
Business Model Innovation: How Partnering with a Digital Platform Impacts SMEs

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Abstract

The present manuscript explores the intricate relationship between digital platforms, business model innovation (BMI) and collaborative endeavours amongst small and medium sized enterprises (SMEs). The authors are motivated by the growing relevance and importance of digital platforms which play a pivotal role in today's business landscape, thereby deeply impacting products, services, operations and business strategy. Henceforth, SMEs are compelled to engage or embrace digital platforms in an attempt to strengthen their business model. Indeed, part of the scholarly literature underscores the role digital technologies have in nurturing BMI and organisational growth. Nonetheless, due to SMEs limited financial and human resources, it becomes challenging to establish their own digital platform and engage in BMI. Therefore, the foregoing entities can engage in collaborative endeavours such as partnerships and alliances to gain access to the necessary digital instruments and tools to lower the costs associated with BMI while accessing complementary resources and knowledge. However, despite the foregoing notions and concepts, the current body of scholarly literature lacks empirical evidence deepening our understanding of the interplay between digitalization and collaborative partnerships as enabling instruments to SMEs' BMI. Henceforth, to address the foregoing research gap, the authors of this manuscript seek to gain intel into how cooperating with external stakeholders through a digital platform could impact SMEs' BMI. Under the framework of dynamic capabilities as their theoretical framework, the authors employ a qualitative approach which focuses on 12 SMEs located within the Piedmont region, Italy. The authors conduct semi structured interviews with various members of the foregoing entities and have adopted the Gioia' method to ensure this manuscript's methodological rigour and replicability.

This manuscript empirical results indicate that: i) partnering with digital platforms nurture the construction of relationship which promote BMI; ii) engaging with partnerships enhances SMEs' financial and operational performance, thereby fostering BMI; iii) engaging with external stakeholders nurture SMEs' technological development, thus

fostering BMI; and iv) partnering with digital platforms nurtures environmental and social considerations, thereby fostering BMI to address the foregoing notions.

The current manuscript presents several predicted implications, both theoretical and practical, that warrant further exploration. Firstly, it enriches our comprehension of SMEs' BMI in the context of digital platform partnerships, shedding light on previously unexplored aspects of this dynamic relationship. Secondly, it offers valuable insights for practitioners seeking to harness the potential of partnerships and digital platforms to cultivate their BMI and foster long-term sustainability. It is important to note that, due to space constraints and ongoing refinement of the interview and data collection processes, detailed discussions, theoretical implications, managerial insights, and conclusions will be elaborated upon in a forthcoming full-length paper.

Keywords – Business model innovation, SMEs, Digital platforms, Dynamic capabilities, Partnerships.

Paper type – Academic Research Paper

1 Introduction

Businesses products, services, operations, production and market accessibility heavily rely on digital technologies (Nambisan, 2017). Therefore, the centrality of digital tools forces companies to acquire resources, knowledge, human capital and technological advancements necessary to integrate digital activities into their business models (Kraus et al., 2019). Digitalization has been described as the increasing integration of digital tools or technologies into various processes of an organisation (Lanzolla et al., 2018). Scholarly literature reports empirical findings supporting the notion of digitalization integration into business models to promote organisational growth (Laamanen et al., 2018). In this vein, through the integration and use of digital technologies firms must consider new business models thus acknowledging the role digitalization has in promoting companies business models innovation (BMI) (Mostaghel et al., 2022; Rachinger et al., 2019). The foregoing notion is particularly relevant when taking into consideration the effect digital platforms have in nurturing companies BMI (Bouncken et al., 2021).

BMI has been defined as the "search for new logics of the firm and new ways to create capture value for its stakeholders" (Casadesus-Masanell and Zhu, 2013). Consequently, through BMI, organisations are able to establish new activities, integrate new processes and impact divisions and business units dedicated to core activities (Mostaghel et al., 2022). Due to the continuous technological evolution and changes in market demands, scholarly literature underlines the importance of BMI since companies must engage in product, service and process innovation if they seek to remain competitive in today's global market (Albats et al., 2023; Jabeen et al., 2023). The foregoing need to partake in BMI is particularly relevant for small and medium sized companies (SMEs), whose role is essential to innovate both local and national contexts (Lee et al., 2012). Therefore, it is of

paramount importance for SMEs to pursue BMI and promote their competitiveness and ensure local communities prosperity and wealth (Codini et al., 2023; Garzella et al., 2021). Furthermore, BMI is potentially relevant to SMEs because it allows companies to pursue change in a cost effective approach thus enabling SMEs to create, capture and deliver new value (Codini et al., 2023).

One of the core contexts that nurture BMI are understood to be networks, partnerships and alliances (Amit and Zott, 2001; Bouncken and Fredrich, 2016). Indeed, the foregoing collaborative endeavours allow SMEs to lower the costs traditionally associated with BMI while accessing complementary resources and knowledge (Budler et al., 2021). Through partnering activities, SMEs are able to share the risks traditionally associated with BMI thus promoting evolutionary and innovative activities (Bouncken et al., 2014).

However, despite the role digital technologies and collaborative endeavours have in promoting SMEs' BMI, only scant research has explored the intersections of digitalization, BMI and their relationship to collaborative endeavours such as partnering activities (Budler et al., 2021; Giglio et al., 2023; Xia et al., 2024). Therefore, the present study draws insights from the dynamic capabilities theory (Heider et al., 2021; Teece, 2007). Based on previous premises, the authors of the present manuscript develop the following research question:

RQ: How does cooperating with external stakeholders through a digital platform impact their business models innovation?

To answer the foregoing research question, the authors gather empirical data from twelve firms operating within a partnership with a company that acts as a digital platform. The foregoing companies are located in the Piedmont region, Italy. The authors conduct a qualitative study that relies on semi structured interviews that have been carried out with various actors working for the various firms engaging in the selected partnership. The authors followed the Gioia et al. (2013) approach to ensure methodological rigour. Consequently, the authors were able to identify novel insights while also broadening the current scholarly literature concerning the relationship between SMEs' BMI, partnerships and digital platforms.

Broadly speaking, the expected empirical findings are the following: i) partnering with digital platforms allow SMEs to cultivate the necessary relationship to nurture their BMI; ii) engaging with external stakeholders allow companies to promote their technological development (access to a digital platform) and their strategic positioning thus promoting BMI; iii) partnering with a digital platform allows SMEs to enhance their financial capabilities and operational performance thus nurturing their competitive advantage and promoting their BMI capabilities; vi) partnering with a digital platform and innovating their business model allows SMEs to pursue environmental and social sustainability performance.

The ongoing research project holds promise for both theoretical advancement and practical application. Firstly, it aims to enrich the existing body of knowledge concerning SMEs' BMI within the framework of digital platform collaborations. Secondly, it emphasizes the pivotal role that partnerships play in fostering BMI within SMEs. Thirdly, preliminary empirical findings suggest that digital platforms play a significant role in cultivating BMI by facilitating engagement with external stakeholders. Lastly, this research endeavor is expected to unveil new avenues for practitioners to explore and implement BMI strategies. It is important to note that the anticipated theoretical and managerial implications, as well as practical insights for practitioners, are subject to refinement upon completion of the interviews and data collection process. As a result of this motivation, the present paper concludes with a discussion of both the achieved results and anticipated outcomes.

2 Literature review

2.1 Business model innovation in SMEs

In today's business climate, the landscape of enterprises has been dramatically reshaped by the advent of high technology, saturation of current marketplaces, the introduction of new markets and also business models (BMs), innovation, globalisation of businesses and deglobalization of the market (Foroohar, 2018; He et al., 2020). This advent is marked by swift technological advancements which in turn causes heightened complexity and an increased level of uncertainty (McGrath, 2010; Loon & Quan, 2021). The main aim is to foster innovation and leverage emerging disruptive technologies to offer novel varieties of products and services, including those that are digitally integrated (Bustinza et al., 2019). As a result, companies find themselves navigating a dynamic and rapidly evolving environment where staying competitive demands more than ever before (McGrath, 2010; Mütterlein & Kunz, 2017). So, companies, such as those characterised by a medium-small organisational structure -small-medium enterprises (SMEs), must equip themselves with the necessary resources, knowledge, human capital, and technological expertise to effectively integrate digital activities into their business core in order to survive in this digital age (Cenamor et al., 2019; Kraus et al., 2019). In view of these developments, it becomes necessary for companies to reevaluate and redesign their BMs to remain in tune and competitive (Osterwalder & Pigneur, 2010) and to meet rapidly changing expectations, requirements and characteristics of existing or potential strategic partners (Bouncken and Fredrich, 2016).

According to Velu's (2015) research, the concept of BM encompasses the strategic framework of a company, comprising a comprehensive array of resources that, in turn, underpin the marketing of the company's products and

services (Vidal & Mitchell, 2013). Despite the longstanding significance attributed to BM in scientific debate, there remains a lack of consensus regarding its precise definition (Zott et al., 2011; Wirtz et al., 2015; Massa et al., 2017). Since Amit & Zott (2001) defined the business model (BM) within a digitalization context (Spieth & Meissner, 2018), which also aligns with the context of this study, we commence with their definition. Thus, the scholars defined a BM as “content, structure, and governance of transactions designed so as to create value through the exploitation of business opportunities” (Amit & Zott, 2001, p. 511). In greater depth, the content embodies the resources of the BM and the exchange capacities therein; the structure comprises the organisational units ensuring exchange and their interconnections. Lastly, within governance, alongside encompassing the legal organisational framework and incentives for transaction participants, there exist mechanisms responsible for supervising the flows of resources, information, and goods (Spieth & Meissner, 2018; Zott & Amit, 2010). A pivotal determinant of the success of a BM lies in one's ability for constant evaluation, adjustment, and optimization to the growth of the ecosystem, while maintaining a vigilant assessment of its feasibility (Teece, 2010; Bucherer et al., 2012; Schneckenberg et al., 2017; Schrauder et al., 2018). These several processes of adaptation are termed business model innovation (BMI) (Spieth et al., 2021).

The strategic advantages offered by BMI come to the forefront in contexts where traditional product or service advancements struggle to maintain competitiveness within the swiftly changing landscape they inhabit (Chesbrough, 2007; Osiyevskyy & Dewald, 2015; Spieth & Meissner, 2018). Indeed, as documented by Velu (2015), who in turn cites the insights of Markides (2006), along with Velu & Stiles (2013), the innovation in question entails systemic transformation, contrasting with product or process innovation, as it necessitates alterations in the company' offer, value proposition, and mechanisms for value capture within the SMEs itself. Zott and Amit (2002) stated that BMI allows firms to offer the same product or service in new ways. Particularly, BMI is most accurately described as the nexus between innovation and value generation (Chesbrough & Rosenbloom, 2002), wherein technical advancements yield enhanced business outcomes (Teece, 2010). To provide a more lucid and comprehensive perspective, BMI constitutes a novel array of organisational activities (Amit & Zott, 2010) and inventive frameworks aimed at the generation and retention of value (Chesbrough, 2007) across individual firms, their collaborative partners, and clients (Cortimiglia et al., 2015). Indeed, prior scholarly studies, exemplified by Baden-Fuller & Morgan (2010), Calia et al. (2007), and Esslinger (2011), underscore the prominence accorded to BMI by managers in terms of fostering competitive advantage and enhancing performance. Expanding upon the notion posited by Cortimiglia et al. (2015) regarding collaborative partnerships, it is emphasised that BMI necessitates the acquisition of supplementary resources encompassing novel knowledge, expertise, and

competencies. Such acquisition is effectively facilitated through strategic alliance (Teece, 2010; Desyllas & Sako, 2013). According to He et al. (2020) a strategic alliance represents an intentional rapport between two or more independent firms aiming to achieve individual and mutual purposes. In such instances, companies in alliance engage in the trade of unequal components, establishing their interconnections, thereby fostering a process of mutually connected knowledge (Hacklin et al., 2010). The latter, thereby implying a change, aligns more closely with the propensity of knowledge innovation acquired from alliances, which is conducive to SMEs rather than to companies characterised by a larger and thus rigid organisational structure (Fredrich et al., 2022). Consequently, the establishment of a strategic alliance should precede the acquisition of new skills and knowledge that neither firm currently possesses, thereby guaranteeing enhanced performance and enduring longevity (Velu, 2015). In this circumstance, companies also endeavour to innovate their knowledge through the analysis of the constituent elements comprising the BMI of other firms (Fredrich et al., 2022), who are thus within the alliance.

2.2 BMI and collaborative efforts within SMEs

Indeed, one of the core contexts that nurture BMI include partnerships and alliances (Amit & Zott, 2001; Bouncken & Fredrich, 2016; Velu, 2015). Beattie & Smith (2013) argue that the value generation of a business does not stem solely from independent actions, but rather from collaborative efforts with external parties, be it through informal agreements or structured alliances (Bocken et al., 2014). Consequently, alliance plays a pivotal role in fostering the development of an appealing BM (Hossain, 2017; Snihur, 2016). To give a detailed overview of this determinant of BMI, alliance is “any voluntarily initiated cooperative agreement between firms that involves exchange, sharing, or co-development” (Gulati, 1999, p. 397). Given that they are formalised, alliances are firm and more enduring arrangements (Stål et al., 2023). Highlighted benefits of alliances encompass the sharing of innovation costs, technological expertise and thus, knowledge, and risk mitigation (Mitsubishi & Greve, 2009; Spieth et al., 2021; Zott & Amit, 2010). Moreover, alliances offer a pathway to surmount internal limitations, including resource scarcity and capacity constraints (Bouncken & Fredrich, 2016; Casadesus-Masanell & Ricart, 2010; de Man & Luvison, 2019; Fredrich et al., 2022). Owing to the ever-increasing pace of technological developments and access to new technologies (Spieth & Meissner, 2018), Wadin and colleagues (2017) indicate that alliances serve as catalysts for innovation, resulting in benefits for all parties involved. This emphasis brings forward the notion of Business Model Innovation Alliances (BMIAAs).

Spieth et al. (2021) reported that “BMIA depict strategic alliances as they are based on asset pooling or resource exchange agreements between companies” (Stuart, 1998). The alignment of internal strategy, structure, and processes among

pertinent partners determines the appropriateness of an alliance (Nielsen & Gudergan, 2012). As documented in the advantages of alliances, the benefits associated with BMiAs include cost reduction through economies of scale and scope (Spieth & Meissner, 2018). Despite several advantages and according to Spieth et al. (2021) about the presence of various research studies being conducted over this theme, there has been limited attention paid to the innovation catalysed by alliances within the BM. Consequently, it becomes necessary for companies to comprehend the value they create through strategic alliances (Hossain, 2017).

2.3 Digital platforms role in partnering activities

The evolution of the business environment, propelled by ongoing technological advancements, has led to a fundamental shift in the way businesses operate. This shift has created a demand for a new type of business interface. Consequently, digital platforms have emerged as a direct response to the evolving needs of technology and the market (Şimşek, et al., 2022). Despite research calling for a deeper understanding of the impact of digital platforms on BMs, because they support new BMs, disrupting sectors and compelling established companies to reconsider their strategies (Veile et al., 2022), various scientific studies, such as those conducted by Gomes et al. (2022), Mieh et al. (2023), and Usman & Vanhaverbeke (2017), describe digital platforms as vehicles for innovation within BMs. This innovation, in turn, is achieved through the exploitation of generated data, enabling the creation and co-creation of value, not only for customers but also with and for companies (Madanaguli, A. et al., 2023). de Reuver et al. (2018) assert that there is much confusion regarding the meaning of digital platforms, as scholars from various disciplines have adopted different perspectives in their research, including economics, technological management, and business (Madanaguli et al., 2023; Veile et al., 2022). With technological infrastructure being the core of digital platforms, they play the role of intermediaries that bring together various companies in the ecosystem for knowledge sharing with the aim of connecting customer demand to supply, thus creating value (Veile et al., 2022). Through standardisation, as elucidated by Vänskä (2020), these alliances streamline processes and protocols, thereby significantly reducing the overheads associated with collaboration. Moreover, they impact by tackling another critical aspect: transaction costs. Stallkamp & Schotter (2018) highlight how limited capital investments which characterised digital platforms can curtail transaction expenses, making collaboration more feasible and economically viable. However, the significance of these alliances extends beyond mere cost reduction. As mentioned, they embody a breeding ground for innovation, fostering an environment where complementary ideas and technologies flourish (Vänskä, 2020). The scholar observed that the simplicity of interface connectivity allows for the seamless integration of diverse innovations

and agreements spanning vertical, horizontal, and lateral dimensions facilitate a holistic approach to collaboration (Nambisan et al., 2019). Furthermore, a shift in perspective emerges from the literature: from the traditional focus on individual company value creation towards collaborative endeavours. Vänskä (2020) emphasises the transition towards collaborative value creation as the primary objective of digital platforms and their alliances. By nurturing shared visions and fostering partner collaboration, these alliances navigate the complexities of the modern business environment with resilience and adaptability (Bailey et al., 2019; Vänskä, 2020). Also, the allure of these alliances extends to young enterprises and SMEs, offering them a gateway to growth and expansion. Through standardised digital infrastructure, they gain access to invaluable resources, tap into partner knowledge networks, and unlock doors to new markets (Nambisan et al., 2019; Xie et al., 2022). The delivery of value to a set of users guarantees the success of digital platforms, which establish themselves based on the position they occupy in the market (Eisenmann et al., 2011; Gawer, 2014; Gawer & Cusumano, 2014; Ondrus et al., 2015; Parker et al., 2016; Thomas et al., 2014; Veile et al., 2022). Although digital platforms offer numerous benefits, the intricacies of digitization highlight the importance of dynamic capabilities in enhancing enterprise performance (Cenamor et al., 2019). This phenomenon is particularly evident in SMEs, where despite a propensity for forming alliances (Shu et al., 2018), limitations in resources and capabilities may hinder the adoption of novel BMI.

3 Method

3.1 Empirical setting

The study focuses on the exploration of a collaborative initiative between various SMEs located within the Piedmont region, Italy. The authors' selection is corroborated by the central role SMEs play in both the Italian and European economic development and welfare (European Commission, 2022).

The foregoing partnership consists of SMEs operating within the food and beverage (F&B) industry sector and on digital online retail platform, ITsGOOD. The platform objective is to nurture local produce and SMEs to promote the local community wellness and economic development. Indeed, the selected partnership does support the United Nations' sustainable development goal focusing on local growth and community development. The partnership was established in 2016 and it has since established collaboration with various actors and local businesses, thereby offering to its partners access to online platforms, its logistics network and inventory management systems and its human resources.

3.2 Data collection and analysis

Information is collected from both primary and secondary sources to understand the phenomenon being investigated. For primary data, following the approach utilised by Wadin et al. (2017), the present study adopts a qualitative approach following the Gioia methodology (Gioia et al., 2013). This approach is anticipated to facilitate the discovery of intriguing insights and emergent social and business phenomena (Yin, 2017). Furthermore, the qualitative approach was carried out through semi-structured in-depth interviews to construct a realistic observation of the cases and extract new content (Rubin & Rubin, 2011). As anticipated previously, the interview protocol was developed from an extensive review of the literature pertaining to (1) BM and BMI, (2) alliances, (3) SME, and (4) digital platforms, and subsequently converted in in-depth interviews. This approach was selected to afford the interviewees the opportunity to express their perspectives freely (Creswell & Creswell, 2018). Also, the scholars further suggest that the number of interviews (twelve) deemed appropriate for qualitative research. Moreover, employing an inductive approach facilitated the transition from general scientific literature to discover practical alliances. Via data triangulation for the collection of primary data, in some cases, more than one person was interviewed with the aim to obtain several perspectives and reduce the constraints associated with relying solely on a single data source (Jack & Raturi, 2006). In conclusion, to meticulously organise and analyse the data and prevent the distortion of the data, the authors coded the obtained data separately and then compared the results. Additionally, to enhance research validity and reliability (Yin, 2017), second data from firms were incorporated, as suggested by respondents. This data was sourced from the firms' own websites, plans initiatives, reports, press articles, and online videos.

The primary and secondary data sets are reported in three stages outlined by Gioia et al. (2013), also known as first-order, second-order, and aggregate dimensions. The initial findings obtained and the expected results are listed in the following section as the authors have not fully completed the interviews and data collection process.

4 Initial findings

In the following section the authors list the current version of this manuscript findings. It is important to note that the authors seek to gather additional empirical data and conduct more interviews in an attempt to gather intel which may further clarify the investigated relationships and provide insightful observations and propositions.

4.1 Relationship cultivation to nurture BMI

One significant dimension underscored by the current analysis is the one focusing on highlighting the impact that relationship cultivation through partnership has in promoting SMEs' BMI. Indeed, multiple actors underline the role partnering has with digital platforms in enabling SMEs to establish and cultivate essential relationships to nurture BMI. For example "...engaging with external partners grants us the opportunity to engage in collaborating activities thereby challenging our way of thinking and modus operandi" (#03) and "establishing relationships broadens our horizons and it challenges our innovation efforts" (#07). Indeed, the interviewee underscores the role of the partnership in accessing networks of suppliers, distributors, customers, competitors, industry experts and technical experts, thereby facilitating knowledge exchange, resources sharing and collaboration for innovative joint ventures and the development of new products (or services). Indeed, "...through [02] we were able to engage in new operations thus expanding our production line and range of offered products" (#11) and "Absolutely, it is essential to us to engage with our partners to support our rural community and innovate our processes....and business in itself. In fact, we have reduced our waste produce by using it to create our fertiliser for our local farmers" (#01). Additionally, one SME reports that "through ITsGOOD we have expanded our scope and broadened our range of operations, as well as our interest in impacting our local communities" (#06). The foregoing elements are applicable to the specific dimension of digital instruments since, by leveraging the digital platforms and technical expertise of ITsGOOD concerning the digital realm, SMEs were able to transcend traditional geographical boundaries thus establishing connections with stakeholders across diverse markets and industries. This led the selected SMEs to gain intel concerning emerging trends, preferences and best practices which can then be used to innovate their BMI and foster their competitive advantage. For example, "...[we] now have a better understanding of the market outside [location] and we have changed our processes and practices to meet external demands and nurture our financial performances" (#09) and "accessing to external knowledge allows us to pursue new standards and endeavours....Yes, it is something that we could not do before because our resources are quite limited." (#12).

4.2 Strategic positioning and technological advancements

Engaging with the partnerships and accessing ITsGOOD digital platform offers SMEs the opportunity to integrate and advance their digital literacy thereby including digital logics into their strategic direction, thereby promoting their BMI. Indeed, "...is essential to us to include digital platforms and tools into our business logics. We have taken a new road paved by digital considerations which

we hope could bring new life into our and our friends businesses to promote our local communities”(#01) and “...we are reengineering our business model to include partnerships and collaboration into our logics...”(#05). The access to ITsGOOD experience, knowledge and tools equips the partnering SMEs with new tools, technologies and infrastructure which are essential for driving change and innovation across various dimensions of their business operations and strategy. Indeed, data analysis and analytics can further motivate and support the selected sample to understand what changes are double and set achievable goals which are informed by quantitative data rather than feeling and emotions. For example, “ITsGOOD provides us with statistics concerning our online sales, market reach and customers preferences and trends thereby, allowing us to continuously question our actions and what we do and produce to foster our financial prosperity.....changing our strategic focus, direction and efforts”(09) and “...for sure, now we produce traditional, sustainable and healthy produce but we make sure that we appeal to new trends and customers demands since [ITsGOOD CEO name] provides us with tools that help us face reality whether we like it or not”(#01). Fundamentally, through their partnering activities the selected SMEs and ITsGOOD are able to improve their customer engagement, strategic focus and strategic collaboration thus innovating their BM and nurturing their operational and financial wealth while also enhancing their visibility and presence into a specific market.

4.3 Financial and operational empowerment

The partnering SMEs are given access to additional markets besides their local and domestic one thus, they are able to enjoy economies of scale and additional revenue streams which nurture their financial standing. Additionally, through the partnership, companies were able to develop new projects and establish active joint ventures which nurture their operational efficiency thus improving their profit margin and reducing waste in favour of reduced costs or new revenue streams. Therefore, the partnership with the digital platform empowers SMEs to nurture their competitive advantage thus facilitating their BMI practices. For example, “...we actively experiment with new products, processes and ideas since we now have trusted partners and we are better off from a financial point of view”(04#). Fundamentally, by leveraging the resources and expertise offered by ITsGOOD and the other partners, SMEs can streamline their operations, reduce costs, and nurture their production output, access revenue streams from digital platforms users and overcome the financial barriers which often prevent SMEs to innovate their activities and BMI. Another example is “We started taking integrating into our business model new activities tie to our local farmers and producers....collecting waste and transforming it into energy...Yeah, it was possible through the funds and revenue that we have generated from the

partnership. Our online sales have completely overtaken everything. Locally it was way more challenging to achieve those numbers"(01#).

4.4 Environmental and social sustainability business model

The collaborative efforts made amongst the selected SMEs and ITsGOOD has nurtured BMI in the form of environmentally and socially sustainable BM which add activities, practices and strategies whose purpose is to address social and environmental challenges and have a positive impact on both local communities and the overall society. The majority of the interviewed partnering SMEs have stated to engage in sustainable business models and circular economy approaches. "We have the resources and access to the necessary knowledge, of course we decided to engage in sustainability projects. Our local community is king."(03) and "we live, breathe, eat our local produce. Our local producers are friends, family and members of our small community. We want to nurture our villages and people since we have been forgotten by most"(01#) and "we want to be active actors thus bringing in change in our environmental and social sustainability practices"(#11). Fundamentally, the sample underscores how the partnership has allowed them to promote their BMI logics towards a sustainability direction, thus further corroborating the notion that partnerships support BMI logics.

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