar prefabricados de concreto, para mejorar las condiciones ya sea de infraestructura de vivienda o de espacios públicos. Eh... consiste aquí en el comodato de estas dos máquinas que es una vibro compactadora y una revolvedora. La revolvedora casi no se ve, está atrás... este... Y se puede producir el prefabricado de concreto de... pues digamos de su elección o del que gusten normalmente en la comunidad... eh... puede ser block relleno, hueco, de dos huecos, de tres huecos... este... La máquina contemplando un block del número doce tiene capacidad para fabricar mil quinientas piezas... eh... por seis... seis horas, ya que pues la... pues el trabajo si es un... es un trabajo digamos que pesado y aquí en este siguiente slide podemos ver cuáles son las aportaciones que haría cada una de las partes. En este caso, el aliado: el municipio hace... corre con el pago del traslado del equipo, facilita un terreno de al menos 400 m2, tiene que tener servicios de agua, luz dos-veinte trifásica, firme con techumbre y una bodega para el resguardo del cemento que me imagino que si... que pues tendrán el espacio donde se había instalado la bloquera con anterioridad y pudieran utilizar el mismo... Eh, realizar los mantenimientos preventivos y correctivos y la adquisición de las materias primas y las tarimas. CEMEX facilita en comodato los equipos, damos asesoría y la capacitación a los beneficiarios para que ellos produzcan los prefabricados, otorgamos el soporte y el seguimiento técnico y el suministro del cemento... Eh, aquí es bien importante mencionar que se puede hacer el trabajo... No sé cómo, no recuerdo cómo trabajaron en la ocasión anterior pero se pueden hacer varios esquemas, uno donde quizás sea una cuadrilla del municipio quien esté fabricando los blocks... eh, o la otra un... que sea... eh... las mismas familias que vayan a



*Annex 7: Photography of a precast concrete stove*



## *Annex 8: French abstract*

*Les firmes multinationales (FMN) (ainsi que certaines très grandes fondations) sont aujourd'hui les acteurs les plus importants dans notre monde de plus en plus globalisé, dans le sens où elles seules ont une capacité suffisante pour véritablement embrasser les problématiques mondiales de manières potentiellement transformatrices et pour affronter directement les points les plus douloureux de notre société... Aucune autre organisation ne possède cette capacité » (Roche et Jakub, 2017).*

La Banque mondiale estime qu'environ 676 millions de personnes vivent toujours dans une extrême pauvreté, luttant pour satisfaire les besoins les plus élémentaires. Ce chiffre inclut 95 millions de personnes supplémentaires que la pandémie de Covid-19 est estimée avoir poussé dans l'extrême pauvreté (Gerszon Mahler et al., 2022). À travers l'objectif numéro un, "pas de pauvreté", les Objectifs de Développement Durable (ODD) visent à réduire la pauvreté en assurant aux pauvres l'accès aux services de base, la propriété ou le contrôle de la terre et d'autres formes de biens (Nations Unies, 2020). Différentes initiatives ont émergé, allant des formes les plus désintéressées, telles que la philanthropie, aux solutions cherchant le profit.

Les solutions cherchant le profit visent à capitaliser en aidant les pauvres en développant des propositions de valeur adaptées à leurs restrictions et caractéristiques uniques, de sorte que les entreprises créent les conditions permettant la consommation et la création de valeur sociale. L'une des approches les plus adoptées est celle de la base de la pyramide (BoP). La BoP a été introduit comme une alternative basée sur le marché à la lutte contre la pauvreté. En conséquence, elle propose, principalement aux FMN, de poursuivre leurs objectifs économiques (et d'agir au nom des actionnaires) tout en servant le segment le plus bas de la pyramide socio-économique.

Lorsque la BoP est apparue, de grandes attentes l'accompagnaient ; les praticiens et les chercheurs ont accueilli avec enthousiasme l'idée des entreprises aidant les gens à sortir de la pauvreté, et des stratégies BoP ont commencé à apparaître dans

différents secteurs : alimentation, hygiène personnelle, santé et logement. Cependant, avec le temps, la plupart des initiatives visant à créer une valeur mutuelle (économique pour les entreprises et sociale pour les pauvres) ont échoué ou, au mieux, ont obtenu un succès modeste à un coût élevé (Hart et al., 2016).

L'apprentissage tiré des expériences précédentes est double. Premièrement, créer une valeur mutuelle dans des marchés ambigus tels que la BoP est très intimidante. Deuxièmement, les approches initiales pour servir les marchés de la BoP étaient insuffisantes, tant le modèle à bas prix, faible marge et haut volume (Simanis, 2012) que la transformation des offres pour assurer abordabilité, accessibilité, acceptation et conscience (Prahalad, 2005).

Pour Mezas et Fakhreddin (2014), les entreprises échouent sur les marchés de la BoP car elles supposent l'existence d'un marché à exploiter au lieu de reconnaître la nécessité de le créer. Pour construire des marchés, deux éléments émergent comme essentiels : l'innovation des modèles d'affaires et la participation aux réseaux (Mason et al., 2017). Récemment, les entreprises ont commencé à explorer les réseaux à la recherche de partenaires pour développer des modèles d'affaires collaboratifs capables de contribuer au développement social.

Il est intéressant de noter que ces partenaires n'étaient pas seulement les habituels ; étonnamment, plusieurs organisations non gouvernementales, historiquement opposées aux entreprises, ont répondu à l'appel, suivies d'entrepreneurs sociaux, de coopératives, de la société civile et d'organisations gouvernementales. Dans ce contexte, Hartman et Dhanda (2018) décrivent un nouveau type de modèle d'affaire entre les FMN et les organisations à but non lucratif. Progressivement, les parties prenantes non traditionnelles se sont révélées être des partenaires cruciaux pour le développement de stratégies et de modèles d'affaires et pour assurer l'opérationnalisation et la création de valeur mutuelle (Rosca et Bendul, 2016).

Ainsi, les entreprises ont l'opportunité de prendre proactivement des mesures pour répondre aux contraintes auxquelles font face les pauvres, soit par des modèles d'affaires inclusifs, des produits et/ou des services innovants. De plus, elles peuvent influencer d'autres dimensions de la pauvreté au-delà du revenu, comme les opportunités et capacités limitées (UN Global compact et wbcasd, 2016). Cependant, on sait peu de choses sur la manière dont les FMN contribuent à atteindre les ODD des Nations Unies (Andersen et Esbjerg, 2020), et notre connaissance sur la manière dont elles organisent leurs modèles d'affaires pour collaborer avec des partenaires dans la réduction de la pauvreté est encore moindre.

## **LA BOP, UNE APPROCHE BASÉE SUR LE MARCHÉ POUR LE DÉVELOPPEMENT SOCIAL**

---

### **❖ Le contexte de recherche de la BoP 3.0**

L'hypothèse selon laquelle le secteur des entreprises servira les riches tandis que le gouvernement et les organisations civiles protégeront les pauvres est tragique (Prahalad et Hart, 2002). Dans son travail révolutionnaire, Amartya Sen (1999) affirme que les êtres humains doivent être au centre du système économique alors que tous les autres acteurs économiques sont des moyens et non la fin du progrès. Le progrès dont parle Amartya Sen se réfère à un développement en termes de « liberté ». Liberté de recevoir une éducation, accès à une meilleure qualité de vie et obtention de l'argent nécessaire pour manger et avoir un abri. Dans cette perspective, la pauvreté est donc l'effet d'un manque de droits et de liberté qui conduit à une privation de capacités pour atteindre de bons standards de vie (Easterly, 2013; Sen, 1999).

Le concept de la BoP, mis en lumière en 1998 par Prahalad, cesse de considérer les pauvres comme des bénéficiaires de l'aide humanitaire et les met en avant comme une source de capacités et de connaissances à exploiter pour l'innovation



dans des environnements à ressources limitées. Cette approche reprend également le rôle des entreprises (en particulier des FMN) dans la résolution des problèmes sociétaux. Depuis son apparition, la notion de la BoP a acquis de multiples significations ; elle peut représenter un secteur socio-économique, un marché, une stratégie et un type de modèle d'affaire. La présente recherche utilise la BoP comme un nom propre pour signifier le contexte de la pauvreté dans les pays en développement. Pour tout autre usage, on utilise la BoP comme adjectif pour modifier d'autres noms, par exemple, marché ou stratégie.

L'intérêt croissant pour la BoP et la recherche des moyens adéquats ainsi que les différentes perspectives adoptées par les praticiens et les chercheurs ont conduit à la distinction entre BoP 1.0, BoP 2.0 et BoP 3.0 (Dembek et al., 2019) :

- La BoP 1.0 met en évidence le potentiel inexploité de la base de la pyramide en tant que marché de consommation et suggère la meilleure approche pour y entrer : des prix bas, des marges faibles et un volume élevé, tirant parti de la capacité de distribution et des forces marketing des FMN. Malheureusement, à ce stade, certaines entreprises ont adopté une vision simpliste, sous-estimant la complexité du marché de la BoP et les besoins spécifiques des pauvres, et ont supposé que la valeur sociale serait automatiquement délivrée en vendant des produits et des services (Calton et al., 2013 ; Santos et al., 2015). Par conséquent, elles ont appliqué la voie la plus facile de l'innovation, c'est-à-dire, l'adaptation de produits déjà vendus dans les économies développées, en les dégradant et en les reconditionnant en petites portions pour permettre des prix plus bas, représentant une menace environnementale significative.
- La BoP 2.0 reconnaît le marché de la BoP comme un terrain pluriel et évolutif qui nécessite des formes d'innovation plus complexes que de simplement exporter des adaptations (Govindarajan et al., 2012). À ce stade, les entreprises ont souligné l'importance de collaborer avec la BoP

pour co-cr  er des produits et des propositions de valeur convaincantes (Hart et al., 2016) capables de procurer des revenus, de l'emploi ou de l'entrepreneuriat pour les pauvres (Payaud, 2014a). La BoP 2.0 se concentre plus que la BoP 1.0 sur la r  solution de probl  mes sociaux et environnementaux ; cependant, les recherches ont montr   que les efforts de la BoP 1.0 et 2.0 ont souvent eu du mal    produire les r  sultats doubles auxquels ils aspiraient : la rentabilit   des entreprises et l'all  gement de la pauvret   (Dembek et al., 2019).

- La BoP 3.0, en cons  quence, co  incide avec la remarque de Payaud et Martinet (2010) sur le fait de ne pas simplifier et r  duire la strat  gie de la BoP    un cheval de Troie pour le capitalisme. La derni  re id  e de la BoP est rentable, durable sur le plan environnemental et social (Chmielewski et al., 2018 ; Hart et al., 2016, 2013). La BoP 3.0 fait r  f  rence    une approche plus ambitieuse qui inclut un haut niveau de responsabilit   d'entreprise, une interd  pendance entre les secteurs, et la reconnaissance que la valeur sociale ne provient pas automatiquement de la surmont  e de la sous-consommation et de l'augmentation du pouvoir d'achat des pauvres, mais d'un ensemble d'activit  s interd  pendantes (telles que l'  ducation, la formation, la microfinance) qui implique plusieurs acteurs et n  cessite un changement de comportement de la part des clients pour que l'impact se produise (Santos et al., 2015).

R  cemment, il a   t   soutenu que l'une des raisons du succ  s limit   des mod  les d'affaires de la BoP est une conceptualisation   troite de la pauvret   qui se concentre directement sur la d  finition   conomique. Les futures   tudes sur la BoP incorporant une d  finition multidimensionnelle de la pauvret   pourraient am  liorer sa compr  hension et apporter un nouvel   clairage sur l'all  gement du probl  me (Dembek et al., 2019; Mason et al., 2017). En effet, la pauvret   multidimensionnelle n  cessite un processus d'all  gement plus holistique et collaboratif o   le

développement est une transformation plutôt que simplement une croissance économique (Chmielewski et al., 2018).

De manière cohérente, l'approche émergente de la BoP 3.0 cherche un changement conceptuel s'éloignant d'une solution unique à l'allègement de la pauvreté pour comprendre comment des écosystèmes d'innovation plus larges et l'engagement à travers des réseaux de partenariats intersectoriels peuvent être développés pour atteindre des niveaux plus élevés de bien-être sur les marchés de la BoP (Mason et al., 2017). Par conséquent, la dernière version de la BoP inclut des entreprises à but lucratif coopérant avec des organisations intersectorielles pour co-crée des modèles d'affaires innovants et durables qui apportent un changement transformateur au niveau sociétal (Austin et Seitanidi, 2012a) et améliorent le triple bilan de compte : les gens, le profit et la planète (Albert et al., 2014).

De plus, la recherche dans le domaine de la BoP a offert un aperçu de la manière dont l'interdépendance collaborative entre les secteurs peut renforcer la connexion entre les profits et l'allègement de la pauvreté (London et Anupindi, 2012). Par conséquent, des réseaux d'innovation plus larges et des engagements à travers des réseaux de partenariats intersectoriels (Dembek et al., 2019) sont cruciaux pour créer des profits et générer une consommation qui a un impact positif sur la condition de vie des pauvres et la culture locale.

#### **❖ Innovation et collaboration : déterminants clés dans les modèles d'affaires pour la création de valeur à la BoP**

La littérature sur la BoP est parvenue à un accord concernant deux éléments essentiels pour véritablement créer une valeur mutuelle : l'innovation des modèles d'affaires et la collaboration en réseau. L'innovation des modèles d'affaires est reconnue comme une stratégie incontournable (Gebauer et al., 2017a, 2017b; London et Hart, 2011). Par exemple, Yunus et ses collègues (2010) décrivent des modifications essentielles pour transformer les modèles d'affaires commerciaux en

entreprises sociales. Et Gebauer et ses collègues (2017a) ont étudié la reconfiguration des éléments des modèles d'affaires pour surmonter les obstacles sur le marché de la BoP. De leur côté, les réseaux et la collaboration intersectorielle sont devenus de plus en plus importants pour la littérature sur les modèles d'affaires en général (Mason et Spring, 2011), et pour les modèles d'affaires durables en particulier (Breuer et Lüdeke-Freund, 2017).

Récemment, les entreprises ont commencé à considérer les réseaux comme une source de création de valeur. Par exemple, Sánchez et Ricart (2010) ont distingué entre deux types de modèles d'affaires : celui qui complète les ressources des entreprises avec les capacités de l'écosystème et l'autre qui repose exclusivement sur les ressources et capacités des entreprises. Aussi, en utilisant des typologies, Dembek et ses collègues (2018) ont distingué le modèle de réorganisation, le type de modèle d'affaires le plus avancé au service de la BoP qui relie les parties prenantes pour créer ou modifier des systèmes existants et des modes de vie au profit des communautés de la BoP. Complétant l'idée de l'importance d'un réseau pour la création de valeur, Brehmer et ses collègues (2018) ont trouvé que le lieu de la durabilité environnementale et sociale peut également être positionné en dehors de l'entreprise focale dans le réseau. Alors que Dahan et ses collègues (2010) et Hartman et Dhanda (2018) décrivent un nouveau type de modèle d'affaires, qui est le produit de la collaboration entre différents secteurs (principalement les FMN et les organisations non gouvernementales, ONG) avec l'objectif spécifique de contribuer au développement social.

L'importance des approches collaboratives à la BoP pour expliquer la création de valeur mutuelle est justifiée tant sur le plan normatif que pragmatique (Seitanidi et Crane, 2014). Sur le plan éthique, elles sont censées conduire à des stratégies BoP plus inclusives et localement appropriées, évitant les accusations potentielles d'exploitation et de commercialisation de la pauvreté ; sur le plan pragmatique, elles améliorent la performance des initiatives BoP en aidant à mobiliser un large spectre

de ressources et de réseaux sociaux pour atteindre un impact social systémique (Lashitew et al., 2021).

En effet, Karnani (2017) suggère que chaque acteur social joue un rôle essentiel dans l'allègement de la pauvreté ; il suffit de trouver les stratégies appropriées pour permettre à ces acteurs de remplir leurs responsabilités. Collaborer avec les agences gouvernementales, les organisations sociales et civiles, et les entreprises sociales pour lutter contre la pauvreté et produire une valeur partagée figure à l'agenda de la BoP depuis le début. Ainsi, suivant la vue éclectique et constructive de Karnani : pourquoi ne pouvons-nous pas attendre de tous les acteurs sociaux qu'ils travaillent ensemble et additionnent forces et ressources pour créer des solutions complètes pour et avec les pauvres ?

Plus important encore, le développement est un concept large, produit de l'effort conjoint de différents acteurs. Donc, garder un esprit plus ouvert sur le concept de modèle d'affaires et, en particulier, sur le niveau d'analyse – entreprise, réseau – génère de nouvelles perspectives pour les chercheurs et les gestionnaires de même (Mason et Spring, 2011). Nous avons besoin de "zoomer et dézoomer" pour générer une compréhension nouvelle de comment fonctionnent les modèles d'affaires.

#### **❖ Deux niveaux d'analyse pour les modèles d'affaires : entreprise et réseau**

Dans les premières manifestations basées sur Internet, les modèles d'affaires n'avaient de sens qu'à un niveau de réseau ; les auteurs voyaient alors les modèles d'affaires comme des descriptions des rôles de divers acteurs du réseau et des flux entre ces acteurs (Mason et Spring, 2011). Au fil des années, la littérature sur les modèles d'affaires s'est enracinée et a trouvé sa demeure la plus stable dans la littérature stratégique (Amit et Zott, 2001; Zott et Amit, 2010). Bien que certains courants de la littérature sur les modèles d'affaires aient maintenu une perspective inter-entreprises – ceux concentrés principalement sur la technologie – les

implications multi-niveaux du modèle d'affaires se sont perdues tandis que l'entreprise émergeait comme le niveau d'analyse dominant.

À ce jour, la plupart des recherches sur les modèles d'affaires se concentrent sur l'identification des éléments ou composants sous-jacents qui détaillent ce qu'est le modèle d'affaires au niveau de l'entreprise (Mason et Spring, 2011). Ainsi, le modèle d'affaires est compris comme représentant une vérité, décrivant l'apparence d'une entreprise particulière (Dembek et al., 2018). Dans ce sens, une limitation importante de la littérature sur les modèles d'affaires est qu'elle ne crée qu'une description de l'entreprise à un moment donné et, ce faisant, ne prend pas en compte l'influence du réseau d'entreprises sur le modèle d'affaires et vice versa (Mason et Spring, 2011). Par conséquent, de multiples sites d'analyse aideront à mieux comprendre les organisations et ce qu'elles font.

En effet, les niveaux d'entreprise et de réseau sont complémentaires (Brehmer et al., 2018) et utiles pour atteindre une compréhension riche de la logique de création de valeur des FMN. En effet, se concentrer exclusivement sur des questions intra-entreprises est une limitation (Dembek et al., 2018) puisqu'elle ne raconte que la moitié de l'histoire (Berglund et Sandström, 2013). Par conséquent, le concept de modèle d'affaires est remis en question, passant de simplement servir de plan sur la façon dont une seule entreprise fait des affaires à expliquer comment les partenaires du réseau font des affaires ensemble (Lindgren et al., 2010).

Dans cette recherche, pour raconter toute l'histoire, nous appliquons simultanément les niveaux d'entreprise et de réseau comme un concept d'organisation large.

### ❖ **La perspective intra-entreprise : une organisation interne**

Analyser les modèles d'affaires au niveau de l'entreprise permet de concentrer l'attention des chercheurs sur l'intérieur d'une entreprise et, par conséquent, de comprendre sa configuration interne. L'organisation interne est souvent représentée

comme un ensemble de composants logiquement ajustés d'une histoire (Magretta, 2002) qui décrit les stratégies, les choix concrets (Casadesus-Masanell et Ricart, 2010) et les logiques que les entreprises adoptent pour créer de la valeur. De nombreux auteurs ont tenté de clarifier les composants ou blocs de construction qui constituent un modèle d'affaires générique. Alors que la plupart des cadres de modèle d'affaires conçoivent la création de valeur soumise à une logique purement commerciale, la littérature sur l'entrepreneuriat social a récemment commencé à combiner des logiques économiques et sociales pour façonner des modèles d'affaires. Parmi eux, le cadre de Yunus et ses collègues (2010) se distingue comme un modèle d'affaires alternatif qui pourrait permettre au capitalisme de répondre aux préoccupations mondiales accablantes (Yunus et al., 2010). Ce cadre se compose de quatre éléments : la proposition de valeur, la constellation de valeur, l'équation de valeur économique et l'équation de valeur sociale.

Le cadre de l'entreprise sociale est utile dans notre recherche pour décrire l'organisation interne en identifiant et expliquant les stratégies et tactiques appliquées pour créer une valeur mutuelle à la BoP. Cependant, pour cette question, nous avons apporté une modification cruciale en supposant que les FMN cherchent à maximiser le surplus des actionnaires plutôt que de se contenter du simple recouvrement total du capital, comme le dicte le modèle original.

#### ❖ **La perspective inter-entreprises : une organisation externe**

La réflexion sur les modèles d'affaires a été un cadre largement utilisé pour analyser l'architecture des opérations des entreprises, les rationnels de création de valeur et les efforts de durabilité. Cependant, elle représente souvent insuffisamment la collaboration des partenaires et des réseaux ou des parties prenantes en général - à savoir, la collaboration intersectorielle. De plus, nous observons que la pensée conventionnelle sur les modèles d'affaires a été silencieuse concernant le contexte externe (Pedersen et al., 2017a).

Précisément, la littérature sur les partenariats intersectoriels a introduit un nouveau type de modèle d'affaires : le modèle d'affaires collaboratif intersectoriel pour la durabilité, qui repose sur l'idée que le problème le plus difficile de l'humanité nécessite une approche coopérative et une logique commerciale. Par conséquent, une perspective alternative sur les modèles d'affaires, basée sur la notion de création de valeur se produisant dans les réseaux, est plus propice à l'analyse (Freudenreich et al., 2020).

Dans la littérature sur la BoP, Dembek et ses collègues (2019) ont identifié la nécessité d'examiner de plus près le rôle des partenariats intersectoriels dans l'exécution des stratégies de la BoP. De plus, l'allègement de la pauvreté nécessite une coopération substantielle entre différents acteurs, et une perspective transversale sur le modèle d'affaires fournit une puissance analytique pour enquêter sur une telle interaction (Brehmer et al., 2018; Zott et al., 2011).

Selon Zott et Amit (2010), la transversalité perçoit un modèle d'affaires comme un ensemble d'activités interdépendantes qui transcendent l'entreprise focale et étendent ses frontières. Elle se concentre sur la création et le transfert de valeur entre l'organisation focale et les acteurs externes de son réseau. L'architecture du modèle d'affaires de l'entreprise est façonnée par le contenu, la structure et la gouvernance. Le contenu se réfère aux activités du modèle d'affaires ; la structure représente les relations qui rassemblent ces activités, et la gouvernance détermine qui les exécute (Amit et Zott, 2015). Ainsi, les acteurs externes développent des activités cruciales (Lindhult et Nygren, 2018), mais l'accent reste mis sur une entreprise focale.

Dans cette recherche, une perspective transversale nous permettra d'explicitier : (1) où dans le modèle d'affaires la valeur sociale est créée et capturée ; (2) comment une entreprise focale organise le contenu, la structure et la gouvernance avec des acteurs externes ; et (3) comment elle trace des frontières pour atteindre la cohérence, la collaboration, le contrôle et l'efficacité.



## PROBLÉMATIQUE DE RECHERCHE

---

Prahalad et Hart ont proposé que répondre aux besoins de la BoP représentait une opportunité prodigieuse pour les entreprises les plus riches du monde de chercher leur fortune et d'apporter la prospérité aux pauvres (Prahalad et Hart, 2002). Malheureusement, après vingt ans et plusieurs modifications itératives, cette approche axée sur le profit pour alléger la pauvreté s'est avérée bien plus difficile que prévu. Les organisations peinent à s'attaquer simultanément à la pauvreté et au profit et ne parviennent souvent à atteindre efficacement aucun de ces objectifs (Dembek et al., 2018; Landrum, 2020).

Les FMN ont été désignées comme l'acteur économique doté des capacités nécessaires pour aborder les marchés à faible revenu et contribuer à l'allègement de la pauvreté. Néanmoins, alors que de nombreux articles soulignent la nécessité pour les multinationales d'adapter leurs modèles d'affaires, on sait peu de choses sur son fonctionnement pour aborder la BoP (Perrot, 2017). Nous n'avons pas non plus suffisamment de connaissances sur la façon dont les modèles d'affaires sont créés à plusieurs niveaux, malgré l'importance de l'innovation et de la collaboration en réseau pour développer des modèles d'affaires qui transformeront profondément les pauvres. Par conséquent, comprendre les niveaux d'entreprise et de réseau des modèles d'affaires semble pertinent pour obtenir des informations plus approfondies sur leur création et leur mise en œuvre.

Avec ces antécédents, l'objectif principal de ce travail est de poser la question :

### **Comment les multinationales créent-elles une valeur mutuelle à la base de la pyramide ?**

- QR 1 : Comment les concepts de création de valeur organisationnelle : la base de la pyramide (BoP), la création de valeur partagée (CSV), La

proposition de valeur mixte (BVP) et le triple bilan (TBL) se différencient-ils entre eux ?

- QR 2 : Quelles stratégies et tactiques les FMN appliquent-elles pour innover les éléments de leurs modèles d'affaires : proposition de valeur, constellation de valeur et capture de valeur au niveau de l'entreprise ?
- QR 3 : Quelles stratégies les FMN appliquent-elles pour organiser les éléments de leurs modèles d'affaires : contenu, structure et gouvernance au niveau du réseau ? Comment ces stratégies affectent-elles leurs frontières conceptuelles ?
- QR 4 : Quelle logique (magasins, chaînes, réseaux) les FMN appliquent-elles pour créer de la valeur sociale ?
- QR 5 : Quel type de valeur sociale les FMN livrent-elles ?

Les questions secondaires nous permettent de fournir une réponse complète à la question principale en suivant un chemin structuré. Nous utilisons les modèles d'affaires comme unité d'analyse et appliquons une définition normative, ce qui implique que les modèles d'affaires se composent de certains aspects (Sánchez et Ricart, 2010). Par conséquent, le cadre analytique évolutif guidant cette recherche se compose de sept éléments regroupés en deux parties. Le premier groupe considère quatre éléments à l'intérieur des entreprises, représentant la configuration interne : la proposition de valeur, la constellation de valeur, la capture de valeur économique et l'équation de valeur sociale. Le second groupe place les trois autres éléments – contenu, gouvernance et structure - à la frontière entre les entreprises et l'écosystème, représentant la configuration externe. De plus, notre cadre est enrichi de concepts théoriques appartenant au développement social, à la théorie des systèmes ouverts et à la création de valeur organisationnelle.

L'objectif de cette thèse est de comprendre les manières dont les FMN travaillent à créer de la valeur économique et sociale pour le secteur de la BoP. En « zoomant », nous explorons les modèles d'affaires comme cadres pour l'innovation, nous permettant de décrire les stratégies et tactiques modifiant chaque composant. En « dézoomant », nous explorons la pratique des modèles d'affaires, c'est-à-dire comment les frontières sont créées et transformées en enrôlant des acteurs dans le réseau d'affaires.

## OBJECTIFS DE RECHERCHE

---

### ❖ **Distinguer entre les différentes approches de création de valeur mutuelle.**

La création de valeur économique et sociale (y compris environnementale) a gagné en pertinence et a été analysée dans différents contextes et domaines. En conséquence, différents concepts sont apparus pour expliquer la création de valeur organisationnelle en utilisant des modèles similaires. Ainsi, même si tous considèrent les avantages économiques et sociaux comme des variables interdépendantes qui, une fois harmonisées, créent une plus grande valeur totale pour toutes les parties impliquées, ils sont également évalués comme des lignes d'investigation indépendantes.

Trop d'options pourraient entraîner un risque croissant de se noyer dans les synonymes et les termes trompeurs (Tullberg, 2012), ce qui pourrait représenter une excuse pour l'inaction des entreprises et l'incapacité à évaluer les progrès (Elkington, 2018). De plus, cela pourrait affecter l'opérationnalisation et la mesure des concepts. Par conséquent, délimiter et comparer quatre concepts : le BVP, le TBL, le CSV et la BoP semble pertinent pour clarifier les concepts qui concourent à combler le même vide théorique.

**❖ Renforcer la littérature sur la BoP en offrant une perspective collaborative pour aborder différents niveaux de pauvreté.**

Les problèmes socio-économiques sont de grands défis complexes et multidimensionnels, qui traversent les frontières, manquent de solutions claires et ne peuvent être résolus par un seul acteur (Pedersen et al., 2021). L'ampleur et la complexité croissantes des problèmes socio-économiques auxquels les sociétés du monde entier sont confrontées dépassent les capacités des organisations et des secteurs individuels à les traiter de manière adéquate (Austin et Seitanidi, 2012b). De manière cohérente, la dernière version de la BoP met l'accent sur le partenariat intersectoriel pour concevoir des modèles d'affaires capables de traiter la pauvreté comme un phénomène multifacette qui va au-delà des aspects économiques pour se concentrer sur le bien-être communautaire, les capacités et l'agence personnelle (Chmielewski et al., 2018).

Le modèle d'affaires durable et la littérature sur la collaboration intersectorielle ont commencé à aborder les "modèles d'affaires intersectoriels collaboratifs". C'est-à-dire, des alternatives durables aux modèles d'affaires conventionnels qui tendent à adopter une perspective plus holistique des affaires en élargissant le spectre des solutions et des parties prenantes. Lorsqu'ils sont alignés avec la collaboration intersectorielle, ces nouveaux modèles d'affaires contribuent à de nouvelles manières d'aborder les problèmes de durabilité complexes auxquels l'humanité est confrontée (Pedersen et al., 2021) – tels que la pauvreté.

La BoP a récemment été identifiée comme un type de modèle d'affaires durable (Dembek et al., 2018), et certaines études ont commencé à utiliser des perspectives durables pour analyser les modèles d'affaires qui abordent le secteur de la BoP. Cependant, en gestion stratégique, la plupart des recherches sur les initiatives de la BoP se sont concentrées sur des efforts singuliers. Par conséquent, nous visons à renforcer la littérature sur la BoP en adoptant une approche collaborative et en analysant les modèles d'affaires avec une perspective transversale. Cette

perspective se centre sur les transactions et le transfert de valeur entre une entreprise focale et les acteurs externes de son réseau de valeur ; elle permet également d'identifier et de suivre différents types de valeur (Brehmer et al., 2018 ; Dembek et al., 2018). Précisément, Synkovics et ses collègues (2014) proposent de reconceptualiser l'idée de création de valeur sociale comme l'allègement des contraintes sociales. Ils définissent la création de valeur sociale comme une activité qui mène à la réalisation de l'une des trois valeurs fondamentales du développement, c'est-à-dire, la subsistance, l'estime de soi et la liberté de servitude.

**❖ Renforcer la littérature sur les modèles d'affaires en offrant une analyse à plusieurs niveaux comme un concept d'organisation unique.**

Bien que sur les marchés de la BoP, le modèle d'affaires et la collaboration en réseau soient cruciaux pour réussir (Danse et al., 2020), l'attention se porte sur la configuration interne, laissant l'organisation externe des modèles d'affaires et ses stratégies et logiques distinctes peu étudiées. De nos jours, il est plus courant pour les FMN de s'associer avec différents acteurs pour créer des offres intégrales. Cependant, on sait encore peu de choses sur les modèles d'affaires dans lesquels plus d'un acteur est activement impliqué dans le développement et la livraison d'une solution conjointe.

Considérant qu'une solution est une combinaison de services, de produits et de collaboration, nous nous appuyons sur l'idée que les modèles d'affaires peuvent être étudiés au niveau de l'entreprise et également au niveau du réseau. Ce n'est que récemment que la complémentarité et l'importance de ces deux perspectives ont commencé à être reconnues (Brehmer et al., 2018 ; Dembek et al., 2018 ; Laya et al., 2018 ; Velter et al., 2020).

❖ **Renforcer la littérature sur le développement social et les affaires internationales en analysant le rôle des FMN dans la lutte contre la pauvreté.**

Les entreprises qui conçoivent leurs modèles d'affaires de manière que leurs opérations quotidiennes absorbent une contrainte sociale plutôt que d'essayer de la contourner ou de l'exploiter atteignent un impact de développement significatif sur les communautés dans lesquelles elles sont intégrées (Sinkovics et al., 2015). Les entreprises mondiales jouent un rôle clé dans les questions de droits de l'homme, spécifiquement en aidant les pauvres en investissant dans les communautés locales et mondiales sur une base à long terme plutôt qu'en agissant comme des organisations caritatives ou des agences d'aide. Cependant, pour ce faire, les FMN doivent restaurer la confiance du public. Elles doivent démontrer que leur présence, en particulier dans les pays pauvres et les économies de marché émergentes, est une source de progrès humain (Browne, 2002).

Dans la littérature sur la BoP, une grande majorité des études analysent les petites et moyennes entreprises (PME) et les ONG ; cela est surprenant puisque la principale prémisse de l'approche BoP est la combinaison des profits et de la réduction de la pauvreté (Kolk et al., 2014). Sans minimiser l'importance de telles analyses, nous pensons que la littérature bénéficiera de la reprise du rôle central que les FMN ont eu autrefois. Les FMN représentent des études de cas passionnantes et complexes pour les études de marché de la BoP et le développement social en général : malgré leurs ressources, elles doivent réapprendre à acquérir des capacités et compétences natives (Hart et London, 2005), établir des partenariats intersectoriels pour compléter ou créer (Dahan et al., 2010 ; Hartman et Dhanda, 2018) des modèles d'affaires inclusifs, complexes, collaboratifs et évolutifs (Gebauer et al., 2017b) et livrer de la valeur de manière rentable pour toutes les parties prenantes.

### ❖ **Gestion stratégique comme domaine sous-jacent à cette étude.**

Notre objectif est de comprendre la création de valeur mutuelle à la BoP par les FMN. Ainsi, nous nous concentrons sur les modèles d'affaires comme notre unité d'analyse pour comprendre la logique d'une entreprise. Par conséquent, nous nous positionnons dans la dimension de la gestion stratégique, en prenant une perspective d'entreprise et de réseau mais en centrant toujours sur une entreprise focale. Notre point de vue correspond aux principaux jalons identifiés dans la littérature sur la gestion stratégique : analyser les environnements internes et externes, formuler des stratégies, développer un avantage concurrentiel et atteindre les objectifs organisationnels (Cox et al., 2012).

## **PHÉNOMÈNE DE RECHERCHE ET PROJET DE CONNAISSANCE**

---

### ❖ **Objet de recherche**

Un objet de recherche représente le cœur d'une investigation. C'est-à-dire, une situation particulière qu'un chercheur souhaite étudier et comprendre. Notre objet de recherche est la création de valeur mutuelle par les FMN à la BoP.

La valeur mutuelle se réfère à la création simultanée de bénéfices économiques et sociaux pour toutes les parties impliquées dans une initiative commerciale. L'élément social comprend également des aspects environnementaux ; cependant, nous sommes intéressés par la valeur sociale en tant qu'efforts pour aider les gens à sortir de la pauvreté. Nous nous concentrons sur les modèles d'affaires des multinationales servant la BoP pour comprendre les décisions stratégiques dans la configuration interne et externe des modèles d'affaires qui permettent aux entreprises de fournir de manière réussie et durable de la valeur sociale. Après tous les échecs, la connaissance des facteurs clés dans la conception des modèles d'affaires et la gestion des réseaux offrira un guide aux praticiens pour comprendre

et mettre en œuvre des modèles d'affaires évolutifs et efficaces qui améliorent véritablement les conditions de vie des pauvres.

### ❖ **Résultat de la recherche**

Les entreprises à but lucratif sont mises au défi de développer et de promouvoir le développement social ; cependant, elles manquent souvent des connaissances nécessaires pour s'engager efficacement et soutenir l'innovation des modèles d'affaires. Des preuves empiriques basées sur les mécanismes de création de valeur couramment utilisés par des exemples réussis pourraient particulièrement éclairer de tels efforts (Schoneveld, 2020).

De manière cohérente, notre objectif principal est d'obtenir des questions légitimes pour nos réponses de recherche. Nous suivons les étapes de Prahalad et adoptons une position pragmatique ; ainsi, nous supposons que la seule manière dont les entreprises s'engageront véritablement dans le développement social est à travers la génération de profits. Par conséquent, nous voulons ouvrir la voie et offrir un guide aux praticiens intéressés à créer de la valeur significative pour les sociétés de manière rentable. Nous voulons fournir une tomographie d'un exemple réussi en comprenant qu'une solution unique n'existe pas dans la gestion stratégique, encore moins un modèle d'affaires générique. Cependant, des prescriptions guidées incitant à la réflexion, facilitant les décisions, adoucissant la mise en œuvre et, plus important encore, inspirant des solutions peuvent aider à faire avancer le progrès dans l'allègement de la pauvreté.

Suivant cette logique, nous proposons un cadre intégratif qui combine les niveaux d'analyse d'entreprise et de réseau avec trois théories dominantes : les trois logiques de création de valeur : chaîne, magasins et réseau (Stabell et Fjeldstad, 1998), les quatre logiques de frontière : efficacité, compétence, pouvoir et identité (Santos et Eisenhardt, 2009), et les trois valeurs fondamentales du développement social : subsistance, estime de soi et liberté de servitude (Sinkovics et al., 2015; Todaro et



Smith, 2012). Nous espérons que notre cadre servira de modèle pour concevoir et reconfigurer des modèles d'affaires qui créent et livrent différentes dimensions de la valeur sociale de manière économiquement durable.

### ❖ Philosophie de recherche

*« À la lumière des appels récents pour une position empirique comme alternative à la position métaphysique prédominante dans la recherche organisationnelle, nous relisons le pragmatisme comme une philosophie de processus qui peut profondément informer les vues processuelles de l'organisation et de la gestion » (Simpson et den Hond, 2022, p. 127).*

Ce travail adopte le pragmatisme classique comme philosophie de recherche. Nous nous basons sur l'idée que le pragmatisme est particulièrement congruent pour la recherche en gestion, surtout en ce qui concerne les problèmes des pays du tiers-monde<sup>25</sup>, où il y a une urgence sociale à offrir des solutions scientifiquement fondées. Élucider les mécanismes permettant aux FMN de collaborer à l'allègement de la pauvreté apparaît donc comme particulièrement pertinent pour adopter une perspective de résolution de problèmes.

Cette position pragmatique nous permet de développer notre cadre pluraliste, qui vise à faciliter la création de valeur sociale dans les contextes à faible revenu. Bien qu'il existe de nombreuses raisons pratiques et théoriques pour lesquelles comprendre la logique de création de valeur pour servir le marché de la BoP est important, la principale motivation derrière cette thèse découle de l'urgence d'agir. En conséquence, nous espérons fournir des connaissances, de nouveaux aperçus, des faits et un guide pratique

---

<sup>25</sup> Le terme "tiers monde" fait référence aux pays marqués par une pauvreté paralysante qui a un impact significatif sur leurs conditions socio-économiques internes et sur la communauté mondiale.

### ❖ **Le modèle d'affaires comme unité d'analyse**

Cette thèse utilise un modèle d'affaires comme unité d'analyse. Grâce à ses attributs intégratifs et systémiques, il permet d'étudier la logique commerciale des entreprises sous différents angles. En tant que concept opérationnel représentant les stratégies corporatives et les logiques de création de valeur, il sera utile pour comprendre comment les FMN servent la base de la pyramide en créant de la valeur sociale tout en capitalisant sur ces tentatives. En tant que représentation systémique des activités, il expliquera la configuration externe et la gestion stratégique des frontières pour poursuivre collectivement des objectifs de niveau supérieur (allègement de la pauvreté).

Un modèle d'affaires est heuristique et intégral par nature en raison de ses caractéristiques opératives et théoriques. Ces attributs justifient la proposition d'un cadre comme produit final pour expliquer et dicter le modèle d'affaires d'une FMN servant la BoP.

### ❖ **Étude qualitative avec une étude de cas unique et des preuves archivistiques et documentaires.**

Pour atteindre nos objectifs de recherche, ce travail réalise une recherche qualitative renforcée par une étude de cas et des méthodes d'analyse archivistique et documentaire. Étant donné notre approche guidée par le pragmatisme qui favorise une perspective abductive, nous avons adopté la définition d'Ahrens et Chapman (2006). Ainsi, nous définissons la recherche qualitative comme une réflexion continue sur les données et leur positionnement par rapport à différentes théories (Ahrens et Chapman, 2006).

En cohérence avec cette définition, nous appliquons une étude de cas pour l'élaboration de la théorie, comme décrit par Ketokivi et Choi (2014). L'étude de cas pour l'élaboration de la théorie vise à concilier le général et le particulier. Par conséquent, les résultats finaux sont fondés sur les données, mais ils présentent moins d'émergence car ils sont guidés par des considérations théoriques a priori. De plus, la question de recherche justifie la sélection d'une étude de cas, en particulier une étude de cas unique, puisqu'elle nécessite des exemples de FMN qui ont réussi à la BoP. Dans ce sens, l'entreprise (ci-après dénommée Alpha) est extrêmement exemplaire et inhabituellement révélatrice puisque la plupart des modèles d'affaires ciblant la BoP ont échoué. Par conséquent, le succès mondial d'Alpha représente une circonstance inhabituelle (Eisenhardt et Graebner, 2007 ; Yin, 2018) qui fournira une meilleure vue et une compréhension approfondie de notre phénomène de recherche (Mariotto et al., 2014).

Cette thèse repose également sur l'analyse archivistique et documentaire en tant que méthode de recherche complémentaire. L'analyse documentaire est une source clé de données pour la recherche qualitative (Bryman et Bell, 2011) et une stratégie de collecte de données précieuse pour les études de cas (Fitzgerald, 2012). Nous les avons appliquées pour obtenir des informations provenant de FMN du monde entier, des données coûteuses et difficiles à accéder.

## STRUCTURE DE LA THÈSE

---

Cette thèse vise à expliquer comment les FMN conçoivent et opérationnalisent leurs modèles d'affaires pour créer une valeur mutuelle à la BoP. Elle est organisée en trois parties.

- ❖ **La première partie examine et discute le rôle de l'entreprise dans la société et l'évolution de la valeur organisationnelle vers un concept multidimensionnel.**

Le chapitre 1 se concentre sur la présentation d'une revue de la littérature concernant le rôle de l'entreprise dans la société. Il aborde le débat sur la finalité de l'entreprise et ses contributions au développement social. De plus, il explique deux approches de la création de valeur sociale pour la société : de nouvelles formes organisationnelles et de nouvelles façons de faire des affaires.

Le chapitre 2 explique plus en détail la manière émergente de faire des affaires qui concilie les approches des actionnaires et des parties prenantes en considérant les intérêts des sociétés et des entreprises comme interconnectés et synergiques. Ainsi, il présente la responsabilité sociale des entreprises (RSE) et son évolution de tactique à stratégique, suivie d'une explication complète des approches basées sur le marché pour le développement social, en mettant un accent particulier sur quatre concepts essentiels : la proposition de valeur mixte, le triple bilan, la création de valeur partagée et la base de la pyramide. De plus, il compare et délimite ces quatre concepts pour clarifier leurs différences et similitudes à travers une revue de la littérature et l'application d'une méthodologie empruntée aux soins infirmiers, pour analyser des concepts immatures.

**❖ La deuxième partie fournit un aperçu du concept de modèle d'affaires et des théories qui soutiennent le développement du cadre analytique.**

Le chapitre 3 fournit un aperçu des modèles d'affaires en couvrant les définitions et perspectives de recherche les plus saillantes. Il décrit également l'origine et la classification de ces compréhensions et approches basées sur la manière dont elles ont été abstraites de la réalité. C'est-à-dire, comme des narrations, des archétypes, basées sur des composants, ou des méta-modèles. Ensuite, ce chapitre relie les modèles d'affaires, la stratégie, les tactiques et la logique commerciale. Plus tard, il se concentre sur les modèles d'affaires qui suivent des logiques hétérogènes et des valeurs multiples. De manière cohérente, la dernière partie explique l'innovation des modèles d'affaires à la base de la pyramide.

Le chapitre 4 introduit deux niveaux d'analyse dans les modèles d'affaires : le niveau de l'entreprise et le niveau du réseau. L'analyse au niveau de l'entreprise approfondit la logique intrinsèque de création de valeur d'une entreprise individuelle, tandis que l'analyse au niveau du réseau s'étend pour englober l'écosystème relationnel plus large de l'organisation.

Commençant par un examen intra-entreprise, ce chapitre élucide les mécanismes par lesquels les FMN s'organisent internement pour favoriser la valeur mutuelle à la BoP. Pour atteindre cet objectif, le chapitre entreprend plusieurs étapes intégrales. Premièrement, il réalise une analyse comparative entre deux stratégies de développement social basées sur le marché : la création de valeur partagée et l'approche BoP. Deuxièmement, il présente une conception multidimensionnelle de la pauvreté, articulant la valeur sociale comme l'actualisation de trois dimensions fondamentales du développement social : la subsistance, l'estime de soi et la liberté de servitude. Troisièmement, il offre un aperçu des trois logiques de création de valeur décrites par Stabell et Fjeldstad (1998) : chaîne, magasin et réseau. Enfin, il synthétise ces constructions, identifiant quatre stratégies globales et onze tactiques employées par les FMN pour générer une valeur mutuelle.

Suivant l'exploration approfondie de la dynamique organisationnelle externe, le chapitre 4 prépare ensuite le terrain pour la seconde moitié du cadre, qui se concentre sur l'organisation externe des modèles d'affaires. Servant de prélude à l'analyse de l'étude de cas à venir, il fournit une revue de la littérature d'une perspective de système ouvert des organisations, avec un accent particulier sur les frontières organisationnelles. Par conséquent, il aborde les concepts clés, les typologies de frontières et les mécanismes mis en œuvre pour traverser ces divisions, tissant ainsi un récit cohérent qui encapsule les complexités de l'organisation des modèles d'affaires et de la création de valeur.

- ❖ **La troisième section présente le produit de cette enquête : un cadre pour expliquer et guider la création de valeur mutuelle à la BoP, soutenu par un ensemble de propositions.**

Le chapitre 5 présente le pragmatisme comme notre philosophie de recherche qui s'appuie sur une analyse qualitative à travers une approche d'abduction pour décrire et expliquer le phénomène étudié. Ensuite, il justifie la sélection d'une méthodologie basée sur la recherche archivistique et documentaire et une étude de cas unique. Enfin, il détaille le processus de recherche, expliquant le développement du cadre analytique et les différents choix méthodologiques concernant la collecte et l'analyse des données.

Le chapitre 6 est consacré à l'analyse de notre étude de cas unique, qui contient quatre modèles d'affaires ou mini-cas. Ici, nous avons appliqué une perspective intra-entreprise pour éclairer les stratégies et tactiques de création de valeur mutuelle dans les éléments de proposition de valeur, de constellation de valeur et de capture de valeur des modèles d'affaires. Nous comparons ces stratégies avec celles suggérées par Porter et Kramer (2011) pour créer une valeur partagée. Enfin, nous avons pris une perspective inter-entreprise pour étudier la gestion stratégique des frontières organisationnelles afin de définir les éléments de contenu, de structure et de gouvernance des modèles d'affaires.

Le chapitre 7 présente le cadre final. Il est composé de la combinaison de deux dimensions interconnectées et de neuf éléments qui soutiennent la création de valeur mutuelle. De plus, ce chapitre développe des propositions pour faciliter l'applicabilité du cadre et stimuler la recherche future.

- ❖ **La conclusion présente les contributions, les limites et les recherches futures.**

La conclusion générale revisite les principaux détails qui ont inspiré cette thèse et synthétise les réponses aux questions de recherche. En outre, elle présente les contributions, l'applicabilité des résultats et les pistes possibles pour les recherches futures.

## **COMPREHENSION GLOBALE DES CHAPITRES**

---

### **❖ Chapitre 1 : La finalité de l'entreprise**

Les FMN sont bien placées pour contribuer à l'allégement de la pauvreté en tant qu'organisations à but lucratif. Le chapitre 1 présente brièvement le débat en cours concernant la finalité de l'entreprise et son rôle dans le développement social, et introduit deux approches pour la création de valeur sociale : l'émergence de nouvelles formes organisationnelles et le développement de pratiques commerciales innovantes. Cette dernière approche sert de fondement à ce travail, car il vise à comprendre comment les entreprises en place trouvent un équilibre entre la monétisation et des objectifs plus louables.

Ainsi, ce chapitre tente de répondre à une question fondamentale : que peut-on attendre des entreprises par la société ? De nombreux penseurs ont tenté de répondre à cette même question, tout au long de l'histoire. Alors que beaucoup considèrent la prospérité apportée à toute communauté par les activités économiques en soi comme suffisante, d'autres estiment que les organisations doivent jouer un rôle plus proactif et faire des efforts conscients pour améliorer la société. En effet, l'émergence du "débat Friedman-Freeman" sur la finalité de l'entreprise résume ces perspectives. En 1970, Milton Friedman écrivait dans le New York Times que l'unique objectif des entreprises est de maximiser les profits pour les actionnaires. Quatorze ans plus tard, Edward Freeman a posé que les organisations doivent assumer des responsabilités au-delà de la création de valeur

pour les actionnaires et inclure toutes les parties prenantes affectées par les opérations.

Au cours des dernières décennies, la balance a penché du côté de la théorie des parties prenantes, en grande partie à cause des scandales d'entreprises, de la dégradation environnementale continue et des violations flagrantes des droits humains. Le cœur du problème a dévié de savoir si les entreprises devraient prioriser l'augmentation de la valeur pour les actionnaires ou incorporer l'impact sociétal comme un objectif supplémentaire, à la compréhension que le mode traditionnel de faire des affaires est intenable. Nous, en tant que société, avons atteint un consensus selon lequel les entreprises devraient servir le bien commun. De plus, on attend d'elles qu'elles prennent des rôles de leadership dans l'adressage des défis les plus urgents de l'humanité. Soit en appliquant des stratégies traditionnelles - générer des emplois et produire des offres – soit en utilisant des stratégies plus innovantes - coordonner des efforts intersectoriels, aligner les stratégies de RSE avec les objectifs de développement social, et concevoir de nouveaux modèles d'affaires.

Cependant, alors que les bénéfices économiques et sociaux sont vus comme les extrêmes opposés d'un continuum, le défi d'aujourd'hui réside dans la décision de comment équilibrer ces objectifs contrastants et dans quelle mesure il est optimal de les poursuivre. Il existe diverses manières d'aborder cette apparente incompatibilité. L'une de ces approches est l'émergence de l'entrepreneuriat social comme une option par rapport à l'entrepreneuriat commercial. Les entreprises sociales (SE) poursuivent des missions sociales en s'engageant dans des activités économiques. Les revenus générés visent uniquement à atteindre la durabilité et ne cherchent pas à enrichir les investisseurs. En priorisant leur but social, les SE ne perdent pas de vue le véritable motif de l'entreprise, de bénéficier à la société, en particulier aux secteurs à faible revenu.



Le dilemme, cependant, est que les SE luttent souvent pour atteindre l'autosuffisance économique et l'expansion. En conséquence, leur impact positif potentiel est insuffisant pour entraîner le changement transformatif nécessaire pour aborder les problèmes sociétaux. La deuxième approche affirme que seules les entreprises à but lucratif, en particulier les FMN, ont les ressources et l'expertise pour contribuer au développement social en mettant en œuvre des solutions rentables et évolutives. Une perspective émergente postule que les objectifs sociaux et économiques ne sont pas seulement interdépendants mais aussi synergiques. Ainsi, les entreprises qui s'engagent activement dans la création de valeur sociale peuvent potentiellement récolter des profits plus importants et favoriser la compétitivité.

L'allègement de la pauvreté est une question pressante, nécessitant que les FMN interviennent en tant qu'agents de changement. Parmi les diverses stratégies pour aborder la pauvreté – y compris la bonne gouvernance, l'aide étrangère, le développement des capacités et la protection sociale - les approches basées sur le marché pour le développement social ont montré un potentiel significatif. Cela est principalement dû au fait que les caractéristiques multidimensionnelles de la pauvreté nécessitent une solution holistique qui intègre un élément de revenu pour les besoins qui peuvent être satisfaits monétairement et des éléments non monétaires pour d'autres besoins. Atteindre une telle solution nécessite des niveaux de ressources et d'expertise que seules les FMN peuvent gérer.

## ❖ **Chapitre 2 : La création de valeur organisationnelle**

Le chapitre 2 reprend la discussion présentée dans le premier chapitre concernant la création de valeur organisationnelle. En conséquence, il résume les deux théories dominantes : actionnariale et partenariale. La première reconnaît la création de profits pour les actionnaires comme l'unique objectif des entreprises et pose que d'agir dans les limites légales imposées par les autorités est la seule obligation morale. Cette perspective laisse une large marge de manœuvre aux gestionnaires,

qui peuvent tomber dans des pratiques discutables et produire des externalités dangereuses dans la quête de la formation de capital. À l'autre extrême, la théorie des parties prenantes tente de corriger les écueils de la théorie actionnariale en soutenant que les gestionnaires doivent équilibrer les intérêts de tous ceux qui sont ou peuvent être affectés par la performance des entreprises.

Cependant, le nombre d'acteurs et d'entités affectés par les actions d'une entreprise peut être important. En simplifiant, les parties prenantes sont souvent catégorisées en primaires ou secondaires. Les parties prenantes primaires sont essentielles pour l'existence de l'entreprise, et elles exercent généralement un pouvoir et une influence significatifs. Cependant, une hyper-concentration sur les parties prenantes primaires peut conduire à négliger l'impact sur les parties prenantes secondaires. Certains universitaires suggèrent d'ajuster les rangs des parties prenantes selon les objectifs de l'entreprise comme une solution plausible. En alternative, les parties prenantes marginalisées pourraient être considérées comme des alliés stratégiques pour stimuler des stratégies commerciales disruptives.

Ainsi, le rôle créateur de richesse d'une entreprise repose sur le développement d'un cycle vertueux où la valeur pour les actionnaires est liée à la génération de bénéfices à long terme pour toutes les parties prenantes, englobant à la fois les aspects économiques et sociaux. Cependant, certains critiques voient la théorie partenariale comme un fardeau qui nuit aux entreprises et aux intérêts des actionnaires. Le business case pour la RSE et le cas connexe pour le développement social sont apparus comme des alternatives au débat Friedman-Freeman. Bien que le premier ait du mal à gagner du terrain dans la pensée stratégique dominante et les processus de création de valeur, le second est prometteur pour aborder les problèmes les plus pressants de l'humanité en positionnant les défis sociaux au cœur des opérations commerciales.

Quatre concepts dominant l'aspect instrumental des approches basées sur le marché pour le développement social :

- Le triple bilan : un cadre de durabilité qui mesure les impacts sociaux, environnementaux et économiques positifs et négatifs des entreprises sur une période de temps (Elkington, 2018).
- La proposition de valeur mixte : la maximisation la plus grande de la valeur sociale, environnementale et économique au sein d'une seule entreprise ou opportunité d'investissement (Emerson, 2000; Emerson et al., 2003).
- La création de valeur partagée : les politiques et pratiques opérationnelles qui renforcent la compétitivité d'une entreprise tout en favorisant en même temps les conditions économiques et sociales dans les communautés où elle opère (Porter et Kramer, 2011).
- La base de la pyramide : une série de stratégies pour développer des propositions de valeur capables de créer des scénarios gagnant-gagnant qui améliorent le bien-être des pauvres et, simultanément, génèrent des profits pour les entreprises qui les servent (Prahalad et Hart, 2002).

L'objectif est de clarifier les différences entre ces approches et de comprendre comment elles contribuent à l'explication de la création de valeur organisationnelle. La principale constatation est que, malgré les similitudes de ces concepts, deux différences essentielles justifient leur existence : des conceptions contrastées de la valeur holistique et des moyens différents pour la créer.

Nos résultats suggèrent que le TBL, la BVP, la CSV et la BoP abordent chacun la création de valeur organisationnelle dans des dimensions de gestion distinctes. Le TBL se concentre sur les questions financières, informationnelles et de responsabilité au niveau opérationnel. La BVP, qui opère au niveau normatif, met l'accent sur les missions doubles des organisations et leurs relations avec les investisseurs. La CSV et la BoP se rapportent au niveau stratégique, se concentrant sur la poursuite d'avantages compétitifs à travers des stratégies et modèles

d'affaires innovants. Notamment, la BoP semble être une sous-catégorie spécifique à une cible, et non simplement une facette de la CSV (Porter et Kramer, 2014).

De plus, notre étude identifie la valeur mutuelle comme résultat commun. Dans le contexte actuel, créer des avantages significatifs pour toutes les parties impliquées – entreprises, société et environnement – est d'une importance capitale. Les graves répercussions économiques et sociales de la pandémie de COVID-19 ont souligné la nécessité de repositionner les entreprises comme agents de progrès social. Cependant, bien que la création simultanée de valeur économique, sociale et environnementale par les organisations soit une partie essentielle de ce progrès, elle ne devrait pas être vue comme une solution universelle. Plutôt, elle est un composant d'un effort plus large, systémique et intersectoriel vers le développement durable.

Le chapitre 2 contribue théoriquement en délimitant les frontières des constructions cruciales au sein de la littérature sur la création de valeur organisationnelle. L'une des faiblesses les plus omniprésentes dans ce domaine est le manque de preuves empiriques. Nous croyons qu'une compréhension précise et l'intégration de concepts clés pourraient aider à faire avancer la recherche dans cette direction. En pratique, la clarification des concepts éclairera la meilleure façon dont les praticiens pourraient aborder leurs objectifs et créer un bien-être mutuel.

### ❖ **Chapitre 3 : la compréhension des modèles d'affaires**

Le chapitre 3 vise à fournir un aperçu de la littérature sur les modèles d'affaires. Bien qu'il ne s'agisse pas d'un concept nouveau, son importance a considérablement augmenté au cours des deux dernières décennies, en particulier en tant qu'outil d'analyse et d'innovation. De nombreux chercheurs et praticiens ont adopté la notion, lui attribuant des définitions qui correspondent à leurs objectifs. En conséquence, plusieurs conceptualisations et perspectives de recherche travaillent en silos. Généralement, ces silos correspondent aux précurseurs de la littérature sur les modèles d'affaires : 1) les systèmes d'information, 2) la théorie organisationnelle

et 3) la gestion stratégique. Par conséquent, une priorité pour la littérature sur les modèles d'affaires est de légitimer son existence et de développer une théorie qui unifie et apporte de la cohérence aux approches diverses.

Différentes tentatives ont émergé pour atteindre un consensus et développer une théorie unifiante. Une notion prédominante est que toute compréhension des modèles d'affaires reflète la réalité. En conséquence, selon l'état de l'entreprise ou les objectifs de l'utilisateur, les modèles d'affaires peuvent être vus comme des narrations, des archétypes, des cadres et des méta-modèles. Par exemple, à un stade précoce, un entrepreneur peut appliquer des narrations pour communiquer et convaincre les participants potentiels en présentant la logique commerciale comme une histoire. Il peut également s'inspirer d'un exemple réussi, c'est-à-dire un archétype. Ensuite, avec l'aide d'un cadre, concevoir le modèle d'affaires en développant chaque composant individuellement et finalement le mettre en œuvre avec l'aide de méta-modèles. En effet, les méta-modèles sont la seule compréhension des modèles d'affaires avec une double fonction ; ils peuvent décrire ce que font les modèles d'affaires et comment ils le font. Deux des méta-modèles identifiés dans la littérature se distinguent : la perspective du système d'activités et les modèles d'affaires sociaux. Les deux ont été largement acceptés par les universitaires ; cependant, ils nécessitent encore plus d'application pratique. De plus, nous affirmons que ces deux méta-modèles sont complémentaires et utiles pour comprendre l'organisation interne et externe des modèles d'affaires. Ils sont, par conséquent, d'une grande pertinence pour cette thèse.

Le modèle d'affaires social est composé de quatre composants : la proposition de valeur, la constellation de valeur (qui inclut la chaîne de valeur et le réseau), l'équation du profit social et l'équation du profit économique. Ce cadre concilie des objectifs hétérogènes et sert de guide pour la mise en œuvre réussie des modèles d'affaires sociaux. Bien que, initialement, les modèles d'affaires sociaux ne généraient pas de dividendes pour les investisseurs, leur utilisation a évolué ; de

nos jours, des organisations à but lucratif, telles que les FMN, ont commencé à les mettre en œuvre.

La perspective du système d'activité considère les modèles d'affaires comme des activités interdépendantes réalisées à l'intérieur et à l'extérieur des limites d'une entreprise. Le contenu, la structure et la gouvernance nous permettent de comprendre comment les entreprises créent de la valeur avec les parties prenantes. C'est-à-dire que le système d'activité contredit la compréhension traditionnelle selon laquelle un modèle d'affaires est lié à une organisation et le positionne dans le réseau, le déconnectant ainsi partiellement de l'entreprise. Le cadre de Zott et Amit aide à comprendre ces modèles d'affaires dont le succès dépend de la collaboration de multiples parties prenantes, telles que les initiatives commerciales cherchant à résoudre les problèmes les plus pressants de l'humanité.

Ces deux perspectives – les modèles d'affaires sociaux et le cadre du système d'activité – sont complémentaires et mutuellement bénéfiques. La première permet l'analyse des innovations dans les modèles d'affaires comme source de création de valeur économique et sociale, tandis que la seconde explique comment une entreprise coopère avec ses parties prenantes pour créer de telles valeurs. Ainsi, la distinction entre "quoi" et "comment" peut structurer et expliquer de manière exhaustive le modèle d'affaires.

De ce fait, la littérature sur les modèles d'affaires pourrait bénéficier considérablement d'un examen des modèles d'affaires sous une variété de perspectives. Parmi ces perspectives, la vision des modèles d'affaires comme une nouvelle dimension de l'innovation a gagné une traction considérable. Il est posé qu'une raison clé de l'échec de nombreuses entreprises réside dans leur incapacité à innover et à identifier des méthodes novatrices pour capitaliser sur les opportunités commerciales. En conséquence, les adaptations mineures, les transformations d'un modèle d'affaires à un autre, ou la naissance de modèles d'affaires entièrement nouveaux ont acquis une importance accrue. De plus, le processus d'innovation des

modèles d'affaires est identifié comme une nécessité intégrale tant dans la littérature sur la CSV que sur la BoP.

Une autre ligne de recherche importante est l'effort pour clarifier les modèles d'affaires par rapport à d'autres concepts de gestion comme prérequis pour les combiner dans une théorie solide. Récemment, la logique est apparue comme le liant permettant l'intégration et le développement d'une hiérarchie formée – dans l'ordre – par la stratégie, les modèles d'affaires et les tactiques, chacun opérant aux niveaux stratégique, opérationnel et tactique, respectivement. Comme un plan de guerre bien structuré, où les ennemis sont les concurrents, et les batailles se déroulent sur le marché. En conséquence, la logique commerciale fait référence aux décisions stratégiques prises pour obtenir un avantage concurrentiel en créant, livrant et capturant la valeur plus efficacement que les concurrents. La stratégie devient un plan des modèles d'affaires à adopter, les modèles d'affaires les moyens de mettre en œuvre la stratégie choisie, et les tactiques les choix compétitifs, relativement faciles à changer, que le modèle d'affaires permet.

Ce "paysage stratégique" devient particulièrement intéressant lorsqu'une entreprise poursuit des logiques hétérogènes – telles que chaînes, magasins et réseaux – et différents types de valeur – incluant économique, sociale et environnementale. La recherche dans cet aspect peut améliorer et renforcer notre compréhension de comment les quelques entreprises réussissant sur les marchés de la BoP opèrent. En effet, la recherche sur l'intersection de la BoP et des modèles d'affaires a augmenté de manière considérable. Les chercheurs travaillant dans ce domaine ont proposé des cadres, des archétypes et des méta-modèles pour expliquer la conciliation d'objectifs contrastants. Cependant, ils se sont pour la plupart limités à décrire les composants du modèle d'affaires et confinés à l'intérieur de l'entreprise. De plus, les rares tentatives d'expliquer comment ces modèles d'affaires créent de la valeur en coordination avec le réseau ont exclu l'aspect de monétisation qui caractérise la logique commerciale des entreprises à but lucratif, en particulier des FMN. Par conséquent, il existe une lacune claire dans la littérature : un besoin d'une

approche intégrée des modèles d'affaires, capable de fournir une compréhension complète des arrangements inter et intra-organisationnels permettant aux entreprises commerciales de poursuivre diverses formes de valeur et logiques commerciales.

#### ❖ **Chapitre 4 : l'organisation interne et externe des modèles d'affaires**

Le concept de modèles d'affaires a reçu une attention considérable dans la recherche contemporaine, révélant sa nature multifacette et complexe. Une approche intégrative des modèles d'affaires englobe les logiques de valeur, l'agence des acteurs et la complémentarité des configurations internes et externes. Néanmoins, la recherche existante se concentre principalement soit sur le niveau de l'entreprise, soit sur celui du réseau, laissant les perspectives potentielles d'une analyse combinée sous-explorées. En conséquence, le chapitre 4 introduit deux niveaux d'analyse dans les modèles d'affaires : l'entreprise et le réseau. Le premier se concentre sur la logique de création de valeur d'une entreprise, et le second sur son organisation en réseau.

L'analyse au niveau de l'entreprise décompose la configuration interne des modèles d'affaires pour comprendre la logique de création de valeur sous-jacente. Cette perspective est prévalente dans la recherche en gestion stratégique. À l'inverse, l'analyse au niveau du réseau postule que l'entreprise et le réseau réalisent des activités pertinentes ; examinant ainsi les modèles d'affaires comme un système qui transcende les frontières de l'entreprise. Cette perspective est particulièrement courante dans la littérature des systèmes d'information et technologiques, où les modèles d'affaires en réseau, écosystémiques et collaboratifs ont gagné en importance.

Cependant, l'état actuel de la recherche manque d'investigations qui incorporent simultanément les niveaux de l'entreprise et du réseau. Cela peut être attribué à l'absence de modèles et d'outils appropriés capturant la nature interdépendante des



modèles d'affaires. Une solution potentielle à ce défi implique l'intégration de cadres centrés sur l'entreprise et le réseau. Dans ce contexte, le cadre des modèles d'affaires sociaux et des constructions telles que les stratégies de CSV, la théorie des trois logiques de création de valeur (Stabell et Fjeldstad, 1998), et les trois niveaux de développement social (Todaro et Smith, 2012) semblent prometteurs pour analyser l'organisation interne des modèles d'affaires. Pendant ce temps, la théorie de l'activité du système et des frontières organisationnelles pourrait élucider la configuration externe.

S'appuyant sur des exemples réels de multinationales opérant sur les marchés de la BoP, ce chapitre affirme qu'en interne, les FMN ont adapté et innové leurs modèles d'affaires pour créer une valeur mutuelle. Elles ont réussi cela en combinant des stratégies, des tactiques et des logiques de création de valeur. De plus, ces entreprises se concentrent sur l'innovation des propositions de valeur, des constellations et des mécanismes de capture en employant diverses stratégies telles que la reconception des offres, la redéfinition de l'efficacité dans la chaîne de valeur, le développement d'écosystèmes et le changement des flux de revenus. Elles mettent également en œuvre diverses tactiques pour adapter leurs produits et services aux besoins spécifiques des marchés de la BoP, intégrer des acteurs marginalisés dans leurs activités de chaîne de valeur et surmonter les contraintes contextuelles dans le réseau.

Fait intéressant, différentes dimensions d'un seul modèle d'affaires peuvent suivre des logiques de création de valeur distinctes, abordant ainsi diverses dimensions de la pauvreté : la subsistance, l'estime de soi et la liberté de servitude. Jusqu'à présent, l'analyse des modèles d'affaires dans les contextes de la BoP s'est principalement concentrée sur l'utilisation d'une seule logique de création de valeur comme stratégie dominante pour surmonter les contraintes contextuelles et fournir une seule dimension de valeur sociale. Cependant, il existe un immense potentiel pour créer une valeur mutuelle au-delà de la simple modification des propositions de

valeur, en particulier en combinant plusieurs stratégies, tactiques et logiques de création de valeur au sein d'un seul modèle d'affaires.

A l'extérieur, les organisations réussies gèrent leur environnement en trouvant un équilibre entre leurs besoins et ceux du réseau, naviguant stratégiquement les frontières pour accéder aux ressources, renforcer l'innovation et augmenter le potentiel de création de valeur. Parmi les systèmes de création de valeur (chaîne de valeur et réseau de valeur), les réseaux de valeur sont apparus comme l'approche idéale pour atteindre la durabilité, principalement en raison de la diversité des acteurs impliqués et de leurs intérêts contrastés.

Les frontières au sein d'un système de réseau sont un élément critique car elles séparent et créent de la stabilité. Les frontières organisationnelles peuvent être largement classées en deux catégories : structurelles et conceptuelles. Les frontières structurelles façonnent les organisations en délimitant les limites verticales, horizontales, externes et internes et en déterminant leur nature principale, statique ou dynamique. D'autre part, les frontières conceptuelles expliquent la logique derrière le tracé des frontières, identifiant les principaux facteurs qui justifient leur présence, leur emplacement et leur absence. C'est-à-dire que les organisations prennent des décisions de frontière suivant différentes logiques, telles que l'efficacité, le pouvoir, la compétence et l'identité.

Les organisations prennent des décisions de frontière basées sur diverses logiques, y compris l'efficacité, le pouvoir, la compétence et l'identité. Sous la logique de l'efficacité, les entreprises décident d'internaliser ou d'externaliser des activités, selon l'option qui minimise les coûts et les risques. Dans la logique du pouvoir, les entreprises entreprennent des activités qui renforcent leur contrôle, leur influence et leur autonomie. Dans la logique de la compétence, les firmes s'engagent dans des activités qui s'alignent avec leurs capacités et ressources existantes. Enfin, dans la logique de l'identité, les organisations recherchent une congruence entre leur auto-perception et leurs actions. Il est important de noter que ces logiques peuvent se

compléter, entrer en synergie et coévoluer, offrant une compréhension dynamique de l'interaction des entreprises avec leurs réseaux.

Paradoxalement, favoriser la collaboration entre les acteurs du réseau nécessite de franchir des frontières pour créer un espace partagé. Il existe différentes méthodes pour traverser les frontières, et celles-ci peuvent être catégorisées en fonction de leur complexité et de leur perméabilité. Lorsque les frontières sont les moins complexes et hautement perméables, un simple système d'information suffit à faciliter l'accord. Dans le cas de frontières moins complexes mais moins perméables, les systèmes d'information doivent être recalibrés avec de nouvelles données et une connectivité accrue entre les parties prenantes. Pour des frontières complexes et hautement perméables, des médiateurs de frontières comblent le fossé, connectant les organisations avec des ressources et des connaissances externes. En revanche, pour des frontières complexes et moins perméables, les architectes de frontières conçoivent de nouveaux chemins pour connecter les entreprises avec des acteurs externes. Les frontières les plus complexes et hautement perméables nécessitent des objets physiques ou symboliques pour développer la communication, la compréhension et la collaboration.

Enfin, dans les frontières les plus complexes et les moins perméables, les pratiques se concentrent sur la résolution des désalignements et des conflits pour atteindre une identité et un objectif partagés.

Une fois atteinte, la collaboration intersectorielle produit de nombreux bénéfices, y compris des niveaux plus élevés de créativité et d'innovation et une capacité accrue à créer une valeur mutuelle. Récemment, cette collaboration a suscité une nouvelle forme de modèle d'affaires qui dépend de la collaboration de multiples parties prenantes. Ces modèles d'affaires innovants, appelés modèles d'affaires de partenariat intersectoriel, sont caractérisés par des réorganisations radicales tant au niveau interne qu'externe.

Ils nécessitent non seulement la sélection appropriée de la proposition de valeur, de la constellation de valeur et de la capture de valeur, mais aussi la gestion stratégique des frontières pour influencer les réseaux, accéder aux ressources, innover et augmenter les avantages concurrentiels. Jusqu'à présent, les modèles d'affaires coopératifs ont montré un grand potentiel pour aborder les problèmes de durabilité et créer de la valeur économique, sociale et environnementale pour toutes les parties impliquées. Cependant, malgré leur importance, les études abordant le travail de frontière et les modèles d'affaires pour la création de valeur mutuelle sont rares, et elles sont encore moins nombreuses concernant les FMN.

Cette thèse soutient que l'examen des modèles d'affaires à la fois au niveau de l'entreprise et du réseau peut apporter des informations précieuses sur les complexités de la création de valeur et le potentiel d'atteindre des résultats durables. En intégrant l'analyse au niveau de l'entreprise, qui déconstruit la configuration interne des modèles d'affaires pour comprendre la logique de création de valeur, avec l'analyse au niveau du réseau, qui examine les interdépendances et les interactions entre les acteurs du réseau, une compréhension plus holistique de la manière dont les FMN créent une valeur mutuelle peut être atteinte. Cette approche à double niveau a le potentiel de révéler de nouvelles opportunités et défis pour les FMN opérant dans les contextes de la BoP et de contribuer au développement continu de modèles d'affaires durables qui fournissent de la valeur économique, sociale et environnementale.

## ❖ **Chapitre 5 : Méthodologie**

Le chapitre 5 décrit les considérations philosophiques sous-tendant cette étude, la méthodologie de recherche, la collecte et l'analyse des données. Il commence par une brève explication des fondements de la recherche en gestion et des cinq principales philosophies. Suivi par une description de la conception de la recherche, de la collecte et de l'analyse des données.

Il vise à répondre à la question : qu'est-ce qu'un paradigme ? Un paradigme englobe l'ensemble des croyances et des hypothèses qui façonnent notre position philosophique concernant la réalité. C'est aussi les principes partagés considérés comme valides par les membres d'une discipline de recherche. Dans le domaine de la gestion et des affaires, où les bases philosophiques sont encore en cours d'établissement, cette tâche peut être particulièrement difficile. Cette diversité au sein de la discipline de gestion peut conduire à un pluralisme productif ou peut entraver l'évolution de la gestion en une science précise.

Le pragmatisme, l'une des cinq philosophies de recherche prédominantes en gestion - avec le positivisme, le réalisme critique, l'interprétativisme et le postmodernisme - est souvent critiqué. C'est principalement en raison de son utilisation dans des enquêtes sans justification philosophique, servant souvent simplement de position de recherche permettant la combinaison de méthodes qualitatives et quantitatives.

Cependant, le pragmatisme classique, tel que décrit par Dewey, a des fondements solides. Il ne contourne pas les débats sur la nature et la réalité ; au lieu de cela, il les voit comme inutiles puisque le subjectivisme et l'objectivisme font tous deux parties des expériences humaines. Le monde, d'une part, contraint les expériences humaines, tandis que, d'autre part, notre compréhension du monde est intrinsèquement limitée à la façon dont les acteurs sociaux interprètent leurs expériences.

De plus, le pragmatisme aide à se concentrer sur les problèmes pratiques de résolution de problèmes qui visent à informer et à améliorer la pratique future. Précisément, cette thèse vise à informer les stratégies de gestion clés utilisées par les FMN pour réussir dans un contexte où la partie centrale des initiatives a échoué. Par conséquent, cette étude qualitative descriptive-explicative adopte une position pragmatique et, à travers un raisonnement abductif, analyse les données recueillies

avec des recherches archivistiques et documentaires et des méthodes d'étude de cas unique.

L'analyse des entretiens a compris la transcription mot à mot, l'évaluation et l'analyse des données. Ce processus intègre une méthode déductive basée sur une théorie préexistante, utilisant un cadre analytique tiré de la littérature sur les modèles d'affaires, les frontières organisationnelles et la création de valeur. Ce cadre guide l'exploration du phénomène et sert à la fois d'outil et de produit. La dernière étape implique le codage des données en utilisant le logiciel NVivo, leur catégorisation dans les groupes identifiées dans la littérature, et leur interprétation pour répondre aux questions de recherche, développer des cadres, proposer des propositions et conclure.

## ❖ **Chapitre 6 : Le cas**

Le chapitre 6 offre une description de l'étude de cas : la FMN Alpha. Il commence par décrire la situation du logement au Mexique pour fournir un aperçu du contexte de l'entreprise. Ensuite, nous introduisons les origines, l'histoire et les modèles d'affaires d'Alpha.

Il a été possible d'identifier et d'expliquer sept stratégies : 1) repenser les offres, 2) développer de nouveaux marchés, 3) redéfinir l'efficacité dans la chaîne de valeur, 4) redéfinir l'efficacité dans le réseau de valeur, 5) modifier l'écosystème, 6) nourrir l'écosystème de manière collaborative, et 7) innover les flux de revenus pour créer une valeur mutuelle dans les trois éléments internes d'un modèle d'affaire : proposition de valeur, réseau de valeur, et constellation de valeur. Parmi elles, quatre (4, 5, 6 et 7) ne correspondent pas aux stratégies étudiées dans la littérature sur la CSV.

De plus, ce chapitre déconstruit ces stratégies en décrivant quinze tactiques :

- Développer des services de secours.
- Vendre des services de solutions.
- Diversifier avec des produits synergiques.
- Se concentrer sur un nouveau marché cible.
- Tirer parti du réseau de distribution actuel.
- Intégrer la BoP dans les activités de la chaîne de valeur.
- Développer des compétences techniques.
- Utiliser le portefeuille actuel de ressources de manière novatrice.
- Tirer parti des alliances stratégiques actuelles.
- Changer le rôle des acteurs.
- Co-crée une infrastructure temporaire.
- Développer des compétences relationnelles.
- Promouvoir un changement de comportement positif.
- Créer de nouvelles formes de paiement.
- Diversifier les sources de revenus.

Chacune d'elles explique l'innovation que les FMN réalisent dans leurs modèles d'affaires pour produire des avantages sociaux et économiques. De plus, pour compléter la perspective inter-entreprises, nous avons analysé l'organisation externe ou la perspective inter-entreprises ; cette approche gagne en pertinence dans les modèles d'affaires actuels en raison de la dépendance croissante vis-à-vis des parties externes pour atteindre la performance réussie des modèles d'affaires.

L'analyse inter-entreprises a montré que la FMN orchestre le réseau en utilisant quatre stratégies : 1) utiliser le pouvoir de ses ressources tangibles et intangibles pour concevoir le modèle d'affaires - incluant les activités du partenaire principal -, 2) réduire l'investissement au minimum en choisissant d'effectuer les activités déjà en adéquation avec ses compétences, 3) améliorer l'efficacité en déléguant les activités de création de valeur sociale aux gouvernements et 4) augmenter la réputation interne et externe en tirant parti des alliances stratégiques actuelles.

En résumé, Alpha applique une logique de compétence et d'efficacité pour coordonner ses modèles d'affaires. Elle choisit de réaliser les activités qui correspondent déjà à ses ressources et minimise les coûts, laissant presque toutes les activités de création de valeur sociale à ses alliés. De cette manière, le lieu de la valeur sociale se situe à l'extérieur des frontières légales de l'entreprise. Par conséquent, les résultats suggèrent que les activités sociales ne favorisent pas l'intégration verticale mais l'étendue horizontale.

En appliquant ces stratégies internes et externes, les modèles d'affaires d'Alpha contribuent à créer de la valeur sociale de trois manières : consommation, collaboration et intermédiation. Dans la consommation, la BoP bénéficie de l'acquisition d'offres. Même si le produit aide, les services résolvent les problèmes empêchant l'accès au logement ; ainsi, la solution proposée crée une couverture des besoins de base et de l'estime de soi. Dans la collaboration, la BoP bénéficie d'un partenariat commercial entre une FMN et les gouvernements ; le produit de cette relation est ce qui peut créer une couverture des besoins de base, de l'estime de soi et de la liberté de servitude. Enfin, dans l'intermédiation, la BoP bénéficie du pont que la FMN aide à établir entre deux parties aux objectifs complémentaires ; la valeur sociale - couverture des besoins de base et liberté de servitude - est contenue dans le produit en soi et la campagne de changement d'habitudes qui encourage des pratiques sûres.

Alpha est une entreprise à but lucratif dotée d'un excellent département de RSE. Ses modèles d'affaires sont innovants et sociaux, car la création de valeur sociale est immergée dans les activités principales des modèles d'affaires. Cependant, la préoccupation principale de cette entreprise est d'atteindre la durabilité économique et même des profits. Ainsi, elles sont des exemples parfaits des initiatives BoP décrites par Prahalad. En effet, deux réalisations significatives d'Alpha sont : développer des modèles d'affaires qui guident les consommateurs à co-crée leur propre valeur et convaincre les municipalités que leurs modèles d'affaires sont la



meilleure option pour réaliser davantage en termes de développement social avec leurs ressources limitées.

## ❖ **Chapitre 7 : Le cadre final et les propositions**

L'implication du secteur privé, en particulier des FMN, dans la lutte contre la pauvreté a été largement étudiée dans la littérature. Même si certains critiquent l'idée de s'appuyer sur un acteur économique égoïste pour résoudre un problème redoutable pour l'humanité, pour ceux qui embrassent cette idée, ce n'est pas un secret que ce n'est pas une tâche facile de créer de la valeur sociale et économique simultanément. La grande majorité des initiatives jusqu'à présent ont été insuffisantes car elles n'ont pas atteint l'envergure pour faire une différence (Sinkovics et Archie-acheampong, 2019). Bien que la littérature regorge d'exemples d'entrepreneurs bien intentionnés, il manque encore des orientations sur ce qui différencie les modèles d'affaires réussis des échecs.

Les entreprises multinationales font face à un certain nombre de défis lorsqu'elles entrent dans les pays en développement, y compris la nécessité de changer radicalement leurs modèles d'affaires. Cependant, il existe un déficit de cas documentés illustrant comment les entreprises abordent le segment BoP (Perrot, 2017). Cette étude vise à combler cette lacune en proposant un méta-modèle qui incorpore les aspects collaboratifs des modèles d'affaires, élargissant les frontières organisationnelles (Pedersen et al., 2021, 2017a). En conséquence, le cadre proposé intègre les insights de quatre domaines théoriques distincts :

- Modèles d'affaires : Casadesus-Masanell et Ricart, 2010; Williamsson et al., 2019; Zott et Amit, 2010.
- Développement social : Prahalad, 2005; Sinkovics et al., 2015, 2014; Sinkovics et Archie-acheampong, 2019; Yunus et al., 2010.

- Frontières organisationnelles : Jæger et Pedersen, 2020; Santos et Eisenhardt, 2009, 2005.
- Gestion stratégique : Dumalanède et Payaud, 2018; Payaud, 2014b, 2014a; Stabell et Fjeldstad, 2011, 1998.
- Partenariat intersectoriel : Dahan et al., 2010; Hartman et Dhanda, 2018; Pedersen et al., 2021.

Ce cadre est utile à expliquer comment les modèles d'affaires des FMN créent une valeur mutuelle à la base de la pyramide. Néanmoins, il s'appuie sur une étude de cas unique révélatrice ; par conséquent, les prémisses et propositions offertes sont basées sur les caractéristiques spécifiques de ce type d'organisation :

- Proposition 1 : La création de valeur mutuelle dépend de l'organisation stratégique des éléments internes et externes du modèle d'affaires.
- Proposition 1a : Par l'organisation stratégique des éléments internes – proposition de valeur, capture de valeur et constellation de valeur – les entreprises entrelacent les objectifs sociaux avec les objectifs économiques.
- Proposition 1b : Par la gestion stratégique des éléments externes – contenu, structure et gouvernance – les entreprises atteignent la durabilité économique.
- Proposition 2 : La combinaison de différentes logiques à l'intérieur du même modèle d'affaires génère des formes plus profondes de valeur sociale.
- Proposition 3 : Les entreprises créent des avantages sociaux dans la proposition de valeur en suivant la logique de chaîne.

- Proposition 4 : Les entreprises créent des avantages sociaux dans l'élément de capture de valeur en suivant la logique de magasin.
- Proposition 5 : Les entreprises créent des avantages sociaux dans l'élément de chaîne de valeur en suivant la logique de magasins.
- Proposition 6 : Les entreprises créent des avantages sociaux dans l'élément de réseau de valeur en suivant la logique de réseau.
- Proposition 7 : La création de valeur économique dépend de la gestion stratégique des frontières conceptuelles (efficacité, pouvoir, compétence et identité) des éléments externes des modèles d'affaires : contenu, structure et gouvernance.
- Proposition 7a : Dans les modèles d'affaires à valeur mutuelle, les FMN internalisent les activités qui correspondent déjà à leur portefeuille de capacités.
- Proposition 7b : Les FMN utilisent leur influence sur leur réseau pour organiser leurs modèles d'affaires pour la création de valeur mutuelle.
- Proposition 7c : Les FMN établissent la structure des modèles d'affaires à valeur mutuelle basée sur l'efficacité.
- Proposition 7d : Pour augmenter la durabilité, les FMN réduisent le contrôle des activités sociales en déléguant leur gouvernance à des tiers.
- Proposition 7e : Ces activités sociales qui s'alignent fortement avec l'identité de l'entreprise – dans ce qu'elles considèrent comme experts – sont internalisées.

- Proposition 8 : Le type de valeur sociale créée dans un modèle d'affaires à valeur mutuelle est déterminé par la logique commerciale spécifique (chaîne, magasin ou réseau) employée.
- Proposition 8a : Les modèles d'affaires à valeur mutuelle suivant une logique de chaîne couvrent la première couche de valeur sociale : la subsistance.
- Proposition 8b : Les modèles d'affaires à valeur mutuelle suivant une logique de magasin couvrent la deuxième couche de valeur sociale : l'estime de soi.
- Proposition 8c : Les modèles d'affaires à valeur mutuelle suivant une logique de réseau couvrent la troisième couche de valeur sociale : la liberté de servitude.

Ces propositions fournissent des insights précieux et ouvrent de nouvelles voies intéressantes pour la recherche future. De plus, les FMN jouent un rôle important dans le service du marché de la BoP en raison de leurs ressources et capacités. Par conséquent, comprendre les mécanismes que ces entreprises utilisent pour servir efficacement la BoP a des implications importantes pour l'éradication de la pauvreté.

L'importance des approches transversales aux frontières pour la création réussie de valeur sociale (Lashitew et al., 2021) et leur relation positive avec le développement de solutions créatives (Tippmann et al., 2017) a récemment commencé à être reconnue. Cette thèse suit cette ligne d'investigation et considère les modèles d'affaires comme des "structures" qui élargissent les frontières d'une organisation. Par conséquent, nous abordons les configurations internes et externes des modèles d'affaires.

Dans la dimension interne d'un modèle d'affaires, les bénéfices sociaux sont élaborés en suivant différentes logiques qui facilitent la couverture de différents niveaux de pauvreté, c'est-à-dire en innovant les éléments internes, les objectifs sociaux sont attachés au noyau économique des entreprises à but lucratif. En contraste, l'organisation externe est l'endroit où les bénéfices sont élaborés à travers une gestion stratégique des frontières qui rationalise l'opérationnalisation des modèles d'affaires. Dans la dimension externe, les FMN utilisent leurs modèles d'affaires pour connecter les acteurs du réseau et accéder à des ressources tangibles et intangibles uniques qui seraient autrement hors de portée pour l'entreprise. C'est également dans cette partie que la durabilité du modèle d'affaires est assurée.

## **CONCLUSION GÉNÉRALE**

---

Nous avons analysé les modèles d'affaires d'un exemple réussi d'une entreprise multinationale servant la base de la pyramide. L'étude d'un cas unique avec trois mini-cas nous a permis de comprendre le processus de création de valeur aux niveaux stratégique et opératif. Notre objectif était de comprendre les mécanismes qui différencient la performance exceptionnelle d'une FMN sur un marché où la majorité a échoué. Étant donné la complexité du marché de la BoP, nous nous sommes concentrés sur l'analyse des logiques, stratégies et tactiques pour adapter/concevoir des modèles d'affaires dans le but de créer de la valeur économique et sociale simultanément. En prenant une perspective intégrale qui combine les niveaux d'analyse de l'entreprise et du réseau, nous avons pu identifier les caractéristiques que les modèles d'affaires pour la création de valeur mutuelle doivent avoir pour réussir sur le marché de la BoP. Bien que notre étude de cas opère dans l'industrie de la construction, nous croyons que les résultats peuvent être adaptés à différents secteurs.

Notre intention de comprendre la création de valeur justifie l'utilisation de modèles d'affaires comme unité d'analyse puisqu'il représente la logique d'une entreprise pour créer, livrer et capturer de la valeur. Le modèle d'affaires social et la perspective du système d'activité - enrichis avec d'autres concepts de la littérature - ont servi de base pour la construction de notre cadre analytique qui a guidé l'analyse de notre étude de cas. À travers un processus de combinaison systématique, nous avons réussi à concilier les insights de la littérature et des données pour proposer un cadre pour la conception de modèles d'affaires pour la création de valeur mutuelle. Nous espérons qu'il stimulera la réflexion, facilitera la prise de décision, assurera une mise en œuvre fluide et—plus important encore—inspirera des solutions qui pourraient contribuer à avancer les efforts de réduction de la pauvreté.

Cette thèse visait à répondre à la problématique et à la question de recherche suivantes : **Comment les entreprises multinationales créent-elles de la valeur mutuelle à la base de la pyramide ?**

❖ **QR 1 : Comment les concepts de création de valeur organisationnelle : BoP, CSV, BVP et TBL, se différencient-ils entre eux ?**

La création simultanée de valeur sociale et économique a imprégné la littérature. En conséquence, de nombreux termes expliquant apparemment le même phénomène ont émergé. Cependant, parmi eux, la BoP est la seule approche qui a explicitement revendiqué la poursuite de la création de valeur mutuelle. Ce malentendu constitue un obstacle important pour les entreprises pour agir et évaluer les progrès (Elkington, 2018). Afin d'avoir un cadre clair à partir duquel construire notre recherche, nous avons délimité et comparé quatre concepts bien acceptés : la proposition de valeur mixte, la triple ligne de fond, la création de valeur partagée et la base de la pyramide.

**Compréhensions contrastées de la valeur :** Nous avons constaté que la BVP, la TBL, la CSV et la BoP interprètent la valeur différemment. La BVP ne reconnaît pas

la bifurcation ou la désagrégation de la valeur. Autrement dit, la valeur est d'origine fusionnée. Ainsi, les aspects économiques et socio-environnementaux sont les deux faces d'une même pièce. La TBL reconnaît l'existence de trois éléments de valeur qui ne sont pas intégrés. Ceci est utile en comptabilité – le domaine où la TBL a eu le plus d'influence – où les éléments sont évalués, mesurés et rapportés indépendamment. La CSV établit que les bénéfices économiques et sociaux sont étroitement entrelacés ; par conséquent, résoudre les problèmes sociaux augmente les bénéfices économiques des entreprises. Enfin, la BoP voit une interdépendance positive entre les profits et le bien-être des pauvres en décrivant les marchés à faible revenu comme rentables et sous-desservis.

**Différents moyens de créer une valeur holistique :** La BVP crée de la valeur à travers l'investissement d'impact – la recherche intentionnelle de gains économiques et d'impact social positif à travers les investissements en actifs financiers – et l'intégration d'objectifs sociaux dans la politique, la gouvernance et la culture des organisations. De son côté, la TBL recommande principalement de développer un système comptable capable de mesurer et de divulguer la performance financière, sociale et environnementale des entreprises. En contraste, la CSV articule trois manières de créer de la valeur partagée : repenser les produits et les marchés, redéfinir la productivité dans la chaîne de valeur, et construire des clusters industriels de soutien aux emplacements de l'entreprise. Enfin, la BoP suggère de reconfigurer chaque élément de leurs modèles d'affaires en une version durable, inclusive et rentable capable de couvrir les 4A : sensibilisation, accès, abordabilité et disponibilité, ainsi que de réévaluer les relations prix-performance, les technologies à coût réduit et l'efficacité du capital.

**La valeur mutuelle comme résultat unificateur :** Nous affirmons que les quatre concepts cherchent à produire une valeur mutuelle. Nous fondons cette affirmation sur le fait que les avantages économiques, sociaux et environnementaux générés intentionnellement par les activités commerciales sont destinés à impacter toutes les parties impliquées : entreprises, gouvernements, communautés locales,

environnement, parmi d'autres. De plus, le mot "partage" implique de donner une partie de quelque chose qui appartient déjà à quelqu'un, tandis que mutuel souligne la propriété commune. En outre, le mot mutuel est plus approprié puisque les formes complexes de valeur sont le produit d'efforts collaboratifs, dans lesquels chaque acteur joue un rôle crucial.

**Une dimension d'action spécifique :** Chaque concept a été conçu pour opérer dans une dimension de gestion spécifique. Le domaine d'action de la TBL a été situé au niveau de la gestion opérationnelle, associant des indicateurs spécifiques aux aspects économiques et sociaux pour exprimer la valeur totale créée et dictant la divulgation interne et externe pour enrichir les systèmes d'information et faciliter la prise de décision. Les caractéristiques de la BVP correspondent au niveau normatif car elle se concentre sur les missions doubles des organisations et les relations avec les investisseurs. La CSV et la BoP appartiennent clairement au niveau de la gestion stratégique car elles se concentrent sur la recherche d'avantages compétitifs à travers le développement de stratégies et de modèles d'affaires innovants.

La BoP et la CSV ne partagent pas seulement la même dimension de gestion ; en effet, elles sont assez similaires. Il semble que la BoP ne soit pas juste un aspect de la création de valeur partagée (Porter et Kramer, 2014) mais une sous-catégorie spécifique à une cible.

Répondre à la première question de recherche a donné de la clarté au cadre théorique de cette thèse. Cela ne nous permet pas seulement de nous concentrer sur la valeur mutuelle comme le concept qui embrasse mieux la création simultanée de valeur économique et sociale. Cela justifie également notre choix de guider l'analyse intra-entreprise avec les trois stratégies mentionnées dans la littérature CSV.



❖ **RQ 2 : Quelles stratégies et tactiques les FMN appliquent-elles pour innover les éléments de leurs modèles d'affaires : proposition de valeur, constellation de valeur et capture de valeur au niveau de l'entreprise ?**

Nous avons analysé l'organisation interne des modèles d'affaires en utilisant une perspective au niveau de l'entreprise basée sur quatre éléments : proposition de valeur, capture de valeur, chaîne de valeur et réseau de valeur.

**Les FMN appliquent des stratégies et tactiques pour créer de la valeur sociale qui sont congruentes avec leurs objectifs commerciaux :** Nous avons constaté que les FMN appliquaient différentes stratégies et tactiques dans chaque élément interne qui sont congruentes avec leurs objectifs commerciaux. Dans le chapitre cinq, nous avons utilisé une analyse secondaire de FMN réelles de différents secteurs et identifié quatre stratégies et onze tactiques. Plus tard, nous avons identifié sept stratégies et quinze tactiques à partir de l'analyse plus détaillée de notre étude de cas appartenant à l'industrie de la construction. Sur la base de ces analyses, nous affirmons que les entreprises peuvent créer de nombreuses stratégies et tactiques puisqu'elles disposent de mélanges de ressources différents. Cependant, toutes doivent être liées aux objectifs commerciaux actuels pour augmenter la probabilité de création de valeur mutuelle. Sinon, la création de valeur sociale deviendra périphérique au modèle d'affaires, ou le modèle d'affaires ne sera pas suffisamment durable pour continuer à opérer.

En combinaison, cette thèse a identifié au niveau de la proposition de valeur : deux stratégies : repenser les offres et développer de nouveaux marchés. Avec six tactiques : adapter les produits actuellement vendus sur d'autres marchés, développer de nouvelles offres pour couvrir les besoins spécifiques de la BoP, développer des services de secours avec des avantages intangibles qui résolvent les problèmes empêchant la consommation de l'offre principale, vendre des solutions basées sur la consommation de l'offre, diversifier l'offre actuelle avec des produits complémentaires et se concentrer sur un nouveau marché.

Au niveau de la capture de valeur, les FMN innovent principalement le flux de revenus en adaptant les options de paiement aux ressources de la BoP, en créant de nouvelles options de paiement ou en diversifiant la source de revenus. Au niveau de la chaîne de valeur, les FMN redéfinissent l'efficacité en s'approvisionnant auprès des producteurs de la BoP, en intégrant la BoP dans les activités de la chaîne de valeur, en tirant parti des réseaux de distribution actuels et des partenaires en général, en développant des compétences techniques et en utilisant le portefeuille de ressources de manière innovante. Enfin, dans la constellation de valeur, les FMN redéfinissent l'efficacité dans le réseau de valeur et modifient et nourrissent l'écosystème.

**Les FMN adaptent leur réseau :** Pour des fins de création de valeur mutuelle, les FMN ont appliqué deux des trois stratégies identifiées dans la littérature CSV : repenser les produits et les marchés et redéfinir l'efficacité dans la chaîne de valeur. Cependant, concernant la troisième stratégie : permettre le développement de clusters, les FMN tendent à adopter une approche plus collaborative et à adapter leur écosystème en redéfinissant l'efficacité dans le réseau de valeur, en modifiant l'écosystème et en nourrissant l'écosystème de manière collaborative.

Les FMN redéfinissent l'efficacité en tirant parti des alliances stratégiques actuelles qui ne sont pas liées à l'opération de leur entreprise, comme la distribution, mais à celles développées pour améliorer la réputation de l'entreprise, comme les universités. Les FMN modifient leur écosystème en changeant le rôle des acteurs dans leur réseau. C'est-à-dire, les clients deviennent fournisseurs, les gouvernements deviennent clients, et les clients deviennent bénéficiaires. Les changements dans le réseau sont effectués sous la logique de gagner en durabilité et de relier les parties prenantes aux objectifs complémentaires. Les entreprises multinationales co-crée également fréquemment une infrastructure temporaire dans un schéma de partenariat intersectoriel, comme l'usine de briques de l'étude de cas qui permet aux gens de produire leurs propres briques ou les communautés

de collecte de lait de Danone Égypte qui permettent aux agriculteurs d'obtenir des prix équitables pour leur lait et d'augmenter la qualité et la quantité.

Enfin, les FMN nourrissent l'écosystème en développant des compétences non techniques à travers des ateliers ou des formations visant à développer des capacités personnelles telles que l'entrepreneuriat, la résilience et l'estime de soi. Une autre forme de nourrir l'écosystème est en promouvant un changement de comportement positif qui résulte généralement en bénéfique pour l'entreprise. En conséquence, les initiatives de changement de comportement font fréquemment partie des campagnes de sensibilisation. Ces trois stratégies croissent en complexité, c'est-à-dire, redéfinir l'efficacité dans le réseau de valeur nécessite un degré d'implication plus faible dans l'environnement puisqu'il tire parti des partenariats actuels, tandis que nourrir l'écosystème demande une approche plus proactive pour créer de nouvelles connexions ou développer de nouveaux partenariats.

**Les stratégies pour créer de la valeur sociale sont développées dans les éléments internes des modèles d'affaires :** En accord avec la littérature sur la création de valeur partagée, les FMN créent des connexions entre les préoccupations économiques et sociales dans l'élément interne du modèle d'affaires. C'est-à-dire, la planification stratégique des activités de valeur sociale se produit en interne pour rationaliser leur opérationnalisation en s'entrelaçant avec des objectifs économiques.

**❖ RQ 3 : Quelles stratégies les FMN appliquent-elles pour organiser les éléments de leurs modèles d'affaires : contenu, structure et gouvernance au niveau du réseau ? Comment ces stratégies affectent-elles leurs frontières conceptuelles ?**

Pour organiser la dimension externe du modèle d'affaires, la FMN étudiée utilise le pouvoir de ses ressources tangibles et intangibles pour concevoir le modèle

d'affaires – y compris les activités réalisées par d'autres acteurs –, visualise ses ressources et celles du réseau pour décider d'un contenu congruent avec son identité, réduit l'investissement au minimum en choisissant de réaliser les activités qui correspondent déjà à ses compétences, gagne en efficacité en déléguant les activités de valeur sociale aux gouvernements et renforce la réputation interne et externe en tirant parti des alliances stratégiques actuelles.

Les FMN utilisent leur influence, leur autonomie et leur pouvoir pour concevoir le contenu et la structure du modèle d'affaires, ainsi que pour dicter le schéma de gouvernance.

La FMN utilise son influence, son autonomie et son pouvoir de ressources tangibles et intangibles pour concevoir ses modèles d'affaires inclusifs et sociaux de manière isolée. Plus tard, l'entreprise le présente comme une "solution" qui décrit déjà les activités centrales, de soutien et périphériques du MB3 et qui effectuera chacune d'entre elles. De cette manière, la FMN orchestre le système d'affaires.

**La compétence et l'identité déterminent le contenu du modèle d'affaires :** Les FMN considèrent leurs ressources et celles de leur réseau au moment de décider quelles activités composeront le modèle d'affaires ; cela leur permet de développer un MB avec une plus grande capacité à créer de la valeur sociale. Ces activités, cependant, doivent être en harmonie avec l'identité de l'entreprise pour assurer l'engagement et la direction. Cela est conforme à l'idée d'ancrer ces problèmes sociaux qui correspondent déjà aux objectifs économiques. De manière cohérente,

**Les frontières de compétence et d'efficacité déterminent la gouvernance des activités :** Les FMN tendent à produire des avantages financiers ou des réductions de coûts en effectuant des activités qui correspondent déjà à ses ressources et capacités. De cette manière, elles réduisent l'investissement de l'entreprise au niveau le plus bas pour atteindre la durabilité économique. D'autre part, l'internalisation des activités sociales dépend des frontières d'efficacité. C'est-à-dire,

notre étude de cas a profité des partenariats actuels qui possèdent déjà le personnel et les connaissances adaptées à cette tâche. Par conséquent, les frontières de compétence et d'efficacité sont les principales logiques derrière la gouvernance.

**En gérant stratégiquement les frontières de pouvoir, la FMN augmente sa dépendance vis-à-vis des partenaires pour effectuer des activités sociales :**

Une décision de frontière basée sur le pouvoir est un choix de domaines d'activité sur lesquels l'organisation exercera une influence. Bien que les FMN étudiées aient utilisé le pouvoir pour concevoir le contenu et la structure des modèles d'affaires et dicter le schéma de gouvernance, elles ont intentionnellement réduit l'influence dans la partie sociale du modèle d'affaires. C'est-à-dire, la FMN augmente stratégiquement la dépendance vis-à-vis des partenaires concernant les activités sociales qui sont cruciales pour évaluer la performance des modèles d'affaires pour économiser des coûts et gagner en durabilité.

**Les activités sociales réalisées par les FMN sont cohérentes avec leur identité.**

Les frontières d'identité doivent être définies pour atteindre la cohérence entre les attributs et le but de l'organisation et ses activités. Comme nous l'avons mentionné, les activités sociales réalisées par Alpha répondent à la logique d'efficacité puisqu'elles sont tirées parti des alliances actuelles. Cependant, elles sont également congruentes avec l'identité de l'entreprise, c'est-à-dire, comment les membres définissent l'organisation. Cette identité est la raison d'être du type de partenariats développés par les FMN en matière de RSE, et elle est également derrière l'engagement montré envers les activités sociales par les employés, les travailleurs temporaires et les stagiaires.

**❖ RQ 4 : Quelle logique (magasins, chaînes, réseaux) les FMN appliquent-elles pour créer de la valeur sociale ?**

Les FMN peuvent configurer leur modèle d'affaires pour la création de valeur mutuelle en suivant une logique de chaîne, de magasin ou de réseau. Les entreprises suivant une logique de chaîne adaptent leurs offres pour lier les bénéfices sociaux à la consommation. Par conséquent, il est probable que cette logique soit principalement appliquée dans la dimension de proposition de valeur. Les entreprises suivant une logique de magasin lient la valeur sociale à la résolution des problèmes de la BoP tels que l'abordabilité et l'accessibilité. Ainsi, cette logique est principalement présentée dans les dimensions de capture de valeur et de chaîne de valeur. Enfin, les entreprises suivant une logique de réseau mettent en valeur le pontage de parties complémentaires. Ainsi, cette logique est présentée dans l'élément de réseau de valeur. De plus, comme les entreprises adoptent une perspective systémique pour organiser la dimension externe du modèle d'affaires, la logique de réseau prédomine également dans les éléments de contenu, de structure et de gouvernance.

Par conséquent, les entreprises peuvent se concentrer sur une seule logique pour créer de la valeur mutuelle en innovant dans des éléments spécifiques des modèles d'affaires. Cependant,

**Combiner différentes logiques à l'intérieur du même modèle d'affaires génère des formes plus profondes de valeur sociale :** Les modèles d'affaires capables de combiner différentes logiques peuvent couvrir les différentes dimensions de la valeur sociale.

#### ❖ RQ 5 : Quel type de valeur sociale les FMN délivrent-elles ?

**Différentes logiques de création de valeur tendent à produire différents types de développement social :** Les entreprises qui lient les avantages sociaux à la proposition de valeur couvrent la première couche du développement social : la subsistance. Les entreprises qui suivent la logique du magasin et mettent en valeur la résolution des problèmes de la BoP couvrent la deuxième couche : l'estime de soi. Enfin, les modèles d'affaires qui tirent parti des ressources et capacités des

différents membres d'un écosystème sont capables de couvrir la troisième couche du développement social : la liberté de servitude.

De plus, nous avons identifié trois types de modèles d'affaires basés sur la manière dont ils créent de la valeur sociale et économique : consommation, collaboration et intermédiation. Dans le premier type, les FMN peuvent créer de la valeur sociale en facilitant la consommation de produits. Par conséquent, toute forme d'innovation appliquée dans les différents éléments d'un modèle d'affaires qui facilite l'achat et la consommation subséquente des offres entre dans cette catégorie. Fréquemment, ce type de modèle d'affaires — appelé 'Modèle de Consommation' — génère de la valeur principalement à deux points d'intersection. D'abord, au niveau de la BoP, où la valeur est apportée aux consommateurs en fournissant des produits et services accessibles. Ensuite, cela procure de la valeur pour les FMN elles-mêmes, agissant en tant que vendeurs, en favorisant un segment de marché viable et rentable.

Le deuxième type de modèles d'affaires pour la création de valeur mutuelle est la collaboration. Dans ce modèle d'affaires, la valeur sociale est le produit de la coopération entre les FMN et un partenaire principal. Par conséquent, plusieurs innovations dans les éléments du modèle d'affaires sont réalisées pour inciter à la collaboration, augmenter l'efficacité et bénéficier à la BoP. La valeur est principalement capturée par les FMN en tant que vendeur, le partenaire principal en tant que client, et la BoP en tant que bénéficiaire final.

Enfin, les FMN peuvent créer de la valeur mutuelle par l'intermédiation. C'est-à-dire, les entreprises utilisent leur réputation, leur position privilégiée et leur connaissance pour rassembler des parties complémentaires. Ce type de modèle d'affaires produit de la valeur pour un plus grand nombre de parties prenantes. Dans l'étude de cas, la FMN capture de la valeur en tant qu'intermédiaire, l'entreprise sociale en tant que fournisseur, le gouvernement en tant que client et la BoP en tant que bénéficiaire final.

## LES IMPLICATIONS THÉORIQUES DE LA RECHERCHE

---

### ❖ **Délimitation et comparaison de quatre concepts en utilisant la méthodologie de Morse.**

La littérature sur la création de valeur organisationnelle a souligné les aspects financiers plutôt que sociaux (Corte et Del Gaudio, 2014). Cependant, le XXI<sup>e</sup> siècle a été témoin de l'émergence de différentes approches tentant de dicter la création simultanée de valeur économique et sociale. Ces approches sont venues en réponse au débat de longue date entre la théorie des actionnaires et celle des parties prenantes. Cet ensemble déroutant d'options pousse les chercheurs à se demander quelle approche contribue le mieux au bien-être social global (Windsor, 2017). Nous contribuons à répondre à cette question en clarifiant les différences entre quatre concepts qui ne sont pas bien distingués dans la littérature : la proposition de valeur mixte, la triple ligne de fond, la création de valeur partagée et la base de la pyramide. Nous avons affirmé que chacun a un rôle à jouer dans la théorie de la création de valeur en raison des interprétations contrastées de la valeur et des différents moyens de la créer. Avoir des définitions claires des concepts cruciaux peut synergiser les efforts disparates et faire avancer la recherche.

De plus, nous avons appliqué la méthodologie de Morse pour le développement de concepts, une méthode largement adoptée en soins infirmiers. À notre connaissance, c'est la première tentative de le faire.

### ❖ **Analyse du chevauchement entre les niveaux d'entreprise et de réseau dans le processus de création de valeur**

Le processus de création de valeur différera selon que la valeur est créée par un individu, une organisation ou un réseau (Lepak et al., 2007). Jusqu'à présent, la recherche s'est centrée sur la compréhension de niveaux d'analyse uniques. Par conséquent, il est pertinent pour le domaine de la création de valeur



organisationnelle d'examiner le chevauchement entre les différents niveaux dans le processus de création de valeur (Corte et Del Gaudio, 2014). Nous contribuons à ce débat en analysant le chevauchement entre les niveaux organisationnel et réseau pour créer des formes de valeur économique et financière, une intersection peu étudiée (Corte et Del Gaudio, 2014). Nous avons trouvé que les deux niveaux sont complémentaires dans le processus de création de valeur mutuelle puisque c'est au niveau de l'entreprise, où le progrès social est connecté aux objectifs commerciaux, et au niveau du réseau, où la durabilité économique est atteinte. Nos résultats soutiennent également les suggestions de certains scientifiques (Brehmer et al., 2018; Dembek et al., 2018; França et al., 2017; Mason et Spring, 2011) sur l'interdépendance entre ces niveaux d'analyse.

#### ❖ **Déterminer l'applicabilité des stratégies CSV à la BoP**

La CSV a été qualifiée de concept parapluie (Crane et al., 2014), où la BoP est un aspect (Porter et Kramer, 2014). À travers la délimitation et la comparaison, nous avons confirmé que la BoP est une sous-catégorie de la CSV. Cependant, alors que dans la CSV, les trois manières de créer de la valeur économique et sociale sont claires : (1) repenser les produits et les marchés ; (2) redéfinir la productivité dans la chaîne de valeur ; et (3) construire des clusters industriels de soutien ; il n'en va pas de même dans la littérature BoP. Nous avons analysé l'applicabilité des stratégies CSV dans les modèles d'affaires d'une FMN servant la BoP. Nous avons trouvé que les FMN appliquent les deux premières stratégies, tandis qu'elles s'engagent à transformer le réseau au lieu de simplement construire un cluster de soutien. Conformément à l'idée que la création de valeur implique l'innovation (Lepak et al., 2007; Porter, 1998b), les FMN servant la BoP ont inventé une quatrième stratégie concernant le flux de revenus afin d'assurer l'abordabilité.

### ❖ **Revigorer le rôle des FMN et le concept de valeur mutuelle**

Les premiers articles relatifs au concept de base de la pyramide ont souligné que les FMN possèdent les capacités nécessaires pour cibler les marchés à faible revenu et contribuer à l'allègement de la pauvreté (Perrot, 2017; Prahalad, 2005; Prahalad et Hart, 2002). Cependant, Kolk et ses collègues (2014) ont conclu que le concept BOP avait évolué de manière spectaculaire, minimisant le rôle des EMN au fil du temps. En effet, seul un petit nombre d'initiatives BOP signalées sont dirigées par des EMN. Nous reprenons l'idée originale concernant le rôle central que les FMN ont dans l'exploitation des initiatives BoP.

La littérature sur les marchés BoP a accordé une attention disparate aux résultats économiques et sociaux des initiatives BoP (Kolk et al., 2014), même si la BoP est sous-tendue par le concept de valeur mutuelle (Dembek et al., 2019; London et al., 2010). Il y a un besoin urgent d'examen empirique du principe central de la BoP : que les entreprises peuvent générer de la valeur mutuelle (Dembek et al., 2019). Notre recherche distingue non seulement la valeur mutuelle de la valeur partagée, mais étudie également les stratégies, tactiques et logiques derrière la création simultanée de valeur économique et sociale pour diverses parties prenantes.

### ❖ **Améliorer la compréhension du processus de création de valeur mutuelle**

Il y a déjà une reconnaissance du fait que les modèles d'affaires dominants existants se révéleront inefficaces au niveau le plus bas de la BoP (Dembek et York, 2022). Par conséquent, identifier les stratégies commerciales appropriées pour la création de valeur sociale est une question clé (Sinkovics et al., 2014), ainsi qu'une analyse plus approfondie des différents modèles d'affaires à la BoP (Kolk et al., 2014). De manière cohérente, nous analysons le processus de création de valeur mutuelle en considérant deux critères mentionnés dans la littérature BoP comme indispensables pour réussir à la BoP : l'innovation du modèle d'affaires et la collaboration trans-

réseau (Dembek et al., 2019; Mason et al., 2017; Nerurkar, 2021). Nous avons identifié plusieurs stratégies pour créer de la valeur mutuelle à la BoP tant au niveau de l'entreprise que du réseau. De plus, nous avons également trouvé que les FMN équilibrent des objectifs contrastés en se concentrant sur chacun dans une dimension distincte du modèle d'affaires. C'est-à-dire, en gérant les éléments internes, les stratégies de valeur sociale deviennent une partie organique du modèle d'affaires, et en gérant les éléments externes, le modèle d'affaires devient durable économiquement.

Nos résultats montrent que les FMN ont la capacité de déployer des ressources (connaissances, ressources humaines et réseaux) pour concevoir des modèles d'affaires pour la création de valeur mutuelle. Cela confirme le courant de recherche qui soutient le besoin pour les FMN de changer radicalement leurs modèles d'affaires et de développer de nouvelles capacités dynamiques (Perrot, 2017), c'est-à-dire, la capacité d'une entreprise à "intégrer, construire et reconfigurer des compétences internes et externes" (Teece et al., 1997, p. 512).

**❖ Étendre les trois logiques de création de valeur pour expliquer la création de valeur mutuelle par les FMN.**

Différentes combinaisons de logiques façonnent les choix stratégiques liés aux segments de clients des organisations, propositions de valeur, canaux de distribution, et réseaux, façonnant ainsi le modèle d'affaires (Ocasio et Radoynovska, 2016). Stabell et Fjeldstad (1998) proposent trois logiques distinctes – chaîne, magasins et réseaux – menant le processus de création de valeur. Nous ajoutons au travail de Dembek et ses collègues (2018) et Dembek et York (2022) en analysant différentes logiques de création de valeur des modèles d'affaires servant la BoP. Cependant, contrairement à la recherche de ces scientifiques, nous nous concentrons sur les entreprises multinationales au lieu des PME et des ONG. De plus, une contribution clé de notre travail est l'extension de la théorie des trois logiques de valeur pour montrer que différents modèles d'affaires uniques suivant

une logique distincte de création de valeur peuvent créer des niveaux spécifiques de bien-être.

### ❖ **Considérer la pauvreté comme un concept multidimensionnel**

Alors que les versions précédentes de la BoP faisaient référence à la valeur sociale, elles ont souvent laissé ces concepts non définis et non différenciés (Dembek et al., 2018). Récemment, nous avons vu des appels à plus de recherches sur la BoP pour intégrer une définition plus large de la pauvreté au-delà des dimensions économiques (Dembek et al., 2019) pour établir une relation entre les logiques de création de valeur et les formes particulières de valeur (Dembek et al., 2018). Définir la valeur sociale en termes de développement (Sinkovics et al., 2014) est essentiel puisque cela évite de considérer la pauvreté comme le pur produit de contraintes économiques. Cette recherche contribue avec une perspective multidimensionnelle qui définit la valeur sociale comme toute activité menant à couvrir une ou toutes les dimensions du développement : subsistance, estime de soi et liberté de servitude (Sinkovics et al., 2015, 2014; Todaro et Smith, 2012) pour classer la valeur sociale créée par les FMN à la BoP. En adoptant une perspective holistique, les entreprises peuvent identifier de nouvelles façons d'aider à l'allègement de la pauvreté. De plus, nous proposons que certaines logiques sont enclines à produire des avantages couvrant des couches spécifiques de la pauvreté.

### ❖ **Une perspective collaborative dans les modèles d'affaires**

La recherche traditionnelle sur les modèles d'affaires s'est souvent concentrée sur des organisations individuelles. Ce qui manque souvent ou est perdu dans les discussions sur les modèles d'affaires, c'est que le développement et l'opérationnalisation des entreprises dépendent souvent de la collaboration de plusieurs acteurs (Pedersen et al., 2017a). En effet, si les entreprises négligent le

pouvoir des réseaux et les valeurs de leurs acteurs constitutifs, elles échouent à résoudre les problèmes sociétaux urgents (Breuer et Lüdeke-Freund, 2017). Les cadres actuels ont sous-représenté les réseaux. Il est crucial d'aborder les modèles d'affaires collaboratifs avec une perspective plus holistique qui élargit le spectre des solutions, des parties prenantes et des frontières pour aborder les problèmes complexes de l'humanité (Pedersen et al., 2021).

Cette recherche répond à cet appel et aborde les modèles d'affaires depuis une perspective systémique qui reconnaît que les modèles d'affaires dépendent de la collaboration de différents acteurs, même lorsqu'il "appartient" à une entreprise déterminée. Le cadre proposé pour la construction de la création de valeur mutuelle donne aux partenaires la participation et les ressources l'importance qu'elles méritent et souligne le potentiel de résolution de problèmes des modèles d'affaires, un domaine de recherche qui doit encore être exploré.

**❖ Étendre l'applicabilité des frontières conceptuelles au modèle d'affaires.**

La création de valeur sociale est principalement caractérisée comme un comportement qui n'est pas confiné dans les frontières d'une entreprise (Austin et al., 2006; Brehmer et al., 2018). De manière cohérente, nous avons appliqué une perspective de franchissement de frontières sur les modèles d'affaires et étendu les cinq frontières conceptuelles de Santos et Eisenhardt (2009) à la littérature sur les modèles d'affaires comme la logique pour expliquer les choix stratégiques des entreprises pour coordonner leur réseau, accéder à leurs ressources et gagner en efficacité.

**❖ Offrir une perspective intégrative : logique d'affaires, stratégies, modèles d'affaires et tactiques.**

Casadesus Masanell et Ricart (2010) ont déclaré que le manque de consensus sur les caractéristiques distinctives des modèles d'affaires supérieurs est la distinction ambiguë entre les notions de stratégie, de modèles d'affaires et de tactiques. De manière cohérente, Williamsson et ses collègues (2019) proposent la logique d'affaires comme le lien manquant pour intégrer ces trois concepts. Nous contribuons à clarifier ces concepts de manière empirique en les identifiant dans l'étude de cas. De plus, nous avons prouvé que la logique d'affaires établit les contours dans lesquels un gestionnaire s'attend à ce que les modèles d'affaires, les stratégies et les tactiques se développent (Williamsson et al., 2019). Nous convenons également que le concept peut être un point de départ lors de la caractérisation des conditions nécessaires pour changer un modèle d'affaires (Williamsson et al., 2019).

## **LES IMPLICATIONS PRATIQUES DE LA RECHERCHE**

---

Le cadre proposé représente une approche efficace pour comprendre le processus de création de valeur mutuelle d'une entreprise à la BoP. Basé sur un exemple réussi, il fournit une feuille de route raisonnable pour ancrer la valeur sociale à la stratégie centrale et obtenir la durabilité économique. Un aspect particulièrement avantageux du cadre est la conciliation de deux niveaux d'analyse, qui fournissent un aperçu complet du modèle d'affaires en décrivant son apparence et son fonctionnement (Brehmer et al., 2018; Dembek et al., 2018). De manière cohérente, le cadre peut servir à deux fins. La première est de décrire les modèles d'affaires pour aider les organisations à identifier les caractéristiques clés qui permettent d'atteindre le succès à la BoP et où la création de valeur économique et sociale pourrait être améliorée dans le modèle d'affaires. En effet, les stratégies et tactiques identifiées dans cette thèse peuvent être répliquées par d'autres entreprises. Mais plus important encore, elles peuvent également en créer de nouvelles lorsqu'elles mobilisent les éléments internes et externes des modèles d'affaires.

La seconde est de servir de guide pour concevoir d'autres modèles d'affaires. Les praticiens peuvent utiliser le cadre pour comprendre comment améliorer leurs modèles d'affaires. Par conséquent, si l'entreprise est ouverte à l'innovation et à franchir les frontières existantes, le cadre sera un outil utile pour élucider le chemin vers l'approche du segment BoP de manière durable. De plus, comprendre que certaines logiques de valeur tendent à produire des types spécifiques de valeur sociale aidera les gestionnaires à concevoir de meilleures stratégies et modèles d'affaires. De plus, nous faisons le lien entre des concepts fréquemment utilisés par les gestionnaires lorsqu'ils explorent le passé, le présent et le futur des entreprises. Une compréhension et une intégration précises des concepts éclaireront la manière dont ils pourraient aborder leurs objectifs et créer un bien-être mutuel.

Les entreprises multinationales de tous les secteurs peuvent adapter les éléments internes et externes du cadre pour construire des modèles d'affaires pour la création de valeur mutuelle.

## **LES LIMITATIONS METHODOLOGIQUES ET EMPIRIQUES**

---

Un processus de recherche est toujours soumis à un certain nombre de limites. Ces limites peuvent être théoriques, méthodologiques, liées au champ de recherche, ou même liées au temps limité disponible pour la recherche. Cependant, elles ouvrent de nouvelles voies pour la recherche future.

Notre étude est intrinsèquement limitée par sa spécificité. Se concentrer sur l'analyse d'un seul cas limite la capacité à faire des conclusions généralisées. Cependant, comme les résultats, le cadre et les propositions sont basés sur un cas révélateur, ils fournissent des aperçus profonds sur la manière dont les FMN innovent leur modèle d'affaires pour créer de la valeur économique et aider à éradiquer la pauvreté. En tant que tel, cela aidera d'autres FMN à concevoir des modèles d'affaires avec de meilleures probabilités de succès à la BoP. De plus, nous

essayons de compléter les données en utilisant une analyse documentaire qui repose sur des sources secondaires.

Les conclusions à tirer des données de cette étude sont également limitées de plusieurs façons. Premièrement, l'applicabilité des résultats est restreinte aux grandes entreprises. Bien que les PME puissent bénéficier des aperçus développés dans cette recherche, une meilleure compréhension de leurs logiques de création de valeur et de leurs décisions de frontière est nécessaire pour offrir un meilleur guide. Deuxièmement, cette étude ne fait que pointer vers des liens entre les éléments des BMs et les logiques de chaîne de valeur, les logiques de chaîne de valeur et les niveaux de développement social. Elle ne prouve pas la causalité.

Une seconde limitation est que nous recueillons les données empiriques dans un seul pays, même si les modèles d'affaires ont été étendus à d'autres localisations. Bien que le Mexique, comme tout autre pays de la classification du tiers-monde, ait un pourcentage significatif de personnes vivant sous le seuil de pauvreté, il possède un contexte socio-culturel spécifique qui peut influencer les résultats. Cependant, se centrer sur le Mexique nous permet d'être proches du siège social de l'entreprise.

Une autre limitation méthodologique peut être trouvée chez les répondants, car certains d'entre eux pourraient montrer un biais de désirabilité sociale et donner des réponses qu'ils croient rendre l'entreprise ou eux-mêmes meilleurs. Bien que certains répondants de l'entreprise n'aient pas accepté d'être enregistrés, nous avons contrecarré cela en prenant des notes de terrain pour relater ce qui a été dit. Cela peut être considéré comme une limitation. Cependant, supposer que la capture d'une interview audio résulte toujours en des données plus fiables néglige le rôle crucial que les circonstances particulières jouent dans l'influence de ce qui peut être déclaré sur une expérience donnée et ce qui peut être considéré comme fiable dans ce qui est dit. De plus, cela ignore comment l'équipement d'enregistrement affecte ce qui est dit et le risque de perdre ce qui tombe hors du transcrit (Rutakumwa et al., 2020).



## RECHERCHE FUTURE

---

Une analyse approfondie des différents modèles d'affaires à la BoP ouvrira des voies fascinantes pour la recherche future (Kolk). Comme nous basons notre analyse sur une seule étude de cas, des études de cas multiples seront utiles pour confirmer les résultats. De plus, nous nous concentrons sur une FMN mexicaine, il existe la possibilité que l'idiosyncrasie du monde développé influence comment leurs FMN créent de la valeur mutuelle ; des études comparatives seront très révélatrices.

Nous visualisons six voies pour la recherche future. La première est de répliquer cette étude avec d'autres FMN et régions pour confirmer les résultats. De plus, une approche d'intervention de recherche-action aidera à affiner le cadre proposé. Comparer également les FMN des pays en développement et celles des pays développés sera intéressant pour vérifier si le contexte influence l'organisation interne et externe des modèles d'affaires. De plus, les chercheurs peuvent appliquer ce même cadre analytique aux PME ; une compréhension de la manière dont elles gèrent leurs frontières organisationnelles sur les marchés BoP offrira des aperçus intéressants.

La deuxième ligne de recherche concerne les mécanismes de franchissement des frontières. L'analyse des fonctions des agents de frontière et des architectes de frontière dans les modèles d'affaires collaboratifs éclairera les actions pour assurer la création de valeur avec les partenaires au lieu de la destruction de valeur. Comme troisième option, nous suggérons des études quantitatives montrant la causalité entre les logiques de chaîne de valeur et les dimensions de la pauvreté. En effet, développer un système de mesure capable de pointer le potentiel des initiatives BoP pour couvrir les trois niveaux de pauvreté apportera à l'effort général de développer un équivalent social du système de comptabilité en partie double économique, capable de donner la validité que les concepts de création de valeur sociale manquent encore.

Concernant le développement de la théorie et la création de valeur organisationnelle, nous proposons, comme quatrième avenue de recherche, de clarifier le concept de valeur partagée pour établir ses frontières. Actuellement, le champ d'application de la CSV est si large que tout effort pour fournir de la valeur sociale pourrait devenir une initiative de CSV. De plus, nous remarquons une pénurie d'articles analysant les compétences managériales nécessaires pour faire face à la tension d'objectifs paradoxaux dans des contextes spécifiques tels que la BoP. En faisant cela, les chercheurs traiteront l'une des critiques les plus courantes des cas d'affaires pour le développement social : la tendance à ignorer la tension inhérente entre les objectifs sociaux et économiques.

Enfin, il est nécessaire d'analyser davantage les fondements éthiques des modèles d'affaires des FMN à la BoP, en commençant par réévaluer les responsabilités. Même si les objectifs financiers sont essentiels pour motiver les entreprises à servir la BoP et à aider dans l'effort collaboratif pour faire face à la pauvreté, la responsabilité morale et éthique ne se termine pas avec de bonnes intentions, encore moins avec la durabilité économique ; cela nécessite des étapes supplémentaires vers l'orientation et la collaboration. Ainsi, si les FMN doivent orchestrer le réseau de leurs modèles d'affaires, doivent-elles s'assurer que tous les membres exécutent leur part de manière adéquate ?

Les modèles d'affaires sociaux et inclusifs d'Alpha sont des initiatives innovantes visant à guider les partenaires et les clients des modèles d'affaires dans la création de leur propre valeur (sociale). Ils constituent un excellent exemple de stratégie BoP puisque l'entreprise ne nie jamais ni ne perd de vue ses intérêts économiques. Cependant, on pourrait critiquer cette myopie volontaire et la position confortable de supposer que tout va bien avec les activités réalisées par les acteurs du réseau. En ignorant, les entreprises contribuent-elles à une destruction de valeur possible ?