

UNIVERSITÀ DEGLI STUDI DI PADOVA

Dipartimento di Scienze Economiche ed Aziendali  
"M.Fanno"

Corso di Laurea Magistrale in  
Entrepreneurship and Innovation

TESI DI LAUREA

SUSTAINABLE BUSINESS MODELS:  
INNOVATION, RESPONSIBILITY AND  
COMMUNICATION

Relatrice

Ch.ma Prof.ssa Di Maria Eleonora

Laureando

De Florio Marco

Matricola N. 1205450

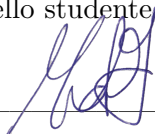
Anno accademico 2019/2020



Il candidato dichiara che il presente lavoro è originale e non è già stato sottoposto, in tutto o in parte, per il conseguimento di un titolo accademico in altre Università italiane o straniere. Il candidato dichiara altresì che tutti i materiali utilizzati durante la preparazione dell'elaborato sono stati indicati nel testo e nella sezione "Riferimenti bibliografici" e che le eventuali citazioni testuali sono individuabili attraverso l'esplicito richiamo alla pubblicazione originale.

The candidate declares that the present work is original and has not already been submitted, totally or in part, for the purposes of attaining an academic degree in other Italian or foreign universities. The candidate also declares that all the materials used during the preparation of the thesis have been explicitly indicated in the text and in the section "Bibliographical references" and that any textual citations can be identified through an explicit reference to the original publication.

Firma dello studente

A handwritten signature in blue ink, consisting of stylized, overlapping loops and strokes, positioned above a horizontal line.



# Acknowledgments

Before starting with the dissertation, it is my duty to thank everyone that has been close to me in the elaboration of this thesis but also in my graduation path.

First of all, I would like to thank my supervisor Professor Eleonora Di Maria for the dedication shown during these months and for having always been ready to give me pieces of advice and stimulating ideas.

A special thanks goes to Enrico Bellio, Davide Scroccaro and Ivo Nardi for having dedicated their precious time to me, which was fundamental for the completion of my thesis.

I am infinitely grateful to my parents who have passed on to me important values and teachings, but above all allowed me to pursue my personal and academic dreams.

Thanks to my brother Lorenzo and all my friends, especially Matteo and Andrea for sharing these two years with me, my group of long-time friends who have accompanied me in all the most important events of my life and my Erasmus friends for having shared the happiest time of my life and for being my second family.

To the knowledge that allows us to prosper.



# Contents

<b>Acknowledgments</b>	<b>v</b>
<b>Introduction</b>	<b>1</b>
<b>I Business models overview</b>	<b>5</b>
<b>1 Business models classification</b>	<b>7</b>
1.1 Business model definition . . . . .	7
1.2 Temporal and thematic classification . . . . .	11
1.2.1 BMs and digitalization . . . . .	11
1.2.2 BMs in high-tech environments . . . . .	12
1.2.3 BMI and BMs evolution . . . . .	13
1.2.4 BMs and social innovation . . . . .	14
1.2.5 BMs and open innovation . . . . .	15
1.2.6 BMs in services . . . . .	17
1.3 Value creation and appropriation in business models . . . . .	18
1.4 Tools and frameworks to visualize the BM . . . . .	21
1.4.1 Business model canvas . . . . .	22
1.4.2 Business model integrative framework . . . . .	27
<b>2 Sustainable business models</b>	<b>31</b>
2.1 Sustainability at a glance . . . . .	32
2.1.1 Why do companies become sustainable? . . . . .	35
2.2 Characterization of SBMs . . . . .	37
2.2.1 Sustainable business models definitions and archetypes . . . . .	40
2.3 Sustainable business model innovation . . . . .	48
2.3.1 The role of business case for sustainability . . . . .	49
2.4 Sustainable value creation . . . . .	52
2.5 Triple layered business model canvas . . . . .	54
2.5.1 Environmental layer . . . . .	54
2.5.2 Social layer . . . . .	57

<b>II</b>	<b>Communication for sustainability and B Corps</b>	<b>59</b>
<b>3</b>	<b>Communication as a value driver and differentiation source</b>	<b>61</b>
3.1	Sustainability marketing . . . . .	61
3.1.1	Literature review . . . . .	61
3.1.2	Sustainable communication . . . . .	64
3.1.3	The benefits of communication . . . . .	68
3.1.4	Implicit and explicit CSR communication . . . . .	69
3.1.5	Challenges faced by organization in sustainable communication . . . . .	71
3.2	Overview of B corps . . . . .	72
3.2.1	What is a certified b corp? . . . . .	73
3.2.2	Certification process . . . . .	75
3.2.3	Why do firms certify themselves as B corps? . . . . .	77
3.2.4	B corp as an example of SBM . . . . .	80
3.2.5	Eco-labeling and eco-certification . . . . .	82
3.3	Communication in practice . . . . .	86
<b>III</b>	<b>Case studies</b>	<b>89</b>
<b>4</b>	<b>Perlage and Nonno Andrea: sustainability in practice</b>	<b>91</b>
4.1	Introduction to the case studies . . . . .	91
4.1.1	Research methodology . . . . .	93
4.1.2	Variables of interests . . . . .	94
4.2	The focal point: Perlage and Nonno Andrea . . . . .	95
4.2.1	Perlage's corporate history . . . . .	95
4.2.2	Nonno Andrea's corporate history . . . . .	96
4.3	Results . . . . .	97
4.3.1	Business models . . . . .	98
4.3.2	Communication strategies . . . . .	107
4.3.3	Certifications . . . . .	111
4.4	Comparison between Perlage and Nonno Andrea . . . . .	115
	<b>Conclusions</b>	<b>121</b>
	<b>Appendix</b>	<b>123</b>







# Introduction

The growing attention placed to environmental and social issues concerning the economic development prompted many firms to embody within their activities goals about preservation of natural ecosystems or social mission to accomplish in order to improve people's quality of life without leaving anyone behind. Since the disclosure of the Brundtland report *Our Common Future* in 1987 (Brundtland et al., 1987) the topic of environmental and social sustainability took off.

However being a sustainable firm is not an easy task and requires careful analysis of the business model and the establishment of clear material goals to pursue.

Furthermore, to make the whole context even more complicated defining when a company is sustainable according to one of the many definitions is very challenging.

In fostering a sustainable development perspective, firms should abandon the old paradigm of having as main goal the creation of financial profits to distribute among shareholders and embrace a new one that is more modern of companies which are purpose-driven and committed to a social mission of either restoring the environment or being responsible towards the society. By shifting their mindset and accepting a more focused perspective to the wider group of stakeholders, sustainable firms will be able to accomplish their social mission while collecting profits to be reinvested in their efforts.

Corporate social responsibility issues are on the agenda as never before and are the engine for innovations that are simultaneously profitable and sustainable (Hart, 2005).

Companies, as key contributors to the current unsustainable situation, should recalibrate their objectives, commit to the development of natural capitalism (Hawken et al., 2013) and the integration of local communities, seeking to inspire large segments of the global population to these issues to achieve systemic changes.

The objective of this thesis is to explain how companies should shape their activities and way of doing business to become respectful towards the environment or local communities. Moreover in doing so firms should develop cutting-edge communication strategies to inform the stakeholders of their commitments and on these sensible issues.

In this regard, in the first chapter we analysed our main concept of interest, namely the business model of a firm, describing its main features and offering several classifications and definitions provided by the literature. Given that the business model concept is very wide and heterogeneous we used the business model canvas framework by Osterwalder and Pigneur (2002) to offer a simplified and visual description of the notion. In addition, the business model

integrative framework conceived by Morris et al. (2005) was used to offer a more comprehensive vision of the tools that can be adopted to depict the business model of a firm.

The second chapter is entirely dedicated to the concept of sustainable business models. The definitions of the notion are manifold but can be summarised by describing it, in a simplified manner, as the way thorough which businesses implement its operations in pursuing voluntary and intended activities to settle an ecological or social issue while positively impacting the economic performance of the company (Schaltegger et al., 2012). Building a sustainable business model is not only a matter of integrating environmental or social activities within the intended strategy, indeed, it involves radical cultural changes on the point of view of the company as an economic entity in the wider social context.

To offer an overview of the concept a literature review was done, trying to integrate in a seamless manner all the possible perspectives thus offering an holistic point of view. Bocken et al. (2014); Upward and Jones (2016); Lüdeke-Freund et al. (2018) offer the clearest and most precise definitions on the subject supporting their claims with the utilization of categories, archetypes and group within whom gather the examined models.

In the second part of the chapter the focus is shifted towards innovation of the sustainable business model. Business model innovation leads sustainable companies to face future challenges with new methods, thus using a large amount of resources towards long-term sustainable developments. The redesign of the business model is based on the integration of new sustainable initiatives into the corporate strategy. All the consequences brought by business case for sustainability (which implement the previously mentioned integration) on the business model are analysed and described taking as point of reference the studies by Schaltegger et al. (2012). New sustainable initiatives can be prompted by several drivers: costs and cost reduction, risk and risk reduction, sales and profit margin, reputation and brand value, attractiveness as employer and innovative capabilities. According to the strategy used to react to the latter the degree of sustainability achieved will change.

Thanks to the innovation of their sustainable business model, companies are able to achieve long-term survival and competitive advantages in the market.

Lastly, to close the sustainable business model topic the triple layered business model canvas is analysed (Joyce and Paquin, 2016). This is a tool better suited to examine sustainable business models compared to the BMC of (Osterwalder and Pigneur, 2002) since it adds two additional layers the environmental and social one to highlight the triple bottom line perspective used by sustainable companies.

The third chapter is centered on the issue of the communication strategies within sustainable businesses. The latter indeed face many challenges in communicating their CSR achievements because these can not be perceived by the consumers since the sustainability of a product or service is determined by non-visible features concerning the production processes.

Furthermore regardless the efforts in communicating externally, sustainable firms engage in numerous internal communications to motivate its employees in abiding the social mission aimed at spreading benefits to the wider community.

However sustainability marketing is a rather new concept which summarise the need of including environmental and social factors in marketing strategies to improve consumers, but not only, perception of the companies (Peattie and Belz, 2010). This theme further underlines the importance of consistency and transparency of a sustainable business model to make it convincing and reliable in the eyes of stakeholders not only through its activities.

Subsequently the benefits of using communication as a strategic tools are explained along with the two main categories of methods used to communicate, implicit or explicit ones.

Finally, given the high concerns and uncertainty that surround sustainable communication, companies usually rely on certification to avoid being perceived as practicing greenwashing. The use of certifications is thus analysed with particular attention placed to the B Corp certification, which testify companies that are meeting the highest standard possible in social and environmental performance, public transparency and legal accountability.

As a conclusion of the work, in the fourth chapter two case studies were analysed: Nonno Andrea and Perlage. The topics analysed are those explored in depth in the thesis, which can therefore be grouped into the macro-categories of: business model, communication and certifications.

The two companies both declare themselves to be sustainable but they deal with this issue differently and with different degrees of commitment. On one hand Perlage, by being a B Corp has a more formalized and istituzionalized approach to sustainability whereas Nonno Andrea as a young firm still has to define an integrated corporate sustainability strategy.

The two cases are intresting because offer the possibility to a meaningful comparison between two companies sharing commonalities and differences.

The issue of sustainability and sustainable business model is therefore very wide, heterogeneous and highly dependent on developments in the academic world. To achieve the much hoped-for goal of sustainable development, companies, communities and individuals must act in a collective, coherent and integrated manner. If on one hand firms strive for obtaining an healty way of doing business in an healty world, individuals should support these initiatives and make their own contribution in daily actions.



# **Part I**

## **Business models overview**





# Chapter 1

## Business models classification

The classification of business models is not an easy task. This concept has been widely used in the academic literature in different studies without reaching, at date, a universally accepted definition.

The definitions vary accordingly the focus of the study and the analysed topic. Indeed, each of the many classifications is conceived to meet the specific needs of the researcher (Lambert, 2015). However, the uncertainty that characterizes the business model notion highlights the thriving academic environment that surrounds it. Innovation management, organizational design, entrepreneurship and strategic management are just four of the fields that inquire about business model. As a result, scholars do not agree on what a business model is, recognizing it, however, as a new unit of analysis separated from the product, firm and industry (Zott et al., 2011).

Despite the accurate analysis of what is a business model and its components - which, as already mentioned, change according to the perspective used by the author - little is known on the relationships among them (Morris et al., 2005), aspect that further promotes future research on the subject.

This lack of knowledge along with divergent opinions hinder the identification of: generic business models, winning characteristics, interactions among components and relative importance of the elements (Morris et al., 2006).

In the next section, before deepening our analysis into various classifications of business models we will provide a definition of the notion itself.

### 1.1 Business model definition

The realm of business model definitions is broad and heterogeneous. The emergence of the concept dates back the *dotcom* era and has evolved since then gaining notoriety among managers, practitioners and scholars.

One easy way of depicting the business model concept is using three different perspectives dubbed: economic, operational and strategic (Morris et al., 2006). As we move forward from the economic layer, the point of view enlarges and becomes more comprehensive.

At the economic level, the business model is defined only taking into consideration economic aspects with particular focus on revenue models, pricing and cost structure which determines the profit generation process. Agreeing upon this view Stewart and Zhao (2000) define the model as "a statement of how a firm will make money and sustain its profit stream over time."

The operational level, instead, aims at describing the functioning of internal processes and the architecture of the infrastructures that facilitate and support the firm in the value creation. Mayo and Brown (1999) specify "the design of key interdependent systems that create and sustain a competitive business."

Definitions concerning the strategic level stress topics regarding strategic management, such as, global direction, market positioning, vertical and horizontal integration, definition of the firm's boundaries, partnering and value. Slywotzky (1997) refers to "the totality of how a company selects its customers, defines and differentiates its offerings, defines the tasks it will perform itself and those it will outsource, configures its resources, goes to market, creates utility for customers and captures profits."

These three perspectives offer an overview of what is a business model and further highlight why this subject is heterogeneous, indeed, beginning from a different starting point leads to various conceptualizations and analysis, Table 1.1 summarise some of them.

Many others statements were conceived to depict this concept. Some scholars use a more descriptive manner: as a statement (Stewart and Zhao, 2000), a description (Applegate, 2000), a way to tell a good story (Magretta, 2002), a representation (Morris et al., 2005), an architecture (Timmers, 1998). Others use more analytical frameworks and tools e.g. (Osterwalder and Pigneur, 2002; Johnson et al., 2008; Markides, 1999).

Whereas descriptive statements, usually provide more room to interpretation, frameworks and templates shrink the field in interdependent blocks or elements.

For instance, Osterwalder and Pigneur (2002) suggests a Business Model Framework (BMF) that helps managers to identify the underpinning logic of their business model or those of competitors. In this scheme they identify four main building blocks that stems from the answers to questions such as: what?, who?, how? and how much?. These elements are: product innovation, customer management, infrastructure management and financial aspects which branch out further into subcategories. Obviously, different answers, methods and processes will result in different business model even among competitors that have the same targets.

On the other hand, Johnson et al. (2008), mainly following a strategic perspective focused on value creation and internal capabilities, identify four different elements, namely, customer value proposition, profit formula, key resources and key processes.

However, one of the more insightful definition is that given by Chesbrough and Rosenbloom (2002) illustrated in Figure 1.1.1. Their key of analysis is directed towards the operational level and rather than defining what a business model is, they describe its functions. According to their opinion, a business model in order to integrate value creation, capturing and appropriation should:

- articulate the value proposition and its relation to intended market segment;

- define the value chain of the firm required to create and distribute the offering outlined in the value proposition;
- determine the complementary assets needed to create the offering and support its position in the value chain;
- position the firm within the value network context;
- including identification of potential complementors and competitors;
- estimate the cost structure and profit potential associating the business model concept to value creation; and
- formulate the means whereby a firm will gain and hold an advantage over its rivals linking the business model concept to strategy.

Table 1.1: Perspective on business model components

Source	Specific components	Number
Horowitz (1996)	Price, product, distribution, organizational characteristics and technology	5
Viscio and Pasternack (1996)	Global core, governance, business units, services and linkages	5
Timmers (1998)	Product/service/information flow architecture, business actors and roles, actor benefits, revenue sources and marketing strategy	5
Markides (1999)	Product innovation, customer relationship, infrastructure management and financial aspects	4
Donath et al. (1999)	Customer understanding, marketing tactics, corporate governance and intranet/extranet capabilities	5
Gordijn and Akkermans (2001)	Actors, market segments, value offering, value activity, stakeholder network, value interfaces, value ports and value exchanges	8
Linder and Cantrell (2000)	Pricing model, revenue model, channel model, commerce process model, Internet-enabled commerce relationship, organizational form and value proposition	8
Chesbrough and Rosenbloom (2002)	Value proposition, target markets, internal value chain structure, cost structure and profit model, value network and competitive strategy	6
Gartner (2003)	Market offering, competencies, core technology investments and bottom line	4
Hamel (2001)	Core strategy, strategic resources, value network and customer interface	4
Petrovic et al. (2001)	Value model, resource model, production model, customer relations model, revenue model, capital model and market model	7
Dubosson-Torbay et al. (2002)	Products, customer relationship, infrastructure and network of partners and financial aspects	4
Afuah and Tucci (2003)	Customer value, scope, price, revenue, connected activities, implementation, capabilities and sustainability	8
Weill and Vitale (2001)	Strategic objectives, value proposition, revenue sources, success factors, channels, core competencies, customer segments and IT infrastructure	8
Applegate (2000)	Concept, capabilities and value	3
Amit and Zott (2001)	Transaction content, transaction structure and transaction governance	4
Alt and Zimmermann (2001)	Mission, structure, processes, revenues, legalities and technology	6
Rayport and Jaworski (2001)	Value cluster, market space offeringm resource system and financial model	4
Betz (2002)	Resources, sales, profits and capital	4

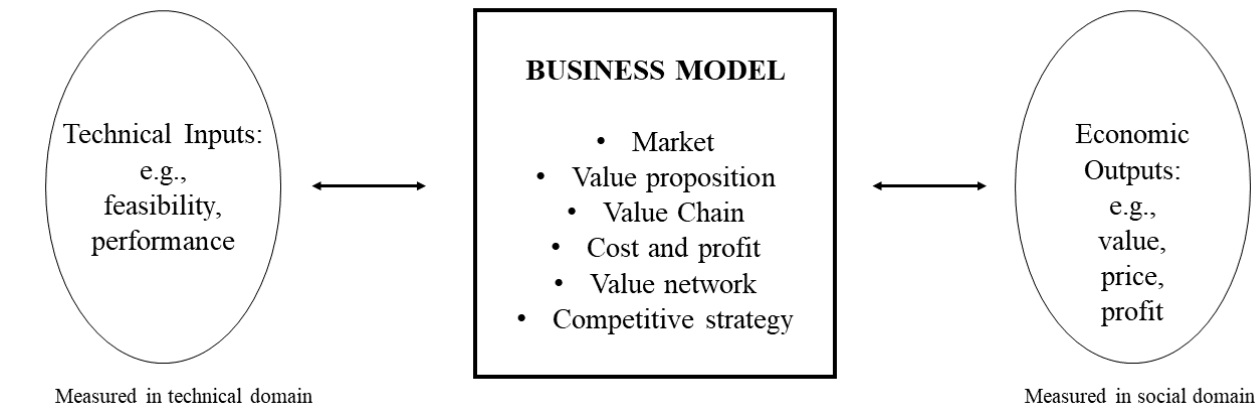
Source: (Morris et al., 2005)

Point 2, 3 and 4 suggest that this concept is focused not only in internal activities and processes performed by the focal firm but also in those implemented by other subjects belonging

to the value chain. Hence, business model spotlight enlarges further, overcoming focal firm's boundaries.

In brief, the business model makes implicit assumption about customers, revenues and costs trends, the changing nature of user needs and likely competitors responses. In addition it outlines the business logic underlying the creation of profit and once adopted it defines the way enterprises go to market (Teece, 2010). Moreover while the business models describe how pieces fit together, they do not take into consideration a performance criteria (e.g. competition) as strategy does. In the same way they do not provide understanding on how businesses achieve their missions and purposes (Timmers, 1998). To address this issue is needed the definition of marketing models (that blends together business models and marketing strategies) that, however, goes beyond our goal.

Figure 1.1.1: The Business Model mediates between the technical and economic domains



Source: re-elaborated version from (Chesbrough and Rosenbloom, 2002)

As described, the concept has experienced many changes in the last years leading to an active debate among scholars regarding its usefulness. The debate is fostered by the many misuses and intertwined definitions of the term. Porter (2001) affirms that the definition of a business model is *"murky at best and an invitation for faulty thinking and self-delusion."* Differently Morris et al. (2005) show the relations that business model has with other managerial concepts that prompt confusion and shed little light on the definition. *"It captures key components of a business plan, but the plan deals with a number of start-up and operational issues that transcend the model. It is not a strategy but includes a number of strategy elements."*

In a nutshell, at date, business models review and analysis is still ongoing, further influenced by the innovation that is occurring within them. Despite the critics and the debate it is worth noting the importance of the topic and its usefulness among managers and practitioners. Therefore, general and successful models have not been conceived yet and a classification has to be done according different criteria such as the emergence of trends or phenomenon in the industries for example e-commerce or social entrepreneurship among the many.

## 1.2 Temporal and thematic classification

A clear classification of business models and the underlying literature can be done following a temporal criteria. Business model discipline has strongly emerged since the 1990s and from then on has developed, embracing more and more topics driven by advancements in the way businesses operate, new trends in the markets and changes in customer needs.

Indeed, in the first phase of study concerning BMs a great deal of different definitions and classifications emerged. As the topic was gaining importance, in phase two, contributions at the definitions of the elements embodied by the business model were added. When the theme became mature, in the beginning of the 2000s detailed descriptions of the previously mentioned parts emerged. As far as the forth and final phase is concerned authors started to link theoretical analysis to real life cases and modelling the components conceptually (Osterwalder et al., 2005).

Following the investigation of (Belussi et al., 2019) implemented through a document bibliometric analysis and a bibliographic copuling network analysis, six major clusters were found: BMs and digitalization; BMs in high-tech environments; BMI and BMs evolution; BMs and social innovation; BMs and open innovation; and BMs in services. Therefore, in the following sections, according to these clusters the theme will be scrutinized.

### 1.2.1 BMs and digitalization

This first category is the oldest and gathers together all the studies on the influences on BMs of the use of ITCs and e-commerce in business activities.

One of the main disruptive breakthrough of the 90s was the emergence of the internet which rapidly changed the way of doing business and customers' requirements.

This innovation shaped and determined new competitive rules and new viable way to produce wealth (Amit and Zott, 2001). As virtual markets arise with their unique features, new ventures as well as incumbents started to adapt their business models to the fast-changing environment.

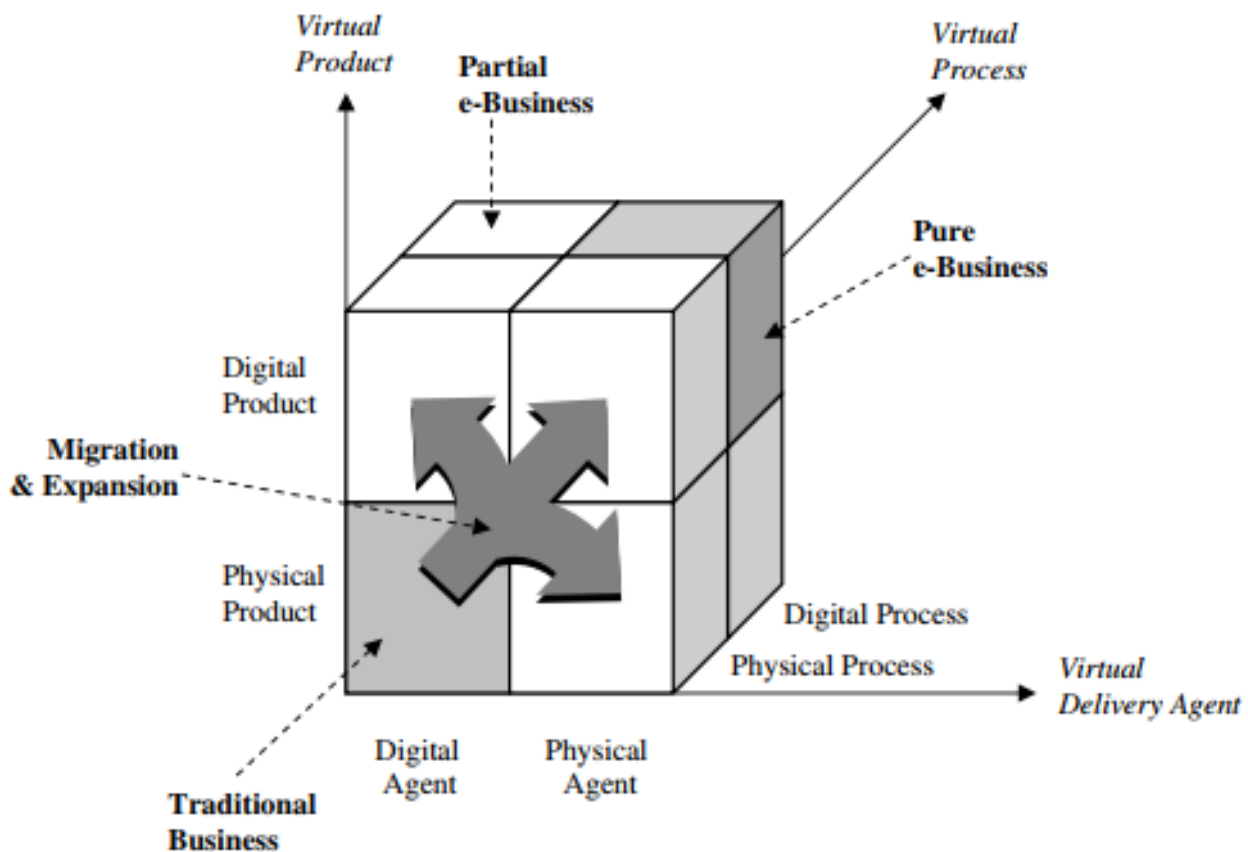
Another crucial feature of business models challenged by the development of ICTs was the value creation and appropriation among firms that contributes in the dispersed value chain. ICTs have allowed a faster flow of detailed information between market participants that are requested, charge-free, by end users (Teece, 2010).

As information flows became smoother and business processes shared among different participants, new ways of value creation and connection between buyers and sellers emerged leaving behind intermediaries (Amit and Zott, 2001). This improved dis-intermediation, for instance, was one of the foundation that give astonishing results to Amazon.

As far as e-commerce is concerned, it had major impacts on the distribution sectors and bricks-and-mortar stores. Bremser and Chung (2005) refer to three types of businesses: traditional businesses, partial e-business and pure e-business. Figure 1.2.1

As shown in the figure, the authors show how traditional businesses are moving forward, changing their practices, towards either partial e-business or pure e-business frameworks.

Figure 1.2.1: Three types of businesses



Source: (Bremser and Chung, 2005)

Hence, the studies in this group investigate the revolution occurring in BMs triggered by the exploitation of internet and e-commerce. The most cited authors in these topics are: (Amit and Zott, 2001; Teece, 2010; Fichman et al., 2014; Hulland et al., 2007).

### 1.2.2 BMs in high-tech environments

The studies bundled in this category mainly deal with the obstacles and difficulties faced by new ventures and spin-offs in defining a viable BM. The analyses dig for different ways, strategies and modifications regarding BM used to stand out in the competitive arena.

The adaptation of the business model experienced by new entrants is due to the presence of uncertainty and ambiguity - typical of technology-based sectors - regarding technical and market newness (Andries and Debackere, 2006). Indeed evidence shows that minor changes or abandonment of the first business models might be needed. The crucial point is that choosing the right business model from the beginning is difficult, but, adaptation and flexibility are decisive for success. These processes are fostered by knowledge enhancements concerning markets dynamics, competitors and internal processes as well as growth in available information (Andries and Debackere, 2007).

Another key issue new ventures in high-tech environments encounter is deciding the business model that best fit with the technology at the core of the organization. According to the

characteristics of the technology, different BMs are more suitable. Pries and Guild (2011) offer a review of the subject and conclude asserting *"different business models are appropriate in different circumstances and successful business models reflect an appropriate fit between the invention, the inventor, and the commercializing organization."*

Depending on the mix of four characteristics of the technology, namely, legal protection of the technology, the importance of specialized complementary assets, the commercial uncertainty and the technological dynamism associated with the technology the business model is selected among the basic business models for commercializing the technology: creation of a new firm to produce goods or services based on the technology, transfer of all the rights of the technology to an existing firm and retaining ownership of the technology and transferring limited rights to use the technology to existing firms (i.e. licensing) (Pries and Guild, 2011).

The studies grouped in this section highlight the issues faced by start-ups approaching a market for the first time and the importance of integration between core technology and business model. In fact, the higher the fit between these two variables, the better the results the company will provide.

The most cited author in the area are: (Andries and Debackere, 2006, 2007; Doganova and Eyquem-Renault, 2009; Pries and Guild, 2011; Landry et al., 2013).

### 1.2.3 BMI and BMs evolution

This branch of studies is probably the most practical of the group. Indeed, many suggestions concerning how to modify corporate and business strategies to achieve better performances are given. Usually, changes in strategy occur along with improvement or adjustments of the BM.

Business model innovation is mainly done to outperform competitors by creating a sustainable competitive advantage and as Mitchell and Coles (2003) say, *"by 1995, it was clear that the perennial top performers were frequently making fundamental improvements in several dimension of their business model at once... The most effective companies were making these multidimensional business model shifts every two to four years."*

Furthermore, it plays two complementary roles in the innovation realm: it allows to commercialize new ideas and technologies and, it can be a source of innovation itself (Massa and Tucci, 2013). By allowing the exploitation of new technologies and ideas and their subsequent positioning on the market, BM becomes a vehicle for innovation.

As far as the perspective of BM as a innovative tool itself is concerned, the range of the developments can be immeasurable. They range from organisational innovation and process improvements to the development of new products with possible consequences that can reach entire industries.

Different degrees of changement are described by Mitchell and Coles (2003). Business model innovation per se occurs only when the business model replacements enable a company to offer at its customers and end-users products that were previously non available. However these changes must be characterized by novelty or uniqueness.

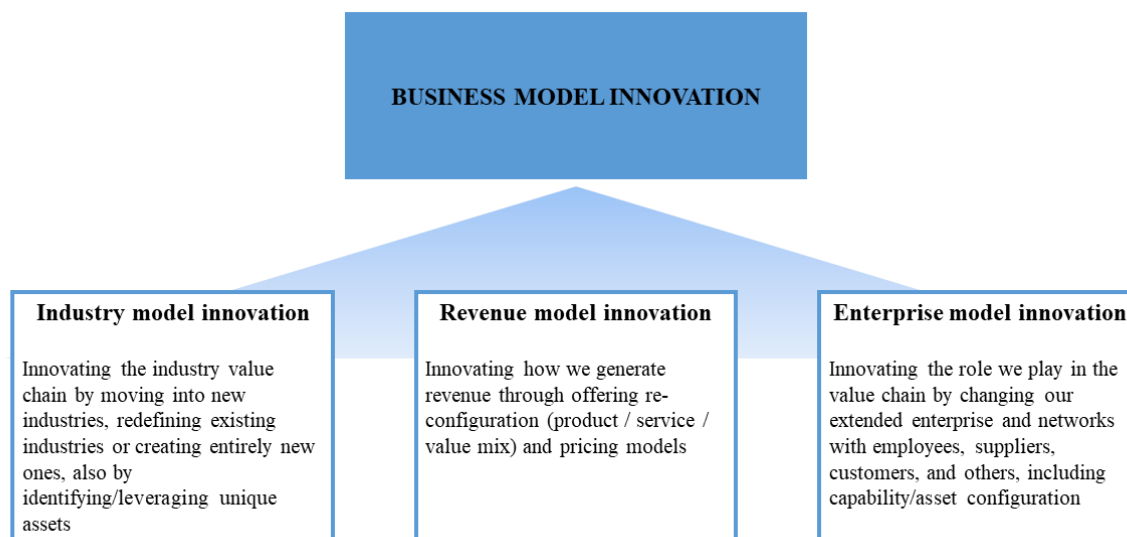
Minor changes, instead, are categorized either as business model improvements (changing a

single element) or as business model replacements that includes the upgrade of at least four of the elements of which the BM is made up of.

Giesen et al. (2007) through a more operational perspective identify three main type of business model innovation: innovations in industry models, in revenue models and in enterprise models.

Figure 1.2.2

Figure 1.2.2: IBM's framework for business model innovation



Source: re-elaborated version from (Giesen et al., 2007)

BM innovation, further branch off enlightening the differences in this process according to the moment in which occurs, whether at the formation of a new enterprise or during its lifetime. We won't go into too much detail on this subject, however, it is noteworthy to point out that BM design is related to the first conception of BM and it is usually linked with entrepreneurial activities, on the other hand, BM reconfiguration deals with renewal in incumbent firms (Massa and Tucci, 2013). Depending on the stage the company is at, it will face different issues that will shape its process and accordingly the outcome.

Among many and apart from the already mentioned authors, the most cited ones, with different topics covered, are: (Priem et al., 2013; Aspara et al., 2013; Christensen et al., 2002; Markides, 2013).

## 1.2.4 BMs and social innovation

This subcategory deals with BMs that blend together the achievement of profits and wider social goals such as environmental or social sustainability. These studies are quite recent and the growing importance that have been gaining since 2010 shaped their evolution.

The articles in this subcategory are further divided into: ecological BMs that include in their projects the reduction of the environmental footprint of economic activities and social BMs which mainly examine topics such as how companies can reorganise their activities and processes to achieve better results in social inclusion and equitable distribution of wealth.

Achieving these objectives involves intentional changes in the company's philosophy, values,



products and practices in order to pursue additional intents to economic ones, thus becoming integrated organizations that operate beyond economic profits by creating social and environmental value (Carayannis et al., 2015). In these cause-driven companies usually owners reinvest profits and surpluses in the business or transfer them to the group of beneficiaries of their services. Hence, these companies have revolutionized the competitive arena by giving more importance to stakeholders rather than shareholders clearly specifying social profit goals (Yunus et al., 2010).

As far as ecological BMs are concerned, firms can accomplish the creation of sustainable value in two different ways: either by embracing practices and processes that minimize the negative impacts on the environment or by developing and commercializing new products or services that aims at the solution of sustainability issues (Massa and Tucci, 2013). Consequently, these changes and additions affects the business model and its foundations. Moreover, sustainable developments provide the structure to innovation, business expansion and growth (Carayannis et al., 2015).

On the other hand, social BMs tries to fix the challenges determined by poverty and wider human suffering. Indeed, their main goal is including in their practices customers belonging to poor areas of the world, the so called "base of the pyramid" (Belussi et al., 2019). These types of organizations seek to solve both big societal problems and to demonstrate revenue sustainability, if not generate profits (Thompson and MacMillan, 2010).

This cluster stresses the importance of changes in the BMs to include goals that go beyond profit such as environmental or social sustainability. Firms that embrace these purposes must therefore improve their BMs while simultaneously triggering innovation and business growth.

Other noteworthy scholars on the subject are: (Zeschky et al., 2011; Phillips et al., 2015; Prahalad, 2012; Santos, 2012).

### **1.2.5 BMs and open innovation**

All the articles and studies grouped in this category hinge around the concept of open innovation conceived by Chesbrough (2006) but in some aspects they overlap with the analyses gathered in the BMI and BM evolution section.

According to this theory innovations do not stem only from internal activities and capabilities within firms' boundaries but cutting-edge companies cherry-pick best ideas, R&D projects and knowledge from outside, implementing them internally with their resources and competencies.

One way that open innovation affects the design of BM is that companies can, by observing or collaborating with the external environment, find more efficient ways to organize their activities and consequently innovate their BM. However, external innovations can either improve companies' performance when adopted or break existing BM by promoting change, which, if implemented late, can be detrimental to business profitability.

Another way is to make the BM able to exploit opportunities coming from outside. Evidence shows that firms characterized by organizational flexibility and willingness to reconfigure its BM collect the most advantages out of open innovation (Saebi and Foss, 2015). Firms for

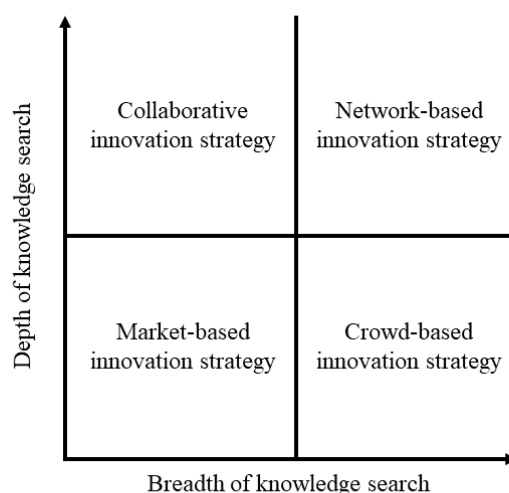
example can incorporate within their business models, in a coopetition lens, their competitors to enhance their value creation and value capture operations (Ritala et al., 2014). By sharing supplementary and complementary resources (coming from outside) a company can avoid conflicts upon value capture and simultaneously perform better in joint value creation.

The orientation towards open innovation is not only a matter of organisational design, but also of improving governance and the development of internal networks, incentive systems, new capabilities and competencies, all aimed at exploiting external sources of knowledge. (Saebi and Foss, 2015).

Moreover a well-defined open innovation strategy is needed to deliver and capture value with external partners (Hiennerth et al., 2011; Vanhaverbeke, 2006). In this context, the latter is the variable that most influence the content, the structure and the governance that define a BM and its key features.

The possible strategies that can be implemented by firms are briefly summarized in the figure 1.2.3.

Figure 1.2.3: Typology of inbound open innovation strategies



Source: re-elaborated version from (Saebi and Foss, 2015)

Depending on the "*breadth of knowledge search*" which identifies the different external sources of knowledge harnessed and on the "*depth of knowledge*" that refers to the intensity of usage of sources of external knowledge, four main strategies are described. Each strategy has a related possible BM configuration that better fits its implementation and influences the value creation process. Indeed, BMs influence the relationships between open innovation strategies and innovation outcomes (Saebi and Foss, 2015).

Therefore, a coherent design of both the incoming open innovation strategy and the business model is needed to make the most of the opportunities offered by the many external knowledge

sources.

Open innovation however brought both positive and negative effects to companies. On the negative side, business models become obsolete and are replaced by new models more quickly, which is why companies often have to reshape the elements of their current BM.

This analysis group underlines the importance of adjustments to the BM triggered by external sources. From the point of view of open innovation, in fact, external knowledge must be incorporated within the company's boundaries in order to collect its benefits and develop a strategy aimed at its exploitation.

The scholars who contributed the most to the development of the theme, considering multiple ways to exploit open innovation, are: as far as crowdsourcing is concerned (Djelassi and Decoopman, 2013), involvement of competitors (Bengtsson and Kock, 2014; Ritala et al., 2014) and for consumers involvement (Grönlund et al., 2010).

### **1.2.6 BMs in services**

Interest in BMs in services started to grow from the beginning of 2000, as the changing needs of customers, no longer interested in goods but rather in services and solutions, triggered many changes in BMs. Thus, customers in this phase had the power to shape the way activities were carried out within firms, upgrading their role from being mere targets of the companies' offerings to co-developers of it, stressing the importance of joint collaborative activities (Grönroos, 2012).

Despite requests from end users, companies are encouraged to move from being manufacturers to service providers to collect the benefits that services have over products in terms of imitation difficulties, thereby strengthening their competitive advantage (Oliva and Kallenberg, 2003). This, however, does not mean that manufacturers should stop to produce their products, but to offer these along with services recognizing the importance of the latter. Anyway, the magnitude of improvements depends on the final aim that the focal firm has in terms of inclusion of services.

The first shift to make to adapt BM to the new nature of service provider mainly hinge on the contacts between end-users and company; these connections no longer have to be based on transactions, but on relationships (Oliva and Kallenberg, 2003).

Whereas the latter change concerns the orientation and final focus of the firm, other improvements to key building blocks of the BM are required.

As far as the revenue model is concerned, service providers should adopt a new way of pricing not reliant anymore on charging any single transaction but, a fixed price covering all services over an agreed period (Oliva and Kallenberg, 2003). This decision will highly influence the value capture aspects.

On the organizational side, the firms that undertook this major switch towards serviziation and showed positive performances used to create a separate business unit to manage the first operations of this transition period. Therefore, according to the business model canvas framework, this adjustment had an impact on the deployment of key activities executed in the firm.

Many more developments regarding for instance: creation of a value-network, new distribution channels and focus of value proposition occur in this shift but the single analysis of each of them goes beyond our scope. However a rapid and clear idea about the transformation of manufacturing companies is offered by Ferreira et al. (2013).

Firms might adopt in the transformation towards a service orientation, four different forms: manufacturing-service company, it is a firm that has just started to bundle services along with physical products; service-manufacturing company, it is still producing products but the priority of its activity is given to services; firms that are moving from manufacturing to service companies instead, used to produce goods but are not involved anymore in this activities usually knowledge-products are sold; ultimately, virtual production companies have completely outsourced or never started producing products, limiting their processes to marketing and product design.

This path that eventually brings to full servitization, shapes BM's elements such as: market offering, technologies and network structure (Mason and Spring, 2011). Network development is crucial and represents much of the reconfiguration because it defines, probably, the most important block of service enterprises, the co-creation of value.<sup>1</sup> The effectiveness of a BM in exploiting the co-creation of value that involves both customers and suppliers lies in the company's ability to link its own configuration with that of the former and in managing relationships with the latter (Ferreira et al., 2013). Finally the solution offered by the service provider is formed by the activities of the triad provider-customer-supplier, which represents the fundamental element of the solution business model (Choi and Wu, 2009).

BM's in this context highlight the features of being not firm-focused but interactive and network-focused with particular attention to connections between actions of the different actors involved (Ferreira et al., 2013).

Others scholars that provide useful knowledge related to the topic are: (Kujala et al., 2010; Storbacka et al., 2013; Anderson and Narus, 1991).

### 1.3 Value creation and appropriation in business models

To examine value creation we should pay attention not only to the focal firm but to the whole value chain it belongs to, from suppliers of raw materials to end users. However value creation is distinct from value appropriation which describes the amount that each single actor involved captures from the transactions. Therefore, each single actor captures only a small amount of value created from the whole chain.

Value creation, although widely used, is not well understood because it has been conceptualized with different definitions. Moreover, another reason that creates confusion around this concept is that it has been examined by different fields of study. A third argument that shed little light on the concept is that with the same term one refers to both the content and the process of value creation (Lepak et al., 2007).

---

<sup>1</sup>For further readings concerning the topic of value co-creation we suggest: (Vargo and Lusch, 2004; Grönroos, 2006; Heinonen et al., 2010).

In order to offer a clear and simple definition of value creation we will stick to the arguments provided by Bowman and Ambrosini (2000). They identify two types of value: use value and exchange value.

Use value refers to the specific qualities perceived by the customer according to its needs and is perceived at a point in time, the decision to purchase. Potential purchasers have to evaluate whether the product elements will satisfy their requirements or not. Moreover these judgments are made before the purchase, perceiving the overall value of the product through beliefs, experiences, needs and wants (Bowman and Ambrosini, 2000). These assessments are highly subjective and vary from customer to customer.

On the other hand, exchange value refers to price, it is the amount paid by the user to the seller for the use value of the object involved in the transaction (Lepak et al., 2007).

Briefly, firms create perceived value and through their sales they will translate it in exchanged value.

To examine how firms create perceived value we have to analyse the internal processes that occur within them. All the companies have different processes, ways to execute actions and therefore can not be compared on this basis. However the underlying basic logic is that firms buy raw materials (including labor and capital), subsequently, these undergo a transformation process and finally are marketed. In these transformation processes, companies add use value to the product.

Porter (1985) indicates as sources of value creation internal activities performed within the firm such as development of new ways of doing things, new methods or technologies or new form of raw materials.

Another perspective, more customer-centric is offered by Priem (2007): *"value creation involves innovation that establishes or increases the consumer's valuation on the benefits of consumption (increases use value)."*

In brief, any process that entails a greater level of novelty and enhancement of perceived benefits which increases customers willingness to pay might be a source of value creation.

Amit and Zott (2001) pinpoint four drivers that contribute to the creation of value within organizations that are typical of e-businesses.

By cutting transaction costs, firms will lower the overall cost of the product making it more valuable to the customers. This type of reduction is made possible through the development of new online distribution channels along with minimization of marketing and communication costs.

The development of complementarities is another feature that helps e-businesses to improve their value creation. Indeed bundling goods together provides a higher value than having the products separately. In addition to a revenue increase, complementarities might help in developing a network of collaborations with other actors in the industry.

Another driver of value creation is identified in the possibility of harnessing lock-in. If customers are willing to engage in repeated transactions the value creating potential increases consequently. Moreover tying consumers to a specific brand, for instance through the establish-

ment of switching costs, represents a mean of developing a sustainable competitive advantage. As already mentioned, novelty is a crucial source of value creation applicable also to e-businesses which revolutionized industries especially in the way they do business and in the structuring of transactions.

Taking into consideration a perspective that stems from neoclassic economists, for the company value is created when the monetary amount exchanged exceeds the manufacturer's costs, whereas customers will only be willing to buy a product when the best alternative will give them less surplus compared to the considered purchase. Without these conditions neither the manufacturer nor the customer will be willing to participate in the transaction. This view further emphasizes the subjective nature of value creation.

Firms, in defining their value proposition must be careful to offer products that are effectively compelling and characterized by high perceived use value. With a careful analysis of its offering, a company can understand its weaknesses and strengths along with the assumed value for the customer. Firms' offering includes five variables to be examined: description, reasoning, life cycle, value level and price level.

Reasoning summarises the arguments on why consumers should retain the value proposition valuable and worth of a purchase. Value creation is a concept that often revolves around customers' actions. It stems from different sources such as: the use of resources in which services play the role of facilitators (Grönroos and Gummerus, 2014); the reduction of consumer risk; the integration of companies offering in the life of customers to facilitate the achievement of their personal goals; the reduction of customer efforts.

Another aspect to take into consideration is the life cycle of an offerings to assess when effectively, in which stage, the offerings create value. Indeed according to Ives et al. (1999)'s model, value creation can occur in any of the 5 stages: value creation, appropriation, consumption, renewal or transfer.

Value propositions are the actual means through which firms compete. An assesment of the value and price of an offering allows firms to discover their positioning respect competitors. Osterwalder and Pigneur (2004) suggest a qualitative scale to perform the comparison concerning the value. By identifying the value and price levels firms can design a value map to evaluate its relative position respect the competitors using the previously mentioned variables.

Another useful tool to achieve an accurate analysis of the value proposition is the value proposition canvas (Osterwalder et al., 2014). This improvement of the traditional business model canvas allows managers and practitioners to focus their attention on the value proposition and the relation between the customer and the actual product or service.

Companies are therefore crucial actors in the process of value creation, however this role does not guarantee that producers are also the players that capture the value. Organizations can lose part of the value created or being forced to share it with other stakeholders. However, certain types of organizations, due to their nature, such as social enterprises, NGOs and charities share the value created to achieve objectives beyond profit. Value appropriation deals with concept as competition, bargaining power and pricing and by these variable is influenced.

Value slippage that is, when the actor that creates value does not retain it, happens on the occasion of high use value but low exchange value (Lepak et al., 2007). Strategic management scholars focus their attention on resource ownership and barriers to imitability. According to this vision, if companies are able to build so-called isolation mechanisms, they will be able to retain most of the value. An isolation mechanism is defined as any knowledge, physical or legal barrier that may prevent replication of the value creation by a competitor. Given that none of the competitors will be able to replicate the offer, the company will choose the price without any constraint and the competition will not erode its profit margins by pushing prices down. In short, competition and the presence of many suppliers of the same product will adversely affect the appropriation of the company's value by increasing the value in use and decreasing the exchange value, forcing the company to share the value created.

However, despite the analyses of competitors, firms should take into account also consumers and suppliers because final profits are determined by the transactions with these fundamental actors. Bargaining power relationships are essential in this context.

On the one hand, customers increase their bargaining power due to the higher number of valid substitutes and lower exchange costs, so that with their decisions they are able to drive prices down and capture more exchange value translated into more surplus (Bowman and Ambrosini, 2000).

Assuming that the company is able (through the tools described above) to maintain a great value from end-users it still has to face suppliers. Power relationships depends on the relative bargaining positions of the actors involved. If the firm is dependent from the supplier, the latter could "hold-up" the firm and be able to obtain a great bulk of value (Bowman and Ambrosini, 2000). On the other side if the firm has many possibilities to find the valuable resources that needs it will position itself on an higher ground respect the supplier and will be able to hold an higher share of value.

In conclusion, companies will have to address three different issues in the processes of value creation and appropriation. First, they must offer a convincing proposal that affects the perceived value of the benefits to customers. Second, they must differentiate their offering and build barriers to imitability to avoid value slippage. Third, they must carefully manage power relationships with both customers and suppliers to avoid low value exchange with the former and value sharing with the latter.

## **1.4 Tools and frameworks to visualize the BM**

As widely described in the previous sections, the business model concept is, despite its usefulness, seldom completely understood. For managers and practitioners this might create serious problems to their businesses and activities.

Various definitions were conceived but none of them has been unanimously accepted, thus creating an environment of doubts around the subject. Moreover, scholars' definitions and statements are usually difficult to understand for a wide audience, leaving some actors behind

in developing and improving their BMs. The adaptation of BM must be fast and effective in reacting to the rapidly changing environments that characterize most industries today, the best way to structure this process is certainly through the suggestions exemplified below.

A visual representation of the building blocks and their interdependencies is often helpful and clarifying for both incumbents' improvement and new ventures' first design of BM. The most spread tools to perform this function is the business model canvas conceived by Osterwalder and Pigneur (2010).

The literature offers another tool to question the business model and define its key features, Morris et al. (2005) indeed, developed a framework for characterizing a business model in a simple, logic and quick way.

Subsequently, despite their similarity, these two tools will be described and analysed, thus offering two practice way to envision the BM.

#### 1.4.1 Business model canvas

Let's consider as the starting point the business model as the scheme through which a company does business and how its shape and configuration influence the firm's operational and physical form (Osterwalder et al., 2005). In a more comprehensive and holistic way the authors Osterwalder et al. (2005) use as foundation for the development of the business model canvas framework this definition : *a business model is a conceptual tool that contains a set of elements and their relationships and allows expressing the business logic of a specific firm. It is a description of the value a company offers to one or several segments of customers and of the architecture of the firm and its network of partners for creating, marketing, and delivering this value and relationship capital, to generate profitable and sustainable revenue streams.*

In order to summarize in a concise and simple representation this complex object, basing their study on the previous literature, they elaborated the business model canvas and its nine building blocks summarized in Fig 1.4.1 and in Table 1.2.

In this way, in addition to a schematic and tangible view of the business model, the BMC provides a better picture of the various relationships that occur within the interconnected blocks. Other positive aspects of this tool range from better communication of business logic, increased information processing capacity and the creation of a common language with stakeholders. The strength of this canvas lies in its simplicity, but being a static portrait of a company is not useful for assessing the consequences of changing environments and variations of either the strategy or the model itself. Moreover, an accurate analysis of each individual block is also necessary to have a seamless understanding.

Let's now review each of the nine building blocks following the insights of Osterwalder and Pigneur (2010) and Osterwalder and Pigneur (2004).

The first pillar, on which all the others are based, is represented by the product that the company offers but, above all, the focus is on the value proposition within it. Value proposition must not be confused with other concepts such as value creation and appropriation, that despite refers to the same core are separated.



Figure 1.4.1: Business model canvas



Source: (Osterwalder and Pigneur, 2010)

Our focal point in this section will be mainly on the value proposition itself and its design. In a nutshell, value proposition is a bundle of benefits provided by the firm to external customers and is based on the capabilities that the focal firm has. It might be a product or a service or even a mix of the two. According to (Kambil et al., 1997) the value proposition describes *"how items of value ... are packaged and offered to fulfill customer needs."* However, this value, addressed to a specific group of consumers, might not be perceived entirely.

Through the value proposition, companies can differentiate themselves and attract more customers who could become loyal over time if managed correctly. Thus, the value proposition guides clients to one company rather than another. Firms should compare with their competitors rather than their products or services the whole value proposition that they are offering and on its base try to innovate and stand out with more valuable solutions.

Value proposition displays the value offered from an aggregate perspective, whereas its elementary offerings describe separately its different aspects (Osterwalder and Pigneur, 2004).

The relevant elements on which a valuable proposition can be based on are countless and there is no exhaustive list of them. Hence managers and firms have multiple ways to design their value proposition.

The second pillar, customer interface, gathers together three concepts that deal with: who the firm is going to offer value to; how is going to do it and reach its end-users; and how to manage the relationships and links with different customers. Shortly, all the dimensions that deals with customer management.

Many improvements in the topics have been tested through the implementation of ICT that

Table 1.2: Nine Business Model Building Blocks

Pillar	Business Model Building Block	Description
Product	Value Proposition	Gives an overall view of a company's bundle of products and services
Customer interface	Target Customer	Describes the segments of customers a company wants to offer value to
	Distribution Channel	Describes the various means of the company to get in touch with its customer segments
	Relationship	Explains the kind of links a company establishes between itself and its different customer segments
Infrastructure Management	Value Configuration	Describes the arrangement of activities and resources
	Core Competency	Outlines the competencies necessary to execute the company's business model
	Partner Network	Portrays the network of cooperative agreements with other companies necessary to efficiently offer and commercialize value
Financial Aspects	Cost Structure	Sums up the monetary consequences of the means employed in the business model
	Revenue Model	Describes the way a company makes money through a variety of revenue flows

Source: (Osterwalder et al., 2005)

allows better exploitation of customer data and understanding of customer behaviour as well as reaching them by mean of new channels (Osterwalder and Pigneur, 2004). Moreover, interactions and relationships management were also highly influenced by the development of new infrastructures such as internet.

Without customers, no company can survive. Customers who buy products or use services profitably are the basis of any business. Among the many consumers who populate the markets, firms only offer their products to a precise group identified through keen examination and market segmentation analyses.

According to the aim that companies have in terms of segment, different approaches to get in touch with the customers and sales strategies emerge. Thus, customer needs are matched with firms' offerings. Defined the target customer, companies need to decide through which channels get in touch with them.

Broadly speaking a distribution channel represents the mean through which the value proposition is deposited in the customer sphere.

Different channels provide different outcomes and the design of the firsts must be defined according to the customer needs as well as the purposes followed by the focal firm in term of speed of delivery and availability of resources, also evaluating the impacts on the cost structure.

In carrying out its activities, a company establishes links and relationships with its customers. However each relation is unique and should be managed properly, customers indeed want one-to-one communications and being involved to positively advocate brands (Kotler et al., 2016).

Hence, relationships are crucial for companies, creating new links or strengthening existing ones can dramatically increase profitability. The management of these links must be careful and tied to the implementation of the strategy in order to enhance sources of income and customer loyalty. Additionally when faced with certain types of users, customer relationship management can be the most important element of the value proposition.

Customers long for continuous and compelling interactions with the firm even after the purchase and post-sale stages, add-on sellings indeed can be very profitable and stems from contacts that last even after the final sale.

The third pillar is represented by the infrastructure management which describes how firms create value and maintain customer relationships (Osterwalder and Pigneur, 2004).

Firms value creation processes involve many actors which can be placed even outside the boundaries of the firm. This block, indeed, highlights which activities are performed within the focal firm and which are instead executed outside by suppliers, partners or complementors.

In this way a concise scheme of the flow of information, resources and the value network is depicted (Andrews and Hahn, 1998). According to the definition of Wallin (2005), capabilities represent *repeatable patterns of action in the use of assets to create, produce, and/or offer products and services to the market*. Value propositions are firstly based on internal capabilities, i.e. the activities that a specific firm does well and allow for differentiation. Indeed, companies specialize in few of them and by developing the ability to combine and harmonize primary abilities they build their core competencies.

Second, the value proposition can rely on the skills and resources of external partners with whom the firm has agreements thus creating a value network (Nalebuff and Brandenburger, 1997). Partnerships take many forms with specific advantages and disadvantages. Depending on the agreement, different levels of integration, dependence and responsibility are borne by the actors involved, thus influencing on which side the power lies and the final outcome.

Specific strategic goals can be achieved through exact partnerships, for instance if a firm wants to enter in a market easily and spread its brand without committing too many resources licensing is suitable whereas to develop a new project and in the meantime learning and gathering new knowledge a joint venture can fit. Moreover enhanced economic performances can be accomplished harnessing partnerships to implement economies of scale or scope. Another reason why firms get involved in collaborating activities is risk, costs and resource sharing to protect themselves in case of negative outcomes.

As for the configuration of values, as already said the value proposition is a mix of external and internal activities, the merging of these variables and the management of the various links describes the value configuration. To illustrate the value creation process within a company the value chain framework (Porter, 2001) is widely spread and used. Hence, value configuration

shows the organization of interdependent activities essential to provide a value proposition.

The last pillar groups together all the economic aspects of the previous seven blocks. Indeed it summarises the cost structure of the business outlining all the costs and, how the company generates revenues.

The most known cost structures that characterize BMs are: cost-driven and value-driven. The former defines BMs that mainly focus on the minimization of costs wherever is possible and on a cost leadership pure strategy thus trying to exploit as much as possible economies of scale. On the other hand, value-driven BMs focus on value creation, differentiation and offering high-end products and services to customers. In this way they follow a differentiation strategy targeting the premium segment.

The revenue model, on the other hand, describes what is the value customers are paying for and how the company captures value by generating a variety of revenue flows with different pricing mechanisms: fixed or dynamic.

Osterwalder and Pigneur (2010) describe seven, non exhaustives, sources of revenue streams.

The easiest one is represented by the sale of an asset, therefore the transaction involving the transferring of an ownership right from the firm to the customer.

The methods called usage fees and subscription fees relate to the use of services, the former with the single use of a service that the more used the more the customer pays, the latter instead derives from the offer of continuous access to a service with periodic payments.

On the opposite of the asset sale there is lending or leasing a product. In this way, the revenue stream stems from granting the exclusive right to use a particular asset for an established period of time in return for a fee.

Whereas licensing enables a revenue stream permitting customers to use intellectual property (usually the brand) under the payment of a licensing fee.

The last two revenue streams are represented by: brokerage fees which generates earnings through intermediation services among two or more parties and advertising that increase a firm's profitability through the collection of fees for advertising products or services.

Despite its clarity and simplicity, BMC is not free from criticism and limits. The main issues are linked with the simplicity of the model, the latter indeed focuses its attention only on the focal firm and does not take into consideration the competitive environment and the market structure. The criticisms summarized by Fauvel (2013) come from different scholars whose papers are no longer available, consequently their names will not be shown in the bibliography but will be added as footnotes. As far as the the application of BMC by young entrepreneurs is concerned, many flaws of the framework appears. The use of BMC omits crucial points regarding general direction and strategic issues. Indeed, business goals are not formulated and KPIs and performance measurements are not considered. Furthermore the canvas is suitable for innovation and first design of a BM but inappropriate for alterations of the existing model.<sup>2</sup>

Another criticism, in line with the previous study on the point concerning the competition side, adds that the canvas excludes strategic purposes along with concepts such as mission and

---

<sup>2</sup>Spanz, G. (2012), "Startup best practice: Business Model Canvas"

vision. As it is arranged, the framework, gives importance only on the financial success as goal that drives entrepreneurs to set up businesses, leaving aside ideals and beliefs that are crucial for social entrepreneurs and NGOs.

Moreover on a more technical perspective, the mixing levels of abstraction of "customer relationships" and "channels" compared to items such as "key activities" and "key resources" lead to emphasizing certain aspects and omitting others.<sup>3</sup>

On the basis of these criticisms, new versions of BMC have been conceived and will be analysed briefly.

The first modification, dubbed Value Model Canvas stresses that this framework, unlike the original, can be used for any kind of organizations (including no-profit and social ones), by eliminating the categories "customer relationships" and "channels" the previously mentioned issue concerning levels of abstraction has been fixed and by adding "key rivals" the competition matter it is no longer present. The canvas is upside down respect the basic version in order to envision that costs and revenues result from the remaining components.<sup>4</sup>

Through a different lens, by shifting the focus on entrepreneurs the Lean BMC was developed. The replacement of four boxes, namely key partners, key activities, key resources and customer relationships respectively with problem, solution, key metrics and unfair advantage represent the basis of this new canvas.<sup>5</sup> Lean BMC is mainly addressed to beginners given its reduced dimension and easy understanding (Fauvel, 2013).

Lastly, by changing the nine blocks into four blocks (allows to have a better way of visualizing the BMC) and adding the words "customer problem/job" to the value proposition block, the so-called Advanced BMC is built.<sup>6</sup>

Different versions of the BMC should not be mutually exclusive. They should be used firstly according to the characteristics of the business, using what is most suitable and secondly in an integrated way to achieve a more holistic understanding of it.

### 1.4.2 Business model integrative framework

After an in-depth analysis of the literature on BMs, Morris et al. (2005) recognized the heterogeneity of the concept and the overwhelming number of definitions given by scholars that seldom brought clarity to the topic.

On this basis, they conceived a framework to help the understanding and ease the characterization of a BM. To deal with the problem of complexity of the BM they developed a structure that is simple, logical, measurable, comprehensive, and operationally meaningful (Morris et al., 2005).

Their framework is divided into three increasingly specific decision-making levels: the foundation level, the proprietary level and the rules level, which branch out further into the basic decision-making areas. This conception of the levels follows the need to combine certain types

---

<sup>3</sup>Kraaijenbrink (2012), "Three shortcomings of the business model canvas"

<sup>4</sup>Kraaijenbrink (2012), "Beyond the business model: The Value Model Canvas"

<sup>5</sup>Maurya, A. (2010), "Why Lean Canvas vs Business Model Canvas?"

<sup>6</sup>King, R. (2010), "Advanced Business Model Canvas"

of decisions with different specificities of distinct business objectives.

At the foundation level, indeed, generic and basic decisions regarding overall aim of the company, what the business is, what is not and global strategic decisions are made.

The elements on which the entrepreneur has to make a decision on this level are: the value proposition, the customers, internal processes and competencies and how the firm makes money (Morris et al., 2005). Additionally, a competitive strategy analysis is performed trying to translate and integrate competencies and value proposition into a competitive advantage in the market.

Determining the value proposition in this stage is addressed by answering to the question "how will the firm create value?". The answers to this question will roughly define the nature of the product/service mix, the role that the firm is playing in the value network and how the offering is delivered to the targeted customers.

The second step is to describe customers for whom the company is creating value. The outcome of this process is influenced by the decisions made in the previous stage, for instance, the position within the value network of the firm will change to whom the firm is creating value whether a customer or industrial end-user. Moreover, marketing analysis will be implemented in relation to the type of customer and its geographical dispersion.

Moving forward, a review of the firm's core competencies and internal capabilities is needed to understand their internal value chain and strengths. These elements lie at the heart of the BM and it is essential to have an accurate understanding of how to exploit them and gain an advantage in the marketplace.

Based on the identified core competencies, firms have to decide the positioning within the market along with how to outperform competitors with their competitive advantage.

As the definition of all these features comes to an end, the entrepreneur should shift its focus on the economic perspective. Consequently, as a result of the choices, a cost structure will emerge. For his new business, on the other hand, a revenue model consistent with the planned strategy must be established. The combination of these two concepts will define an economic model illustrating the basic logic for achieving profits (Linder and Cantrell, 2000).

Lastly, on the foundation level, the time, scope and ambitions that the entrepreneur bears have to be defined. These variables can be summarized in the choice of the investment model (Morris et al., 2006). Adopting a subsistence model brings the entrepreneur to focus on survival and meeting the basic financial obligations. An income model, instead, brings the entrepreneur to invest money and resources to the point of making the business able to generate an income stream for the principals. As ambitions rise investments and commitment increase consequently. Growth model is characterized by a substantial initial investment and recurring considerable reinvestments to obtain further growth and increases in the value of the firm with the final aim of generating capital gains for the investors. The speculative model emphasizes a very short time frame and the goal is to demonstrate the potential of the venture and then sell it.

At the proprietary level, several operational variables are taken into account, at this stage it is decided how to combine the different elements of the BM to obtain an advantageous position

in the market. At this level, the framework loses its strict boundaries (becoming a customizable tool) encouraging entrepreneurs to shape their own value proposition.

The transition from the foundation layer to the proprietary layer highlights how practical elements are included as one moves on to the next layers.

Lastly, the rule level determines the norms to follow in the decision making processes of the previous levels. The set of rules defined in this level enable that the model's foundations and proprietary elements are consistent and reflected in ongoing strategic actions (Morris et al., 2005). Norms can distinguish one firm from another and being a source of competitive advantage.

Respect the BMC this framework includes also organizational issues such as culture and leadership. It is suitable for any new venture to design and analyse its BM and represents the starting point of the development of the intended strategy. Moreover, it captures the ways in which key decision variables are integrated, including the need of having unique combinations, internally consistent (Morris et al., 2006).





# Chapter 2

## Sustainable business models

Improvements in techniques, practices and technologies shape, as mentioned before, the business models characterizing the competitive arena. However, a crucial aspect that, since the 1987 with the Brundtland report of the World Commission on Environment and Development (WCED) has emerged is sustainability.

Following the recommendations contained in *Our Common Future* a growing number of firms decided to take into consideration environmental and social factors in their activities. Apart from the effects that this report had on the economic players by shifting their focus on the so-called triple bottom line (economic, environmental and social factors) considerable repercussions occurred among individuals and the whole society. Politicians as well as institutions have, since then, always been including in their programs projects with environmental or social purposes. Issues such as poverty, wealth inequality, climate changes and environmental footprint came to light, guided customers' choices and put companies in a more informed external environment full of actors such as NGOs ready to complain or shed lights on malpractices concerning these topics.

Slowly, businesses are embracing this new mindset by changing their business models towards more sustainable ones. New ventures are established with clear ecological or social responsibility whereas incumbents adapt their BMs to face these new challenges to gain legitimization or competitive advantage in the market (Bansal and Roth, 2000).

Moreover new eco or social businesses as well as adjustments towards sustainability are, nowadays, one of the main sources of innovation that characterize products, supply chains and business models (Nidumolu et al., 2009).

In the following sections a short but accurate analysis of the notion of sustainability will be provided, subsequently, we will examine the concept of sustainable business model (SBM). Afterwards our focus will shift to sustainable business model innovation and sustainable value creation. Lastly the analysis of a tool to design the business model and promote its innovation with a sustainability oriented perspective, the triple layered business model canvas by Joyce and Paquin (2016), will be offered.

## 2.1 Sustainability at a glance

Rising global population, increasing resource use and environmental impacts show how businesses as usual are not an option for a sustainable future. However despite these problems have known since at least 30 years it is still not common within businesses to value the natural environment and the social context.

To reach a sustainable future, responses to environmental changes should evolve in parallel with economic and social changes (Bocken et al., 2014). With careful redesigning of business practices it will be possible for the majority of the companies to integrate more easily sustainability within their operations and for new start-ups to pursue sustainability goals since their formation, thus supporting a systematic creation of business cases for sustainability (Schaltegger et al., 2012).

The first time that the issue of sustainability concerning the environment and social development gained worldwide importance was during the WCED meeting in 1987. This commission, formed to examine the future economic development, highlighted the importance of environmental and social aspects. The final aim of the report was to spread awareness and guidelines in order to preserve natural resources, avoid ecological degradation and decrease poverty.

Brundtland et al. (1987) refers to sustainable development as: *"the development that meets the needs of the present without compromising the ability of future generations to meet their own needs."*

This definition contains two separate concepts: the concept of needs especially of the poorest populations and the idea of limitations of the use of natural resources defined by the state of the technology and social organization to do not jeopardize future needs. Three aims of sustainable development were also set: improvement of human well-being, more equitable distribution of resources and a development that pursue ecological integrity over intergenerational timescales (Sneddon et al., 2006).

Similarly, *"sustainable development is a process of achievement of human development . . . in an inclusive, connected, equitable, prudent and secure manner"* (Gladwin et al., 1995).

*Our common future* pioneered multiple developments and arguments on the topic that has been enriched since then by different scholars and through global events. Despite the will to reach and inspire broad segments of the global population, particular attention was given to the productive side of the market. Indeed as asserted by Barkemeyer et al. (2014) the private sector has a significant potential to address and overcome a range of social and environmental challenges contributing to current unsustainable situations. Being the productive resources of the economy, companies play a crucial role in the accomplishment of sustainable development. Indeed the private sector can provide financial and human resources along with technologies to support these causes.

Further, a complete change of the laws that currently rule the markets is recommended by some scholars. A shift from the capitalism characterized by overconsumption and degradation of natural resources towards the so called natural capitalism would bring advantages to the society and profits to companies. According to natural capitalism the natural capital of ecosystems

services must be properly valued (Hawken et al., 2013).

This current of thought starts from the acknowledgment of the role that natural resources play in the production processes and in the wider environment. It is true that natural resources such as wood, coal, water are used as raw materials for the production of manifold products, however they also carry out other vital tasks for the survival of the human breed (Hawken et al., 2013). Careless consumption behaviors - without considering natural cycles of renewal - are indeed harmful to the community. Moreover the development of new technologies rendered the extration or exploitation of these resources very easy, pushing the marginal cost close to zero.

New techniques and way through which we carry on businesses can both preserve the ecosystems and be profitable simultaneously respecting the needs of future generations and interests of current shareholders.

To reach these ambitious goals, noteworthy endeavours must be endorsed. First, the academic world has to enrich the topic by providing clear guidelines and removing possible sources of misleading interpretation of the concept of sustainability.

From an operational perspective, measures to define whether an activity can be dubbed as sustainable or not have to be pinpointed.

Furthermore one needs to solve the issue according to which sustainable development is seen as an oxymoron because it proposes an higher industrial output considering scarce resources and limitation to the growth set by the environment (Robinson, 2004).

As far as business practices are regarded four major improvements are required. As noted by Hawken et al. (2013), these changes are all interdependent and fundamental but represent just the beginning of a long way. First of all, companies need to execute precise assesments and analyses concerning the amounts of natural resources they use in their productive processes. This kind of reviews helps to reduce the use of raw materials and triggers cost savings. Hence firms should undertake a process aimed at increasing the productivity of natural resources by reducing waste and pollution sources.

To achieve these goals, companies can make use of two strategies: implementing whole-system design or embrace the use of new clean-technologies. The first option guides managers to approach problems from a more holistic perspective with the goal of finding small changes (without investing in the reconfiguration of the whole infrastructure) that prompt big savings. This new point of view that governs for instance lean manufacturing stems from the concept of expanding returns - saving a large fraction of resources can cost less than saving a small fraction of resources.

Downstream cuts in resource consumption also create considerable savings upstream (e.g. if producing one kg of meat needs 5 liters of water, not producing it will save 5 liters of water which can be used in alternative manners) (Hawken et al., 2013).

Another way to increase the productivity of natural resource is to develop new innovative technologies that cut waste or the ratio amount of raw material used - amount of output produced. New eco-innovations can also represent the basis on which new companies rely

on. In this context, innovations that replicate nature's cycles are those that generate greatest results.

Reducing waste is therefore an opportunity for firms because it allows them to enhance their profitability with considerable costs savings while decreasing harmful activities towards the environment.

The second strategy businesses can implement is to redesign their production following biological models. This step represents the improvement of the previous one. Whereas increasing the productivity of natural resources aims at reducing waste by redesigning production processes according to the circular economy proposals, enterprises pursuing the implementation of biological models processes aspire to prevent waste. By using recycled fibers companies can cut reasonably their demand for raw materials. On the other hand if materials can not be reused in the production they should be transformed in natural nutrients and come back to the ecosystems.

In addition, as third stage, firms should adapt their business models to embrace in all their processes and functions sustainable goals. However these changes might be at the same time profitable and risky but have the potential to rise the commitment towards environment or social activities. One easy option that is currently gaining wide participation, also due to changing customers needs, is to become a service provider rather than a manufacturer that sells products. By providing solutions, consumers do not own the products and save on maintenance costs. On the other hand businesses offer better services, save costs and materials related to expanding production but above all create long-terms relationships with clients.

The last but more challenging action that companies should follow to totally embrace the precepts of natural capitalism is to reinvest in natural capital. This means that firms should develop financially viable plans to protect, sustain and expand the environment because it is the most important and scarce form of capital that they exploit. Although the exploitation of natural resources does not have high direct costs, indirect costs due to over-exploitation (e.g. deforestation or water pollution) are overwhelming both in terms of financial and social costs, with many deaths due to natural disasters. If firms do not invest in natural capital, the latter will become in the future the main limitant factor to growth with severe consequences to the desirable sustainable development.

Albeit the clear effects of climate changes and not equal distribution of wealth across the world the road to a sustainable world is still long. Two of the main factors that hinder this process of transformation towards a more sustainable context are represented by: the inability of governments to agree upon international policies and, the flawed tools that companies use to measure their performance and deploy biased incentives.

The capitalism is still rooted on the idea that people are scarce and nature is not. Updating this mindset following the logic of economizing the scarcest resource would bring many advantages and positive effects.

Achieving a sustainable development is therefore tied not only to firms'activities but also to a cultural change and to the intervention of governments and international authorities. Reforms

of national policies and institutions to reflect sustainability objectives, channelling investment towards environmental assessment, monitoring and restoring natural ecosystems together with stronger international cooperation are just some of the additional elements needed (Sneddon et al., 2006). To date, implemented policies are deemed inadequate not sufficiently integrated with the economic sectors and within decision-making processes. Internationally these policies are even worse executed. According to Lafferty and Meadowcroft (2000): *"governments' performance is both impressive and disappointing. In some ways much more has been done than a skeptic might have anticipated. On the other hand, far less has been achieved than that minimum for which a committed proponent of sustainable development might have hoped"*.

In the next subsection an extensive analysis of the motivations that bring companies to become sustainable will be provided.

### **2.1.1 Why do companies become sustainable?**

Nowadays, a growing number of entrepreneurs decide to set-up sustainable businesses for various reasons. The development of scientific knowledge in the field and the realization of how harmful human activity can be on the environment played an important role in this situation. On the other hand, the protests and the emergence of activists fighting against inequalities and for the affirmation of the primary rights of people in the Third World have revealed critical issues to be resolved at the social level.

Overall, what leads companies to pursue objectives beyond what they seek to achieve most, namely profits? Sustainable companies invest not only in projects that increase their profits but also in a broader range of activities that allow them to achieve an higher goal of preserving the natural environment or fix a set of social problems. Hence their processes are adapted and aimed at the achievement of these while being profitable at the same time. Sustainable businesses are characterized by a complete shift of priorities, profits are important but not the main purpose to look at.

Bansal and Roth (2000) offer a precise analysis of the rationales that lead companies to go green and invest in environmental-friendly technologies. We believe that these motivations can be extended also to the case of social committed enterprises and will be treated as such. In this study the authors examine why firms pursue ecological paths in the execution of their activities. As first reason Bansal and Roth (2000) identify the legislation. companies to avoid fines or bad reputation due to the disclosure of news of non-compliance with laws that preserve the environment or equal pay decide to abide by the established rules. Obviously this motivation is not the pillar of companies that are born sustainable, rather of firm that might begin a evolutionary trajectory towards sustainability through a passive acceptance of the regulation. However with strict regulations doubts about competitiveness of firms arise, because these will raise costs and eventually slow down the development of a more sustainable society (Porter and van der Linde, 1995).

As second reason they identify the pressure carried out by stakeholders. In this context firms are conscious of being surrounded by a wider environment not only formed by competitors and

shareholders, and therefore respect the interests of the community trying to reduce the impact of their activities towards the environment or committing on the enhancement of people social and economic situation. This is one of the foundation pillar of sustainable business models which changes their attention and focus from creating value solely for the shareholders to creating and distributing value for the broader group of stakeholders e.g. local communities. In practice this focus modifies the intrinsic nature of the firm but also all the interests to evaluate in decision-making processes (Bansal and Roth, 2000).

Moreover, being sustainable impacts the competitive performance of the firm. Despite as previously said there are many criticisms against forcing with norms companies to become sustainable, this process fosters innovation, because firms will find new ways to decrease costs or improve the value proposition, further a more careful use of resources will be triggered by paying attention to waste rates with consequently cost reductions.

More specifically, firms by becoming sustainable narrow down the segment of competitors, reposition themselves in the competitive arena and creates new market spaces. Consequently they have higher chances to become leaders and develop a competitive advantage difficult to replicate. Hence, the presence of a positive correlation between corporate eco or social investments and profits is the best incentive for firms to go beyond compliance and commit themselves towards sustainability (Orsato, 2009). Under these circumstances firms implement social or environmental strategies just as a mean to gain better financial performance.

However, companies can do even more, through careful life cycle assessments they monitor impacts on the environment or the improvement of social welfare of their solutions throughout the entire production process. By developing ecological resources and capabilities, as well as management control systems they prepare the ground for long-term profitability potential (Hart, 1995).

The last and more valuable reason that leads firms to become sustainable is that entrepreneurs or more generally top managers feel a sense of responsibility towards the environment or the society. This kind of businesses actively seek to solve issues to spread public benefits driven by the beliefs to "do the right thing". Firms acts according to a sense of obligation for the social good, responsibility or philanthropy (Buchholz, 1991). Leadership and championing by influential managers or stakeholders is therefore crucial in this context and ethical reasons prevail upon financial returns.

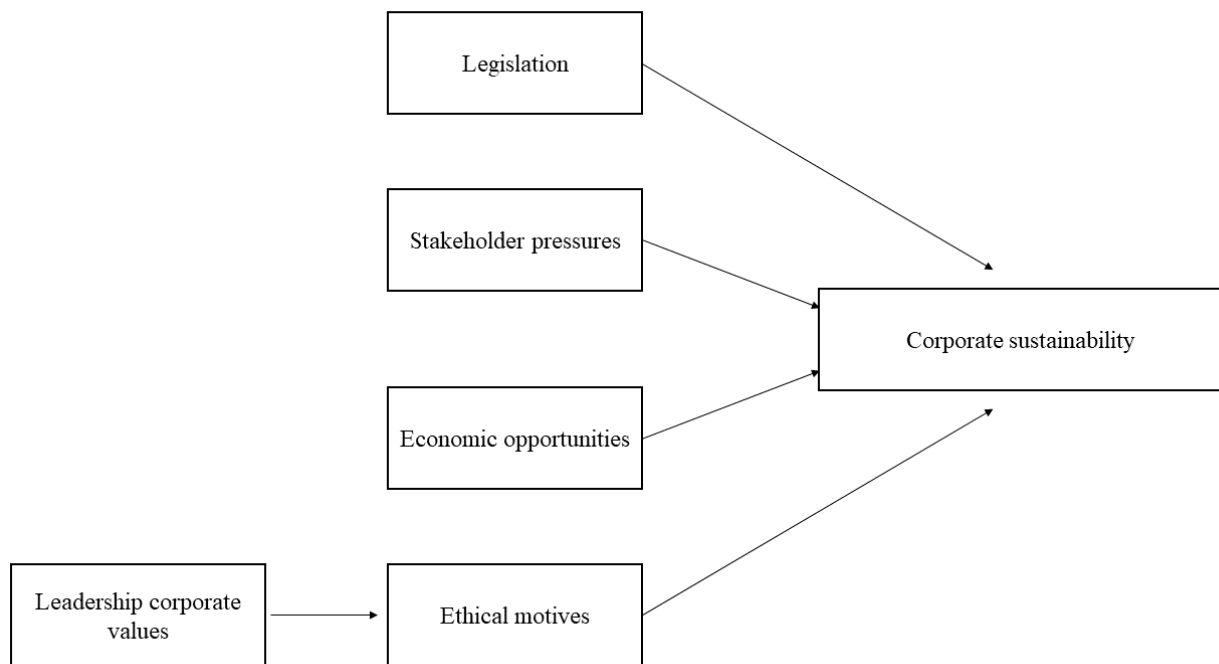
Summing up, different reasons, depicted in Figure 2.1.1, lead firms to embrace sustainability and according to the rationale various degrees of sustainability are achieved.

Starting from the lowest, the mere compliance with regulation brings firms to adapt and adjust their processes and design just to respect the legislation and not incur into strikes or protests that lastly will impact the acceptance by the society.

By aligning stakeholders' interests with those of the firm, companies commit themselves in actions to respect the local communities and integrate their requests not only in terms of satisfied need but also considering social development and respect for the environment.

Also competition is seen as a reason that leads firms to develop more sustainable practices.

Figure 2.1.1: Drivers affecting corporate sustainability



Source: re-elaborated version from (Bansal and Roth, 2000)

Indeed, to become sustainable firms have to develop new technologies or new business models that might place them in an advantage position over their competitors. As long as companies can improve their profitability and establish a non-replicable competitive advantage, they will improve their operations towards sustainability.

However to reach the highest level of sustainability, firms must be driven by an inherent motivation to be responsible to the environment or society. In this case businesses are established to either preserve the environment, doing various activities to decrease the environmental footprint of the economic productive processes, or to increase the social welfare and help to solve issues such as poverty.

In conclusion, these are the main drivers that lead companies to focus on sustainability. The next section will provide a more operational and managerial analysis focused on sustainable business models to describe how these motivations translate into economic activities.

## 2.2 Characterization of SBMs

While many companies are striving to become as ecologically and socially committed as possible, others are consistently facing the challenges of the future, adapting their activities by designing a sustainable business model. Indeed, businesses that integrate corporate sustainability within their organizational's boundaries consider the negative consequences that their activities may have on the environment or the society. The ultimate purpose of firms that are pursuing corporate sustainability goals is to spread positive effects in support of the flourishing of the natural environment and human society (Schaltegger and Wagner, 2011). Empirical

evidence shows that this kind of enterprises are able to address ecological or social problems while enhancing, or at least maintaining, their competitiveness (Schaltegger et al., 2012).

A sustainable firm contributes to the sustainable development, hence it aims at delivering simultaneously economic, social and environmental activities (Hart and Milstein, 2003). However to be defined as sustainable, a company has to be characterized at least by these three features highlighted by Schaltegger et al. (2012):

- the company has to pursue a voluntary and intended activity to settle an ecological or social issue;
- the activity must impact positively the economic performance of the business and these effects can be measured and;
- a convincing argumentation in favour of a deliberate managerial or entrepreneurial choice that has led to the planned social or ecological effects and, the consequences on the economic side.

Yet, integrating all these characteristics into a single economic entity is very challenging. In addition, sustainable entrepreneurs strive to create private and public benefits with their innovations because these need to be commercialised in mass markets to achieve their desired goals, making it even more difficult for them to do so.

Being sustainable despite the economic and growing opportunities in the recent period is not an easy task. Transforming a company whose first goal has always been profit into an economic entity that primarily seeks other broader goals means overturning the neoclassical model with environmental and social priorities (Stubbs and Cocklin, 2008). A sustainable business model is globally affected by sustainability concepts and these are the inherent force of the firm and drive any decision-making process (Stubbs and Cocklin, 2008).

Building a sustainable business model (SBM) is not only a matter of finding a way to pursue profitability through social or ecological activities but of changing the entire view of the firm. In fact, a company is not only part of a wider environment, it is an active part of it and must therefore respect the other actors, avoiding harmful activities and collaborating with stakeholders to achieve the sustainability of the system to which it belongs. Hence, first of all, SBMs need a radical cultural change moving beyond the paradigm "organization as an economic entity" (see Doppelt (2017); Dunphy et al. (2003)).

As the description of BM is characterized by manyfold definitions, the same problem distinguish sustainable business models. SBMs can be conceptualized as a narrative of sustainable practices, a description of features, a list of necessary and sufficient conditions, a firm-level description or some combination of these (Stubbs and Cocklin, 2008).

The same authors conceived one of the first and most influential conceptualization of the sustainable business model. Through the analysis of two companies such as Interface and Bendigo Bank, they developed a description of the main characteristics that must be respected by sustainable businesses, whether ecological or social. These characteristics are: redefining the



business' purpose, reporting financial, environmental and social outcomes, stakeholder view of the firm, strong and focused leadership and retaining and reinvesting local capital.

As previously stressed many times, sustainable businesses follow wider purposes than financial outcomes (shareholder returns and profitability) viewing the latter as facilitators of environmentally or socially sustainable activities. Corporate sustainability is not a supplement of the intended strategy, it is at its core. The rationales that lead firms to engage in sustainable activities were described in the previous section.<sup>1</sup> Changing the main purpose of the firm comes along with the alignment of shareholders', staff's and directors' interests towards those of the stakeholders and to long-term value creation rather than short-term financial dividends.

To achieve sustainable results these have to be recorded and quantified, yet, since they detach from the financial perspective, new (both qualitative and quantitative) KPIs to evaluate the performance must be identified. Corporate social responsibility (referred as CSR) and triple bottom line reporting (referred as TBL) are just the starting point. Moreover distributing this kind of information and reports do not mean that companies are sustainable (Stubbs and Cocklin, 2008). A sustainable business model needs the implementation, within its internal measurement system, of the so-called Sustainability Balanced Scorecard (SBSC) (Lüdeke-Freund et al., 2017). This tool has been developed to integrate non-monetary and qualitative factors regarding the firm's environmental and social performance.

SBSC can be built by integrating within the basic BSC framework (financial perspective, customer perspective, internal business process perspective, innovation and learning perspective) environmental and social aspects. This methodology requires that in the business' strategy environmental and social goals are present with related performance measures. Another technique suggested by Figge et al. (2002) is to add to the already existing perspectives a non-market perspective incorporating ecological and social aspects that guide company's operations.

Another crucial aspect is the stakeholder view of the firm. Sustainable companies should design their business models to foster stakeholder engagement and collaboration. However stakeholder engagement must be properly managed by creating long-term and equal relationships based on trust, honesty and integrity. Not only, companies have to share resources with local communities, invest to enhance their situation and share the captured value. Usually in this context shareholders are very active and present, moreover even though they are not collecting high dividends, local shareholders gain anyway from the activities performed by the firm. In the two examples (Interface and Bendigo Bank) shareholders support the sustainable initiatives and invest in the company for reasons that are not financial.

As stated by Jennings and Zandbergen (1995) "an SBM requires that shareholders', stakeholders' and organizations' values are aligned around sustainability outcomes".

SBMs are built around strong beliefs and the desire of doing the right thing, even if this means striving for the survival of the firm in a more challenging environment. These strong beliefs and values however are the backbone of the entire organization.

Having a leader, usually represented by the founder or the CEO of the firm, strongly committed

---

<sup>1</sup>see section 2.1.1

to the purpose facilitates the diffusion of a culture of sustainability among employees and stakeholders further easing the alignment of interests and values between the company and the external environment. The key of this process is to try to institutionalizing sustainability by influencing key stakeholders (Bansal, 2002).

Considering that SBMs point at being as close as possible to local communities that benefits the services of the firm, these engage in maintaining capital local by working for the "common good" viewing as beneficial multiple stakeholders, cooperating with them and focusing on long-term social and environmental outcomes rather than short-term financial results. Table 2.1 depicts the characteristics of a sustainable business model.

Table 2.1: Characteristics of a Sustainable Business Model

	Economic Characteristics	Environmental Characteristics	Social Characteristics	Multidimensional or Holistic Characteristics
Structural attributes	External bodies that track performance of companies use a triple bottom line (TBL) approach.	Threefold strategy: offsets (do no harm but make amends if you do), sustainable (do no harm), restorative (leave the world better than you found it).	Stakeholder engagement skills: understanding stakeholders' needs and expectations (being relevant to stakeholders)	Systems approach: - cooperative business strategy and planning - collaborative model including supply chain, competitors, government agencies, communities.
	Lobby industry and government for changes to taxation system and legislation to support sustainability.	Closed-loop systems: responsible for product throughout its lifecycle	Educate stakeholders; "relentless" communication.	TBL approach to measure organizational performance
	Keep capital local: local shareholders and investment in local sustainability initiatives.	Implement a services model	Implement stakeholder consultation program	Institutionalise sustainability in the business: "relentless" communication, stakeholder education, leadership, champions and align internal performance measures.
		Industrial ecosystems and stakeholder networks	Get "buy-in" from internal and external stakeholders	Demand-driven model, not supply-driven model (driven by what people need, not driven by companies trying to get people to buy more)
Cultural attributes	Profit is a means not an ends. Business makes a profit to do something more. "Higher purpose" to business than making money	Treat nature as a stakeholder	Stakeholder approach (managing the organization for the benefit of all stakeholders and not prioritizing shareholders' expectations above other stakeholders)	Medium to long-term focus
	Shareholders invest for social & environmental impact reasons as well as for financial reasons		Alignment of stakeholder expectations	Reduction in consumption

Source: (Stubbs and Cocklin, 2008)

### 2.2.1 Sustainable business models definitions and archetypes

The notion of sustainable business model is often used unconsistently, confusing the meaning of sustainable with financially viable (Lüdeke-Freund and Dembek, 2017). Sustainable business model research has been addressed by manifold subjects with different focus such as: the organizational design and culture underpinning an ecological or socially committed firm or the links between SBMs and business success through the implementation of corporate sustainability or business model innovation.

A clear but not precise definition of sustainable business model is: SBMs are a means to help solving ecological, social and economic problems by pursuing normative concepts as sustainable development or social justice (Lüdeke-Freund and Dembek, 2017).

Boons and Lüdeke-Freund (2013) offer another crucial description of SBMs that became a pillar in the research agenda of the topic. Their focus is more centered on the business model itself compared to the analyses conceived by (Stubbs and Cocklin, 2008) that highlighted the characteristics of the organization from a system levels perspective. Following the business model canvas framework by Osterwalder et al. (2005) they identified four normative requirements of a sustainable business model.

The value proposition<sup>2</sup> has to incorporate measurable ecological and/or social goals along with customer value per se and it should be carefully built to balance these two variables. A sustainable value proposition is defined as "a promise on the economic, environmental and social benefits that a firm's offering delivers to customers and society at large, considering both short-term profits and long-term sustainability" (Patala et al., 2016). This requirement entails a deep understanding of the value proposition, indeed the latter is distinguished by an higher level of complexity because the value addressed are numerous and not only referred to customers but to a multitude of stakeholders.

Thus, sustainable firms have a broader organizational responsibility that hinge not only on their final product but on the entire supply chain. In this way sustainable firms seek to collaborate with partners that share the same values.

Being interconnected with all the supply chain actors not only through economic agreements but also by sharing beliefs, sustainable companies are in an advantageous position to spread its values externally. Indeed, customer relationships should be managed with the final goal of increasing the awareness as far as consumptions are regarded by making consumers responsible for their purchases. Therefore, value is not created by firms autonomously, but acting together with external parties (Beattie and Smith, 2013). This mechanism further helps firms to not shift the negative effects on the natural environment or society but creates a sense of solidarity in which also customers are involved and bear the costs and benefits along with the larger group of stakeholders.

The pricing model of SBMs has to change consequently according to their purposes. Indeed, SBMs have to try to reach as many customers as possible and not implementing it with the goal of maximizing the profit margins.

Another perspective on the topic is offered by the article by Upward and Jones (2016) using a "strongly sustainable" point of view. According to this concept, a strongly sustainable business creates not only economic value but also ecological and social taking its embed value network into consideration which implies, a broad and comprehensive idealization of the value proposed, delivered and captured. This holistic view considers the business model as integrated in a wider ecological, societal and economic context (Upward and Jones, 2016). Lastly they introduce a new measure to evaluate the performance of a firm concerning its sustainable activities, such

---

<sup>2</sup>see section 1.4.1 on the BMC

"tri-profit" which incorporates all the forms of value creation in a single gauge.

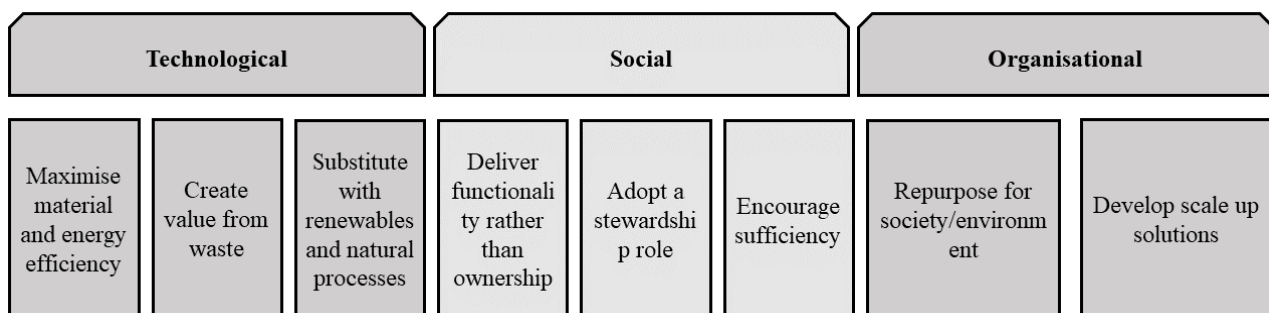
Through a review of the literature concerning sustainable business models a comprehensive definition can be conceived. A business model can be defined as sustainable if:

- there is an explicit sustainability orientation towards either ecological, or social and economic concerns;
- is characterized by an extended notion of value creation incorporating not only economic measures that challenge classic definition of value;
- it highlights an extended notion of value capture in terms of those for whom value is created;
- an explicit emphasis in considering the whole group of organization's stakeholders and not just customers and shareholders and;
- an extended perspective concerning the wider context in which businesses are embodied

Despite in some points this definition is overlapping with the one by Stubbs and Cocklin (2008) it is clear how this one has a specific focus on the elements of the business model.

Bocken et al. (2014) through a precise analysis of: existing literature, examples from practice, identification of themes and relevant categorisations conceived several sustainable business model archetypes. Archetypes are grouped in three main categories according to the scope of the core innovation. The technical group collects archetypes with a dominant technical innovation component, the social group gathers archetypes with a dominant social innovation component, whereas the organisational cluster classify archetypes with a dominant organisational innovation component. The categories with the related archetypes are represented in Fig.2.2.1.

Figure 2.2.1: The sustainable business model archetypes



Source: re-elaborated version from (Bocken et al., 2014)

Now a in depth analysis of each single archetype of sustainable business model will be provided, starting from the technological group, passing from the social group until the organisational one.

The first archetype within the technological group is dubbed "maximise material and energy efficiency" and it is typical of the manufacturing sector. Lean-manufacturing philosophy is the

best example of this business model. Its foundations lie on the idea of increasing the efficiency of the use of natural resources and consequently producing less waste and pollution. This policy has to be spread throughout the whole business and not only in the productive processes, with the final goal of enhancing the value proposition through for instance price reductions (Bocken et al., 2014).

By maximizing material and energy efficiency SBMs seek to reduce the environmental footprint shrinking the demand for raw materials and energy.

The archetype "create value from waste" instead do not aim at reducing waste but to reintroduce them in the economic cycle. Complementarities can be exploited in the value creation processes by using as inputs waste(materials or resources) of other processes. With this mind-set firms try to create value from waste. Close loops infrastructures are the example of these activities pointing at reducing primary extraction and introduction of waste to landfills by shaping production processes so that waste at the end of the use phase of a product can be used to create new value. Another solution to create value from waste is to embrace the concept of industrial symbiosis through which waste outputs are transformed into feedstock for other processes ((Simonis, 1994); (Chertow, 2000)).

The third and last archetype of the technological cluster is dubbed "substitute with renewables and natural processes". Companies linked with this archetype seek, first of all, to reduce their impacts on natural ecosystems and increase business resilience overcoming limits to growth set by the usage of non-renewable resources. As the use of natural resources is uncontrolled and concerns have arisen about the possibility for mankind to survive at this rate, better exploitation of raw materials and replacing them with renewable sources would help to restore the environment. This archetype therefore seeks to reduce the environmental impact of industries by simply replacing limited natural resources with renewable ones. However, many technologies that allow this type of process already exist, but they are not yet economically sustainable because they are too expensive or not as high performing as those that are harmful to the environment.

Two other main methods are used to implement this idea. The first is by including solution with local renewable energy sources such as solar electricity or windmills trying to consume the amount of energy produced by local communities (Evans et al., 2009). The second solution is to utilize environmental-friendly materials and substituting the harmful ones (e.g. chemical dyes with organic dyes).

Let's now move on with the social group. The archetypes gathered together in this category are characterized by innovations that have a social impact.

The first archetype of the group is the "delivery functionality, rather than ownership" and its foundations reside within recent developments concerning servitization. Indeed, firms following the norms of servitization seek to sell solutions rather than products. In this way, providing services and functionalities firms do not transfer any ownership right to the consumer. Products are losing appeal in the market and firms are shifting their offerings towards services that deliver an experience on a pay-per-use basis rather than a physical good. This method reduces

consumption of resources while enhancing the efficiency and improving the reuse of materials. For example Interface that once was selling carpet now adopts a floorcovering service-leasing model, "renting" carpets on a pay-per-use base maintaining the burden of maintainance.

"Adopting a stewardship role" is defined as proactively engaging, collaborating and involving stakeholders to ensure their long-term health and well-being (Bocken et al., 2014). Businesses embodied in this category seek to enhance the social and environmental effects of the firm taking as a point of reference in doing this activities the long-term health and wellbeing of the stakeholders (considering also nature as such). The care that firms put in their operations affect also the entire value network in which they are integrated, therefore the consequences have impacts well-beyond companies' customers and point at the creation of a flourishing society and planet (Jackson and Senker, 2011).

Stewardship can be implemented both upstream or downstream. By doing it upstream firms control their practices and usually certify their sustainability (e.g. stickers on bananas to attest the respect of the rainforest in cultivation or FSC certified wood), whereas downstream stewardship is very common in the food and beverage industry where health-issues related to incorrect consumption of unhealthy products are more frequent. In this context firms engage in awareness campaigns to spread healthier lifestyles.

The last archetype is "encourage sufficiency", enterprises following this seek to reduce consumption and production. The consumistic society in which we are living nowadays is incoherent with sustainable development goals and a review of its norms and behaviours has to take place to foresee a bright future. Firms should therefore pay more attention to their productions but above all consumers must engage in better consumption habits. By reframing consumption behaviours and avoiding overconsumption firms will be triggered to modify their value propositions to satisfy the broader group of stakeholders. Examples of this archetype come from different industries. Energy Saving Companies for instance reduce energy consumption of companies and public buildings and profit from this activity, in the fashion and appliance industry products durability and longevity is enhanced by frequent redesign that slow the replacement cycle. Furthermore, the development of second-hand shops encourage individuals to take care of their products. Lastly, frugal business models that focus on providing products and services to low-income markets take complex and expensive technologies, redesign them to make them available to wider pool of consumer. The redesigns usually deal with eliminating not useful features that lead to savings in materials and energy.

Under the organisational group two archetypes are identified: "re-purpose of the business for society/environment" and "develop scale-up solutions".

The former entail a change in the business culture of profit, deprioritizing economic profit and giving more importance to social and environmental benefits. The importance of the stakeholders is stressed and the focus should be on the larger society not only on the consumers. A drastic shift of the purpose on which firms are based upon will have major effects on the entire system. Changing the goals and final aims towards social and environmental issues foster integration of the firm with local communities and stakeholder groups. Social enterprises are

the striking example of this shift. They are for-profit firms but are driven to fulfill a social mission.

The latter archetype, "develop scale-up solutions", aims at delivering sustainable solutions to mass markets maximizing benefits for the society and the environment. This is the most difficult challenge for a sustainable business especially for social businesses that usually point at poor markets that do not have the availability to exploit the desired technologies.

This archetype was conceived to encourage not only small businesses (that often are rejected by investors) but also multinational companies to begin a path towards sustainability. The impacts that multinationals can have concerning sustainable development is striking. However small businesses need to develop scale-up strategies as collaborative models or franchising to spread their initiatives as much as possible.

All these archetypes provide insights of the sustainable world and will hopefully inspire future entrepreneurs to pursue sustainable goals. It is clear, given the categorization of the archetypes, that to achieve sustainability a great deal of innovation is needed on each of the analysed perspectives: technological, social and organisational. However social issues are underrepresented and examined by other scholars ((Michelini and Fiorentino, 2012); (Dohrmann et al., 2015)).

We will only offer the analysis of the vision of the latter. According to Dohrmann et al. (2015), social entrepreneurship is seen as any operation entailing the efficient combination of resource use and creation of opportunities fostering social changes or meeting social needs. Social value is thus generated satisfying either consumption or employment needs otherwise the needs of society while enhancing social conditions. In their analysis they classify social business models according to two features: the degree to which the firm monetizes social value creation and the level of market revenues generated through the underpinning social mission.

They identify 4 main category of social business model. First the one-sided social mission model characterized by the lowest degree of monetization of social value creation, oriented towards the satisfaction of a consumption need and aimed at a well-defined social target group financing themselves with offer funds and donations by social investors.

The two-sided social mission model instead has an higher degree of monetization of social value creation and address two different social target groups on both sides, consumption and production. The value created is still channelled towards the social mission. In this model the production side offers free productive supplies to satisfy the needs of the consuming group. Funds are gathered through donations of investors and secondary through market revenues.

As third model they conceived the market-oriented social mission. It features a social target group only on the production side which supports on a market-relationship basis the social venture in creating the value proposition. The social firm focuses on the consumption needs of a market target group and therefore the main source of funding slowly shift towards market revenues. Value in this case is created with the social mission not for the social mission as the previous two cases. Briefly, the social productive group satisfies a market group's need for consumption in addition to generating revenue.

Lastly, the commercially utilized social mission. Ventures embodied in this category are characterized by the highest degree of monetization of social value creation utilizing the social mission commercially. In detail a social target group is interested on the social mission and it is used as a input of financial resources to satisfy specific consumption needs of a different market target. Market revenues are produced and substitute supporting donations to the social mission.

The most comprehensive analysis for sustainable business model classification is the one offered by (Lüdeke-Freund et al., 2018). Their analysis was done through different steps using the pattern theory and business model patterns (Alexander, 1977). These steps include literature review, identification of starting pattern and modified Delphi sorting until the association of SBMs groups and patterns to value creation.

According to this taxonomy the concept of sustainable business model pattern is described as follow: *"a sustainable business model pattern describes an ecological, social, and/or economic problem that arise when an organisation aims to create value and it describes the core of a solution to this problem that can be repeatedly applied in a multitude of ways, situations, contexts, and domains. A sustainable business model pattern also describes the design principles, value creating activities, and the arrangements required to provide a useful problem-solution combination."*

The final goal of the study was to offer a classification of patterns of SBMs and linking them with sustainability issues and related solutions highlighting the relationships and features of each models using as theoretical framework the sustainability triangle by Kleine and Von Hauff (2009). Their results can be summarized in Table 2.2

By examining the sustainability triangle, each angle represents one dimension of sustainability such as: contributions or commitment to ecological, social and economic development, whereas the centre represent the integration of all three variables (Fig 2.2.2).

On the other hand Table 2.2 shows the 11 SBM pattern groups associated with the five major categories of value creation and overall a comprehensive taxonomy of 45 SBM patterns. This concentration of knowledge and literature is very useful for different reasons. It summarize a large amount of information of different domains about SBMs showing solutions to ecological, social and economic problems, moreover it can be helpful to inspire practitioners to create or improve new business models. Starting from the 45 identified patterns, these can be used to examine specific sustainability challenges a company faces and the related solution to further encourage entrepreneurs or managers to incorporate sustainability within their firms' boundaries.

Summing up, as the business model concept, defining sustainable business models is not an easy task given the manifold interpretation and perspective utilized by the authors in the examination of the notion. However we offered a rather complete review of the literature beginning from the characterization of Stubbs and Cocklin (2008) passing through the sustainable business model archetypes of Bocken et al. (2014) concluding with the specific identification of 45 SBMs patterns by Lüdeke-Freund et al. (2018).



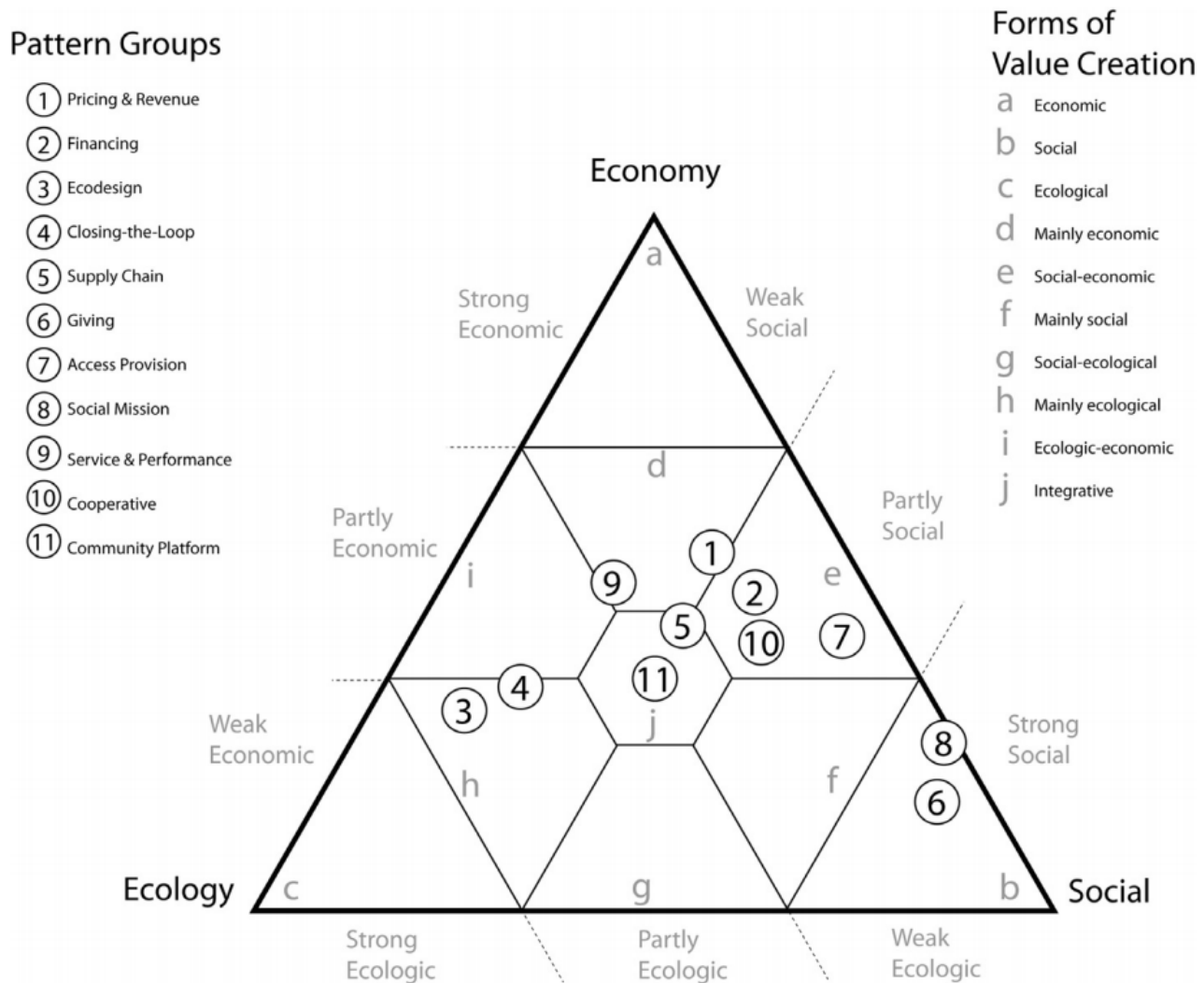
Table 2.2: The sustainable business model pattern taxonomy

Primary associated value creation (group)	SBM pattern groups	Associated value creation (group and pattern)
Mainly economic	G1 Pricing & Revenue Patterns	Primary: mainly economic / Secondary: social-economic
	P1.1 "Differential pricing"	Social-economic
	P1.2 "Freemium"	Social-economic
	P1.3 "Innovative product financing"	Mainly economic
	P1.4 "Subscription model"	Mainly economic
	G9 Service & Performance Patterns	Primary: mainly economic / Secondary: ecologic-economic
	P9.1 "Pay for success"	Mainly economic
	P9.2 "Product-oriented services"	Mainly economic
	P9.3 "Result-oriented services"	Ecologic-economic
	P9.4 "Use-oriented services"	Ecologic-economic
Social-economic	G7 Access Provision Patterns	Primary: social-economic / Secondary: multiple
	P7.1 "Building a marketplace"	Social-economic
	P7.2 "E-transaction platforms"	Social-economic
	P7.3 "Experience-based customer credit"	Social-economic
	P7.4 "Last-mile grid utilities"	Social-economic
	P7.5 "Value-for-money degrees"	Social
	P7.6 "Value-for-money housing"	Mainly social
	G10 Cooperative Patterns	Primary: social-economic / Secondary: none
	P10.1 "Cooperative ownership"	Social-economic
	G2 Financing patterns	Primary: social-economic / Secondary: mainly economic
Social	P2.1 "Crowdfunding"	Mainly economic
	P2.2 "Microfinance"	Social-economic
	P2.3 "Social business model: no dividends"	Social-economic
	G6 Giving Patterns	Primary: social / Secondary: none
	P6.1 "Buy one, give one"	Social
	P6.2 "Commercially utilized social mission"	Social
	G8 Social Mission Patterns	Primary: social / Secondary: social-economic
	P8.1 "Expertise broker"	Social
	P8.2 "Market-oriented social mission"	Social
	P8.3 "One-sided social mission"	Social
Mainly ecological	P8.4 "Social business model: empowerment"	Social-economic
	P8.4 "Two-sided social mission"	Social
	G3 Ecodesign Patterns	Primary: mainly ecological / Secondary: ecologic-economic
	P3.1 "Hybrid model / Gap-exploiter model"	Ecologic-economic
	P3.2 "Market-oriented social mission"	Mainly ecological
	P3.3 "Product design"	Mainly ecological
	P3.4 "Substitute with renewables and natural processes"	Mainly ecological
	G4 Closing-the-Loop Patterns	Primary: mainly ecological / Secondary: ecologic-economic
	P4.1 "Co-production generation"	Ecologic-economic
	P4.2 "Industrial symbiosis"	Ecologic-economic
Integrative	P4.3 "Online waste exchange platform"	Ecologic-economic
	P4.4 "Product recycling"	Ecologic-economic
	P4.5 "Remanufacturing / Next life sales"	Mainly ecological
	P4.6 "Repair"	Mainly ecological
	P4.7 "Reuse"	Mainly ecological
	P4.8 "Take back management"	Mainly ecological
	P4.9 "Upgrading"	Mainly ecological
	G11 Community Platform Patterns	Primary: integrative / Secondary: none
	P11.1 "Sharing business"	Integrative
	G5 Supply Chain Patterns	Primary: integrative / Secondary: multiple
	P5.1 "Green supply chain management"	Mainly ecological
	P5.2 "Inclusive sourcing"	Mainly social
	P5.3 "Micro distribution and retail"	Social-economic
	P5.4 "Physical to virtual"	Mainly economic
	P5.5 "Produce on demand"	Mainly economic
	P5.6 "Shorter supply chains"	Integrative

Source: (Lüdeke-Freund et al., 2018)

A rather present concept within all this literature was the importance of innovation to create winning business models addressing sustainability goals. The next section will be entirely dedicated to this topic, indeed a detailed analysis of sustainable business model innovation will be provided to stress the cutting-edge context of these in addressing future challenges.

Figure 2.2.2: The sustainable business model archetypes



Source: (Kleine and Von Hauff, 2009)

## 2.3 Sustainable business model innovation

As Schumpeter carefully asserted the long-term survival of firms is strictly linked to their innovation activities and ability to: adapt their operations and develop new methods or products to future challenges (Schumpeter and Backhaus, 2003; Schumpeter, 1950). Since sustainable business models for nature seek to solve future challenges their strategies and way to do business must be full of innovations as far as products, operations and business model are concerned. Long-term sustainability can be achieved by developing new capabilities and thinking about new resources that can be used to address social or environmental issues (Hart, 2005). Innovations in the technology realm, in the way of doing business, but above all, in the social context are needed to avoid contributing to the diffusion of the flaws of consumer economies and create new sustainable business models. Hence, business models can be innovated to achieve sustainability goals. Moreover empirical evidence shows that sustainable innovations enhance bottom-line and top-line returns (Nidumolu et al., 2009). This section will provide an analysis of the innovation of the sustainable business model starting from the definition of business

cases for sustainability and their importance in SBM innovation. Then a review of the related corporate sustainability strategies to address the drivers of business cases for sustainability will be provided.

### 2.3.1 The role of business case for sustainability

To examine the notion of sustainable business model innovation we have to introduce new concepts that will allow a better understanding of how firms implement the redesign of the business model following a sustainability-oriented perspective. Both new sustainable initiatives and companies that want to start upgrading their activities towards more sustainable activities must define corporate sustainability strategies to integrate economic sustainability along with environmental and social sustainability (Parnell, 2008). The goal of a business case for sustainability is to implement this integration. The achievement of this integration is linked to adaptation, changes and innovation of the business model.

According to (Schaltegger et al., 2012) *"a business case for sustainability has the purpose to and does realise economic success through voluntary environmental and social activities"*. Links and relationships between business case for sustainability, corporate sustainability strategies and business model must be properly managed and innovated to improve the economic performance of social and environmental initiatives.

The characteristics of a business case for sustainability (which must be respected to aim for business model innovation) mostly overlap with those of a sustainable business model, therefore we will recall them shortly. Three requirements need to be satisfied by a business case for sustainability. First the company has to execute voluntary activities to contribute to social or environmental problems, initiatives that are not only due to adaptation to laws or regulations. Second, the carried activities must create a positive business effect which can be measured. Third a clear and convincing argumentation concerning an implemented management activity that will lead or has led to the planned societal or environmental effects and economic outcomes must be present.

Business cases for sustainability drive decision making processes, strategy development and consequently have to be managed to identify opportunities, integrate financial and meant non-financial activities while always paying attention to the triple bottom line goal. Business cases for sustainability do not randomly appear, they have to be analysed, implemented and managed creating social engagement and contributing to the business and economic success (Schaltegger et al., 2012).

Notwithstanding the ability of companies to seek and exploit new market opportunities, these are not unlimited unless they expand or modify their business models. Business case for sustainability deal with the ability to integrate social or environmental practices within the core business approach of a company. By understanding this, firms can identify future paths of growth and innovation for their business models.

What triggers the identification and subsequent creation of a business case for sustainability are variables dubbed drivers. These drivers directly or indirectly influence the economic success.

Business model innovation is mainly done to enhance profitability through the redesign of the building blocks, while always keeping the approach and strategy of the core business constant. Sustainable business model innovation is in line with these aspects, however, in achieving better economic performances they have to take into consideration the benefits provided on the social or environmental sides. Moreover if a firm does not have a corporate sustainability strategy, it has to implement a winning one that fits with its activities and the external context.

The drivers identified by Schaltegger et al. (2012) are: costs and cost reduction, risk and risk reduction, sales and profit margin, reputation and brand value, attractiveness as employer and innovative capabilities. The first 4 impact directly profitability whereas the last two indirectly. Innovations in the business model must be evaluated according to these variables to assess how they influence the economic performance. We will now analysis singularly each driver.

Applying a sustainability-oriented perspective, cost savings can be tackled with reductions in energy consumption and raw materials or shifting to cleaner productive methods.

As far as risk and risk reduction are concerned through keen implementation of sustainability strategies and green management activities, technical, political, societal and market risks can be decreased.

In a market opportunity exploitation vein, sales and profit margins can be increased selling green products simultaneously improving reputation and brand value.

Instead, as long as companies are made by individuals, the firm that hires the best employees can be in an advantage position. Sustainable firms are usually seen as better employer due to their attention to employees and can thus collect the best talents (Ehnert, 2009).

However, the most important driver for our topic is that of increased capability to innovate. Given the wider purpose of sustainable firms, these engage with various and different stakeholders that can be viewed as useful sources of knowledge to innovate. Moreover to market their technologies, sustainable businesses usually engage in partnerships or collaborative agreements that further increase the possibility to gain useful knowledge Schaltegger and Wagner (2011); Cohen and Winn (2007).

Furthermore drivers external to the businesses' boundaries must be taken into consideration, political initiatives or NGOs activities can affect firms' operations.

Sustainable businesses should design their business model to foster the creation of business cases for sustainability. On a wider perspective, rethinking the competition and collaborations among actors engaged in the value and innovation network will ease this process (Boons and Lüdeke-Freund, 2013). On a micro-level prioritizing sustainability in their corporate strategy making it the main part of the value proposition and creation logic is only the first step towards the previously mentioned objective (Schaltegger et al., 2012).

As sustainability permeates within the corporate culture, more changes to the business model are required, in fact, technologies that are offered by sustainable firms usually come with economic characteristics completely different from traditional technologies (Girotra and Netessine, 2013). Even if they are not characterized by innovations on the product side, sustainable business models need to find new ways to do business due to their special nature. According to

Girotra and Netessine (2013) by identifying inefficiencies regarding information and alignment of incentives, sustainable business models can be either created from the scratch or enhanced. By examining these inefficiencies that influence primarily decision-making processes and consequently the sustainability performance of business models, new way of designing business models elements can emerge. Indeed, decomposing and studying the business models attributes into four key elements, namely: what key decisions are made, when they are made, who makes them and why they are made, stimulates business model innovation. By questioning decisions that were made in the past concerning crucial elements of the business model, changes are more frequent.

The application of the 4Ws model (Girotra and Netessine, 2013) brings managers to be more proactive in reshaping the central blocks of the business model. Indeed: changing the scope of activities or do something different (what), changing the timing or sequence of decisions in a business model (when), still, changing the decision maker subject (who) or modifying goals and incentives on decision maker (why) can lead to innovative business models.

On an operational level, different strategies to address the different drivers can be implemented. Wilson (1975) identifies three main strategies that are all linked with a different degree of business model innovation<sup>3</sup>:

- Defensive strategic behaviour is linked to a low degree of business model innovation. This strategy mainly represent the willingness to comply with legislation to passively react to perceived cost-constraints.
- Accomodative strategy implies a minor modification of internal processes along with a limited consideration of sustainability topics such as: eco-efficiency or occupational health and safety. This kind of strategy moreover incorporate sustainability goals within processes and practices without affecting the revenue logic and the core business though.
- Proactive strategies entirely integrate environmental or social goals within the core business logic. Hence, sustainability is spread in all the building blocks of the business model ranging from the value proposition, the products, the customer relationship management and infrastructure administration, until the revenue logic. Therefore it entails a complete redesign of the business model. With a proactive strategy firms are pursuing simultaneously business and sustainability objectives.

Alteration or enhancement of the business model driven by the implementation of strategies that aim at the execution of environmental or social activities can be conceived as sustainable business model innovation.

Each strategy is related to a different degree of business model innovation, starting from the lowest triggered by the defensive strategy until the highest generated by the proactive strategy. Defensive strategies are related to business model slight adjustments or adaptations to protect the current business model.

---

<sup>3</sup>see section 1.2.3 on BMI

On the other hand proactive strategies lead to complete business model redesign and contribute to the regular creation of business cases for sustainability.

Accommodative strategies embody incremental innovations to the business model.

Whereas a review coherent with the terms utilized to link sustainable strategies to business model innovation is offered by Mitchell and Coles (2003) a specific analysis of sustainable business model innovation is provided by Geissdoerfer et al. (2018).

In their article they identify four types of sustainable business model innovation. First, sustainable start-ups which characterize new ventures entirely dedicated to sustainability goals and created pursuing the precepts of the sustainable business model.

It follows sustainable business model transformation, through which a consolidated business model is transformed to a sustainable one.

Third, sustainable business model diversification that entails the addition of a sustainable business model without compromising or altering the existing one.

Last, sustainable business model acquisition, through a merge and acquisition operation a sustainable business model is identified and incorporated into the organization.

As with the corporate sustainability strategy, all these type of business model innovation aim at implementing certain sustainable business model types and strategies.

Understanding the links between business case for sustainability, corporate sustainability strategy and sustainable business model innovation is crucial to improve sustainability performance. Strategic goals have to be defined taking into consideration the expected degree of business model innovation that is required. Contribution to sustainable development by businesses has to be intertwined with strategic management, corporate sustainability, the definition of performance indicators for environmental and social activities and innovation.

## 2.4 Sustainable value creation

The concept of business model has been often linked to the notion of "value". However given the different nature of sustainable business models compared to traditional business model also this concept has experienced a re-conceptualization. In the traditional view the term value has always been referred to as the realization of economic value (Chesbrough and Rosenbloom, 2002) whereas sustainable businesses aim at creating shared value, thus creating also value for society (Porter and Kramer, 2019).

As stressed by Schaltegger and Wagner (2011) the value creation logic underlying a sustainable business model should integrate social and environmental goals into a more holistic meaning of value.

Sustainable companies are involved in a dense network of stakeholders and point at developing value propositions that simultaneously create value for multiple stakeholders including customers, shareholders, suppliers and partners as well as the environment and society (Bocken et al., 2014). To offer this kind of shared value, sustainable companies should redesign their value propositions and their relationships with the stakeholders further improving the innova-

tiveness of their business model.

Therefore the key elements to evaluate and define to achieve the creation of sustainable value are: the stakeholders network and the value proposition.

As far as the stakeholders network is concerned, to integrate sustainability within a business model one needs a global perspective on both the elements and the interdependences that characterize them. Sustainable companies in performing their activities rely on a value network that facilitate creating sustainable value towards the achievement of a common goal (Borgatti and Foster, 2003). A value network therefore plays a crucial role in creating sustainable value because, involved organizations engage in value exchanges (that can be both tangible or intangible) to achieve economic, social or environmental good (Allee, 2008). Hence, the value proposition of a sustainable firm has to be defined to create value for all the participants in the network (customers, suppliers, society, nature).

However, firms need to find succesfull ways to engage with these stakeholders establishing new governance mechanisms (Evans et al., 2017). Baldassarre et al. (2017) offers an analysis of how to develop a sustainable value proposition combining technological advancements with deep understanding of consumer needs. This process hinge on two main concepts: sustainable business model innovation and user-driven innovation practices.

The development of a sustainable value proposition is a long and hard process based on trial and errors as well as interactions with stakeholders to integrate seamless economic and sustainability goals. This balance and the involvement of stakeholders are really critical variables to manage in order to create shared value (Porter and Kramer, 2019). Moreover, in addition to a holistic view of value creation, this perspective is required also as far as value proposition is concerned. Benefits and costs of the customers have to be combined with those of the firm and of a multitude of stakeholders including the environment and society (Lenssen et al., 2013). Fig 2.4.1 depicts the building blocks of a sustainable value proposition: a network of stakeholder, addressing a sustainability problem and developing a product/service that tackles this problem considering the stakeholders.

Figure 2.4.1: Sustainable value



Source: (Baldassarre et al., 2017)

To design a sustainable value proposition, first of all, the stakeholder network must be consulted on the basis of same-level relationships. Indeed the core elements of the proposition must be discussed and defined with the customers. In this way, firms gain on two aspects,

the value proposition will better fit customers' needs and, on the other hand, discussion foster knowledge sharing and potentially innovation.

The second step of the process is to reflect about the sustainability problem by redefining it according to the observations coming from the extended stakeholders network, thinking forward to a possible product/service that should create shared value for the network.

Finally, testing the product/service offered and rapidly verifying/adapting its core features to effectively achieve the creation of shared value among the stakeholders.

By offering a sustainable value proposition, companies achieve their goal of optimizing their influence on the society while grounding solid basis for future long-term success. By working through a shared value perspective, firms can yield astonishing results in strengthening local clusters of suppliers or other institution with greater economic value and benefits for all participants (Porter and Kramer, 2019). The connection between stakeholders and firms can be very rooted and a self-reinforcing loop, if businesses can rely on an healthy community success will be easier and a successful local firm will provide jobs and wealth creation to local communities.

## **2.5 Triple layered business model canvas**

In the previous chapter we offered a tool, namely the business model canvas by Osterwalder and Pigneur (2010) that can not be implemented to visualize sustainable business model canvas because does not consider environmental and social factors. Joyce and Paquin (2016) extended the original version of the business model canvas adding two layers the environmental layer based on a lifecycle perspective and a social layer based on a stakeholder perspective. Fig 2.5.1 and Fig 2.5.2 show the two new layers since the economic one has been already analysed in the previous chapter. In addition to simplify the visualization of the business model, this framework highlights how firms contribute to the creation of different type of values: economic, environmental and social and supports innovative creations of new sustainable business models.

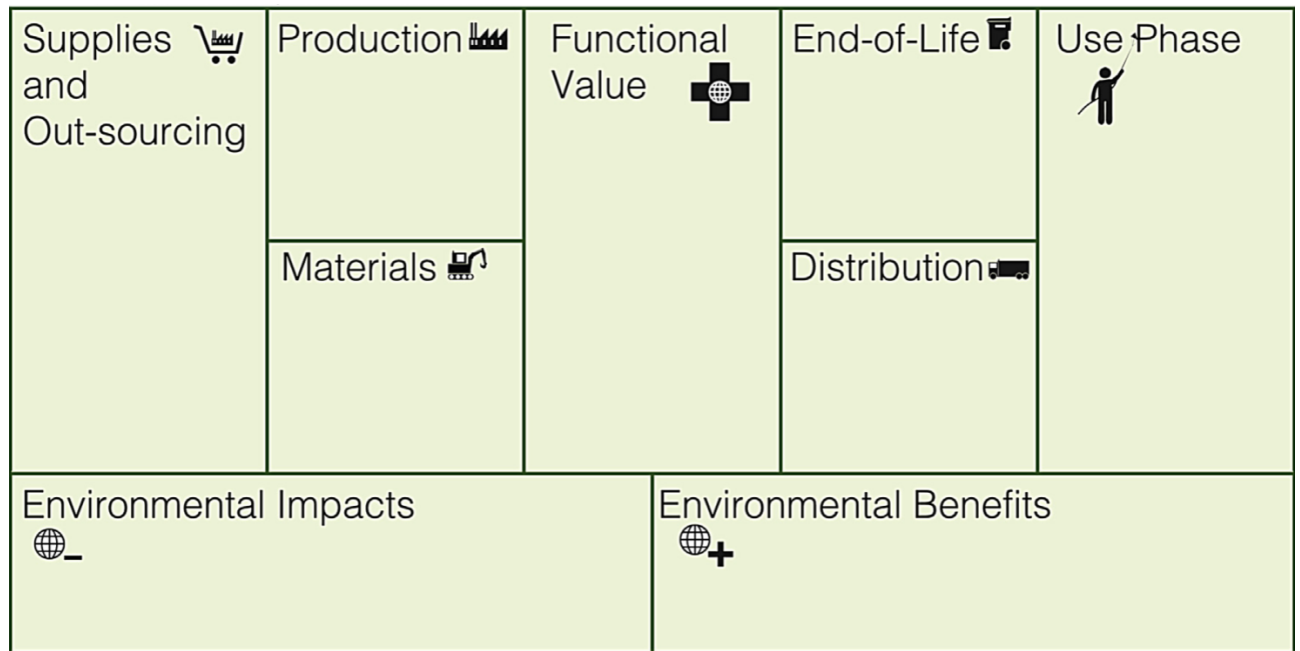
Whereas in the previous model, environmental and social factors are hidden behind the "profit first" perspective, this new tool pursuing a triple bottom line orientation integrates environmental and social values along with economic features. Each dimension has its own dedicated layer that, combined with the other two, allows to have a holistic understanding of corporate sustainability (Joyce and Paquin, 2016). The interdependences of these parallel layers are outlined providing in this way "vertical" coherence within each canvas layer to support the TBL perspective.

### **2.5.1 Environmental layer**

The environmental layer of the triple layered business model canvas is based upon a life cycle assesment of the environmental impacts over the full life-cycle of the products offered by the focal firm. It aims at offering a clear analysis of the environmental impacts of the firm's

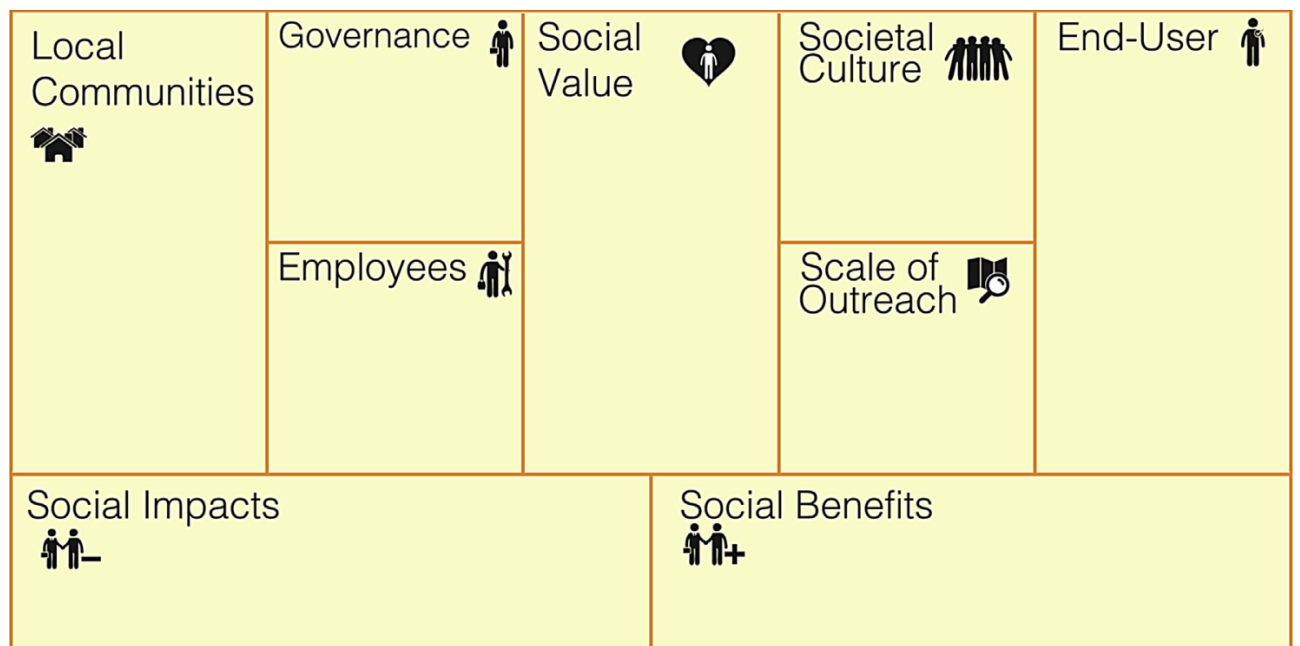


Figure 2.5.1: Environmental layer



Source: (Joyce and Paquin, 2016)

Figure 2.5.2: Social layer



Source: (Joyce and Paquin, 2016)

activities. Sustainable firms point at achieving more environmental benefits than externalities. With the use of this tool any company can discover its strengths or weaknesses to focus on in future developments.

The environmental layer is made by nine different components. The functional value lies at the core of the environmental layer. It illustrates the main outputs of the focal firm (either as a product or as a service) through a quantitative analysis considering it as a functional unit in a LCA. It is the most important element because it serves as point of

reference in evaluating the implementation of new potential business models.

On the productive side of the operations, the materials block represents the category key resources of the original business model canvas. Given that listing all the materials used by a manufacturer or by a service provider is rather difficult, it is only important to outline the key materials that have an environmental impact.

As far as the production block is concerned, this element summarises and extends the same concepts of the block "key activities" of the original framework capturing the operations that the firm executes to create value. As with the previous element (materials), the focus is only on the central key activities of the organization which have high environmental impacts.

Pointing outside the core activities performed by the focal firm, supplies and outsourcing component describes all the other various material and production activities that are necessary but not unique of the firm (Porter, 1985). Another perspective used to understand this element is that it takes into account all the operations that are performed in-house against all those that are outsourced. Examples of this kind of activities in this context are energy or water usage.

As in the original business model canvas, distribution incorporates analyses concerning the transportation of goods or the mean through which services are made available to the market. Through distribution, firms enable the access to its functional value and within the environmental layer variables such as transportation modes, distance travelled and so on are evaluated to assess their environmental footprint.

The use phase pinpoints the impacts that client's consumption activities (concerning focal firm's product/services) have on the natural ecosystems. It considers for instance maintenance or material resource and energy use in the consumption of the functional value.

End-of-life component concerns all the activities that should be performed by the firm at the end of the consumption phase of the final user. Recycling, remanufacturing and disassembly are just few of the activities that enlarge company's responsibility towards the environment beyond the initially conceived value of its products.

The environmental impacts block, as the cost structure on the original framework, addresses the ecological costs of the firm's activities. Whereas traditional businesses refer to their impacts as financial costs, sustainable businesses evaluate its costs including ecological ones. Indicators summarizing ecological costs can be e.g. CO<sub>2</sub> emissions, energy consumption, water usage and so forth. Through these metrics companies can figure out areas in which can reduce their environmental impacts.

Opposed to environmental impacts we find environmental benefits. This category highlights the commitment of the firm in extending the concept of value, creating different type of it. Indeed it considers ecological value that the focal firm creates by reducing the impacts or positively affecting the restoration of the natural ecosystems.

## 2.5.2 Social layer

The social layer is based on a stakeholder management approach to evaluate firm's impacts on the social context. Through this perspective, to contribute to TBL goals, companies try to align their objectives to those of the stakeholders thus creating value for local communities and not only for the firm and shareholders in the form of financial dividends. Thus, by extending the original business model canvas, firms, can consider their social impacts and understand the mutual influences with stakeholders. As the economic and environmental layers, the social layer is made by nine different components.

The core of the social layer is represented by the social value. It includes aspects of an organization's mission focused on creating positive effects for its stakeholders, but more generally for society.

Within the stakeholders of a firms there are also employees. Indeed, human resources are considered highly valuable and thus a core characteristic of a firm. In this component elements related to employees-oriented programs and initiatives aimed at enhancing working conditions are outlined. However given the broad spectrum of activities that can be implemented to achieve these goals, firms should focus only on the aspects which are most important for the support and growth of the company business model.

The organizational structure as well as decision-making processes of an organization highly affects which stakeholders' interests will be embraced the most and which stakeholders will be more often consulted. According to the governance and the organizational structure, how organizations engage stakeholders in creating social value varies.

Social businesses are very sensitive to the development of local communities. The component "communities" summarises the social mutually beneficial relationships built with suppliers and local communities.

Sustainable businesses aim at making an impact in the broader society. The potential impacts of an organization on society is recapped in the social culture component. This element is closely linked to the concept of sustainable value, describing how the focal firm with its operations can spread positive benefits to the society (Steurer et al., 2005). NGOs can also be included in this element since with their activities can have a strong influence on businesses.

As previously said, sustainable firms aim at building long-term and mutually beneficial relationships with their stakeholders. The "scale of outreach" block describes the depth and breadth of these relationships. This component suggests to manage stakeholder relationships correctly (considering different cultures) by focusing on the geographical impacts and on the social objective.

The block "end-user" allows firms to analyse how the value proposition they are offering is consumed by end-users and how it satisfies the needs of end-users enhancing their quality of life or social situation.

Social impacts and social benefits respectively measures the social costs and social benefits produced by the focal firm. However a long-lasting problem of the measurement of these variables is that a consensus on what to consider and how to quantify has not been found yet.

Benoît-Norris et al. (2011) provide a set of indicators that can be used but any firm can create its own that best fit with their operations.

In conclusion, the TLBMC serves two main purposes, it can be used to visualize the current business model of sustainability-oriented companies and it helps users to innovate the BM towards more sustainable organizational actions.

These changes are made through a easy two-step approach. In the first the framework is used to analyse and evaluate the firm's current business model thus gaining a clear understanding of the activities performed and the environmental and social impacts that these have. Subsequently, using as basis the previous step, practitioners can reimagine the business model and creating new ones.

## Part II

# Communication for sustainability and B Corps



# Chapter 3

## Communication as a value driver and differentiation source

### 3.1 Sustainability marketing

Sustainable business models stand out from the competition for their activities and their focus but also through the marketing strategies that implement. Indeed by conveying their outstanding results in term of environment and societal commitment they attract more responsible consumers and reposition themselves in the competitive arena. Whereas "normal" sustainable businesses can rely only on the communication of their values and respect of stakeholders' interests, B Corps also have the opportunity to publicize their certification.

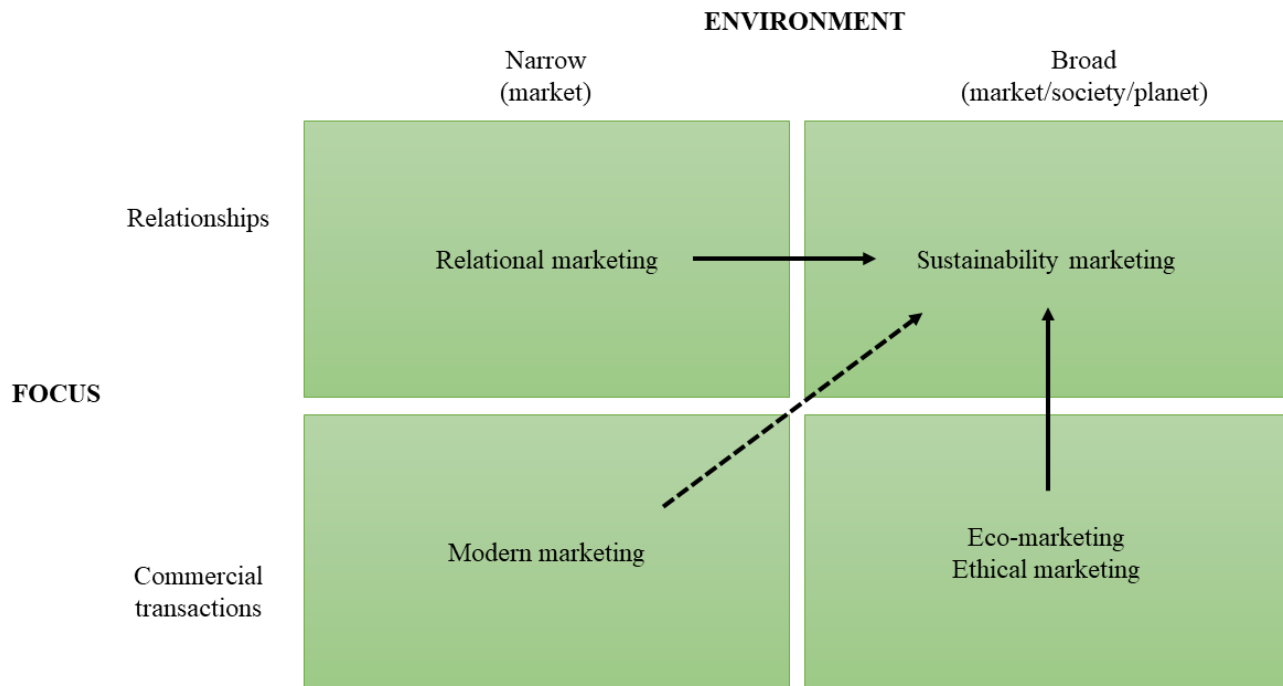
Corporate image and media advertising represent a crucial part of the implementation of the intentions embodied in the CSR (Cox, 2008). Despite the majority of sustainable businesses overlook communication, it must be an integral part of the operations performed by the firm. With the emergence of internet and information technologies, marketing has gained even more importance and companies have to adopt sustainability in strategic practices and in the marketing mix. In the next sections we will provide a brief analysis of the literature concerning sustainability marketing, communication for sustainability and the related tools, subsequently the focus will be shifted on sustainable communication considering a more operational perspective. Lastly, an analysis of an example of sustainable communication, the B Corps certification, will be provided.

#### 3.1.1 Literature review

The emergence of sustainability as management topic influenced the organization of the firm as well as its marketing strategies to achieve growth and development. A long-term perspective and moral and ethical principles must be embed in the marketing philosophy. The transaction towards sustainability marketing is represented in Fig. 3.1.1

The goal of marketing is to gain a competitive advantage and, since the emergence of sustainability, this has been one of the main drivers leading to better and durable performances.

Figure 3.1.1: Transaction towards sustainability marketing



Source: (Peattie and Belz, 2010)

Kotler and Zaltman (1971) coined, for the first time the concept social marketing, laying the foundations for future advances. *"Social marketing is the design, implementation, and control of programs calculated to influence the acceptability of social ideas and involving considerations of product planning, pricing, communication, distribution, and marketing research"*. This notion is far from the recent sustainability marketing, however envisaged the importance of wider factors than only those based on the productive side.

Afterwards, ecological marketing emerged as stream in the academic context. According to the conceptualization of Fisk (1974) ecological marketing acknowledges the presence of an ecological crisis and prompts marketers to act responsibly to avoid this. Beginning from this, ecological marketing has seen various improvements, above all the one provided by Henion and Kinnear (1976), always centered on the importance of integrating ecology and pollution within marketing strategies (Kumar et al., 2012).

The natural evolution of ecological marketing has been green marketing (Menon and Menon, 1997). The importance of natural environment was further outlined by this notion. Marketing should no longer only consider ecological or pollution issues, it should aim at the preservation, protection and conservation of it (Mintu and Lozada, 1993). Furthermore with a strategic perspective, green marketing points at improving corporate performance pushing towards environmentally friendly operations and behaviours of the focal firm (Van Dam and Apeldoorn, 1996).

In the beginning of the 2000 marketing's focus (that has always been directed towards the productive side) shifted in the direction of the consumers. Subsequently the importance of themes such as social, ethical and environmental considerations in marketing activities emerged and became the foundation of societal marketing (Kotler and Lee, 2008). However societal



marketing was just the beginning of the path towards sustainability inclusion. Sustainable development indeed requires that the needs of future generations are not jeopardized and that sustainability-based value is created, communicated and delivered to customers (Kumar et al., 2012). Sustainability marketing therefore is based on the foundations of SBMs and should enhance the opportunity in creating sustainable value, building long term relationships and spreading benefits for the society and the environment.

By including these factors in marketing strategies the potential to generate opportunities from superior social and environmental performance increases along with the possibility to generate competitive advantage (Peattie and Belz, 2010). Large companies are also adapting to this new perspective to improve consumers' perception of them.

In short, sustainability marketing includes maintaining long-term customer relationships and taking into account the social and natural environment.

Moreover, it requires the development of innovative thinking from both managers and scholars in: treating socio-ecological problems not as constraints but as starting-point of marketing operations, understanding the consumer behaviour holistically and in reconceptualizing the old-fashioned marketing mix and 4Ps model (Peattie and Belz, 2010). We will now analyse these concepts shortly.

Environmental and social issues have always been treated as externalities and limits by conventional marketing theories and are not considered at all by these. Sustainability marketing aim at overcoming these consolidated norms.

It includes not only customers in its plans but also other people and natural species taking into consideration the formers not only as customers but as an heterogeneous group with multiple and potentially conflicting wants concerning the use of products within their community (Peattie and Belz, 2010).

Ecological and social issues are addressed not as constraints but as drivers for long-term profitability and growth in order to reduce the impact of current consumption and productive activities to respect future generations needs.

This intersection between socio-ecological problems and economic profitability describes the basis on which sustainability marketing can best be applied and promotes innovation as well as satisfaction of stakeholder needs.

Customers have to be analysed with a more holistic perspective as real and complex people (Eden et al., 2008). In this way marketing should not only focus on the purchase act but on the entire product's life cycle, considering the environmental and social impacts of the products also in the consumption and usage phases.

4Ps model is linked with an old approach to marketing, producer-oriented, focused only on end-users and careless about a wider environment. Sustainability marketing proposes a reconfiguration of the 4Ps model in the 4Cs model:

- Customer solutions: on the ground that consumers buy goods or services to solve problems related to a want or need, sustainable products or services simultaneously solve the customer problem and socio-ecological issues. Products or services are dubbed as sustain-

able when satisfy a customer needs and improve social and environmental performance along the life cycle (Peattie, 1995).

- **Consumer Cost:** price should be calculated not only considering the producer costs and the willingness to pay of the customers. From the customer perspective indeed the price is just one item of the total customer cost that include financial and non financial measures such as acquiring, recycling and disposing the product or the transaction costs of time and effort. Therefore these variables should be considered by the firm in the determination of the price.
- **Convenience:** the delivery system must be convenient for customers and nowadays where time is the most scarce resource of the latter, convenience is highly valued. This point has always been challenging for sustainability marketing adopters because it is often experienced a trade-off between environmental performance and convenience (Peattie and Belz, 2010).
- **Communication:** sustainability marketing promotes the importance of two-way communication with stakeholders. Communication is more important than traditional marketing practices because with this, environmental and social performance is publicized and awareness is spread among the public with the aim of inspiring them towards a more sustainable lifestyle.

Emboding sustainability in marketing practices conserve the natural resources by reducing the degradation of ecosystems but is also a competitive advantage source and can prompt cost savings and innovation. Responsible customers should first be targeted and then, after market researches, design a sustainability marketing mix to address new segments and provide better sustainable services/products at better prices. Marketing will therefore be characterized as: ecologically oriented, viable from a technical and economic competitiveness perspective, ethical in respecting stakeholders interest and addressing social issues and lastly, relationship based.

### **3.1.2 Sustainable communication**

As sustainability issues are gaining importance in the society, firms are adapting their communication methods to exploit these in a strategic lense. Indeed the context characterized by stakeholder activism, free flow of information, long-term sustainability demand in which firms are included, requests a proper way to communicate CSR achievements to internal and external stakeholders (Amaladoss and Manohar, 2013).

Communication concerning CSR achievement gained importance due to the emphasis placed on environmental and social issues, moreover it has to be integrated in both strategic and operation marketing activities to inspire internal stakeholders (i.e. employees) and gain legitimacy externally. Communication thus represents a fundamental strategic tools and without a careful internal implementation, goals of making the organization more sustainable would be hard to achieve, on the other hand, if sustainable firms lack in external communication with partners,

customers and the whole community they will face losses in terms of sales and legitimacy (Genç, 2017).

Obtaining integration, consistency and coordination between used tools, strategic objectives and company's behaviour is fundamental.

Reporting, external communication, corporate sustainability, decision-making processes, mission and values have to be aligned to reach high performance in sustainability issues.

The CSR communication topic is very fragmented covering themes as marketing, public relations, communication and business and management studies (Golob et al., 2013). Furthermore the same topic is divided in categories and sub-categories that shed lights on different perspective of the sustainable communication. Notwithstanding this feature, all the studies highlight the vital role played by communicating CSR in SBMs.

Considering the manifold definitions given to CSR the one offered by Matten and Moon (2008) is perhaps the easiest to understand. They state that CSR consists of planned and communicated policies and strategies of companies which reflect business responsibility for some of the wider societal good.

Companies that engage in corporate social disclosure activities aim at increase transparency, enhance brand value, reputation and legitimacy by conveying information that are not only financial but deals with many themes gathered in the macro-category of environmental or social sustainability (Herzig and Schaltegger, 2006). The willingness to achieve legitimacy from a social perspective is however seen by the majority of the scholars as the primary purpose of the disclosure of social and environmental information (Lindblom, 1994).

Compared to the first social reports used to communicate this kind of information, nowadays the instrument used to reach the audience are manifold and deal with new media, blogs and community sourced information (Baker and Schaltegger, 2015).

Sustainable communication must be based on a process of mutual understanding between stakeholders and companies that fosters participation in decision-making processes and exchanges of common orientations (Godemann and Michelsen, 2011). Hence, from the companies' perspective this type of communication relies on values and norms concerning social themes. Despite selfish interests such as gaining reputation and legitimacy, firms aim at bringing to light causes and consequences of problems which steams from human activities, building awareness on these issues and addressing individuals towards future paths of sustainable development. Thus, communication about sustainability is also a way to communicate knowledge.

Sustainable communication however has specific features, due to its nature, which makes it more difficult to manage. Newig et al. (2013) makes the point on it asserting that:

- sustainability issues are characterized by high levels of complexity and uncertainty. Scientific development is crucial in defining which activities can be harmful for the ecosystems;
- sustainability goals are ambivalent and entail conflicts of interest and values. Thus communication must define a common understanding about values to be respected and goals to be pursued and;

- the implementation of sustainable development initiatives is reliant on dispersed societal actors on multiple decision-making levels

Companies that want to communicate their commitment towards the society or the environment use different levers. They point at fostering word-of-mouth to affect consumers' lifestyles and exploit viral and online communications that are crucial nowadays.

Second, sustainable communication have to empower people in order to inspire them to pursue their personal goals and enhance their conditions. Moreover educational programs and individual engagement promote the development of a sustainable society.

These three levers are the main to exploit in engaging in sustainable communications. It is clear that this type of communication is very different respect the commercial one focused on the products, sustainable communication requires a deep-rooted knowledge of the stakeholders and audience recipient of the messages.

Sustainable communication, as previously said - and will be deepened later - can be executed through different means, besides different degrees of commitment towards sustainable communication are identified and summarized by Genç (2017).

Starting with the lowest degree of commitment, companies can implement *communication about sustainability*, which mainly refers to information communication, opinions sharing and discussion processes. This kind of communication is crucial to lay the foundation for future developments regarding the topic as well as establishing a common understanding and perception of sustainability issues with the stakeholders.

Moving forward, firms can engage in *communication of sustainability* which has more managerial and business-related implications. Indeed, the sender of the messages, usually an organization, follows a clear goal of communication. Companies may pursue this kind of communication to defend or legitimize their behaviour regarding environmental and social practices. Effectiveness of *communication of sustainability*, can be assessed through the achievement of the desired outcome.

At the highest level of commitment one find *communication for sustainability*, which focuses not merely on providing information and raising awareness respect sustainability, it emphasizes and establishes societal transformation on the basis of the goals of sustainable development described in the Brundtland report (Brundtland et al., 1987).

Albeit these definitions are very similar, the distinction is made to highlight the possible growth process concerning communication in a sustainable context.

Among the many tools that companies use to implement sustainable communication there are three that are the most important: annual meetings, reporting and certification. All these communication methods are meant to influence society's perception about a company's behaviour (Montecchia et al., 2016). However self-laudatory tools might not deliver the expected results and thus should be avoided by companies in order to not waste money and resources in non-virtuous communications.

Regardless the methodology used to communicate (internally or externally), the flow of information must be credible to influence the perception concerning sustainable activities. Compared

to non-credible communications which are characterized by being opaques and omit relevant information, credible ones in addition to be transparent, deliver detailed and updated information fostering discussion and opinion sharing with stakeholders (Allen, 2016a). Non-credible information end-up being labeled as greenwashing<sup>1</sup> and detrimental for the firm.

As first and easier way to communicate firm's sustainable performance, top management uses the annual general meeting in which the majority of influential stakeholders are gathered and can ask questions and pose doubts about the company's activities Allen (2016a).

Moving forward, firms to signal their commitment towards CSR goals publish sustainability reports (Ferns et al., 2008). However, the abundancy of different non-financial reports has created a state of confusion in which many information overlaps and create a lack of coherence. These reports with clear measures and indexes present the company's values and sustainable way of doing business are slowly losing importance in the communication with the stakeholders. By using synthetic indexes companies can more easily measure their achievements concerning triple bottom goals and communicate having a strong numerical evidence. If conceived to produce only "statements of facts", social reporting communicates to a passive audience that everything is fine leaving no room for discussion and dialog to the interested stakeholders (Stiller and Daub, 2007). In order to make these reports convincing and attractive to stakeholders, they must address the inherent conflicts and trade-offs between profit and social mission that surely occur in implementing a sustainable business model (Mitchell et al., 2012).

Whereas the first sustainability reports were focused on compliance disclosure and usually in response to environmental disasters, today they are more rigorous, including sections on sustainability policy implementation and employee perspective on the analysed issues.

CSR reports are spread among industries due to the fact that these are documents attached to the balance sheets also by firms that are not purely sustainable. As a stronger measure to demonstrate commitment to environmental and social causes, companies can voluntarily apply for certifications. These certifications testify that the firm respects sustainability standards set by third-party organizations. One of the most important certification concerning social and environmental sustainability that firms can obtain is B Corps certification, issued by B Lab. B Corps' goal is to use the power of business as a force for good. The certification process and the salient features of certified B Corps will be examined in the next section of this chapter.

Regardless the methodology used to communicate, firms have to strategically communicate with their stakeholders and adapt their messages to the needs and characteristic of the latters. In this regard, von Kutzschenbach and Brønn (2006) believe that sustainability communication requires a systemic approach to achieve increased understanding between the interested parts. To achieve effective communication, companies should develop internal and external capabilities that allow building short-term accuracy and increase long-term levels of agreement (Allen, 2016a). The creation of a platform to engage in a dialogue and exchange feedbacks is fundamental to obtain the previously mentioned goals. In addition, according to the features of the communication method the management of the latter will be different. Communicating in

---

<sup>1</sup>Green values are communicated to make the firm more appealing. These campaigns and practices are implemented to cover unsustainable corporate activities.

a situation of true consensus in which both agree compared to a situation of conflict is very different.

Moreover relationships with suppliers or other actors involved in the supply chain are crucial and communication is a fundamental part of their management. If stakeholders are engaged in a compelling manner within a collaborative context the final outcomes will be better. Indeed communication can be used to achieve control, cooperation and enhance trust in the external environment.

### **3.1.3 The benefits of communication**

Corporate sustainability therefore is not only about the implementation of sustainable practices but is heavily reliant on communication which is an integral part of the operations. Hence, communication activities can be used strategically to inform about CSR, support firms' identity or reputation and obtaining consent from stakeholders. According to the tools chosen to communicate with stakeholders the exercised influence and understanding of these will be different. The design of the communication flow shapes the organizational form of the company on both intra- and inter-organisational perspectives (Golob et al., 2013).

Furthermore CSR communication creates expectations and bind companies to partially idealistic promises thus creating possible sources of conflicts and arguments with stakeholders. Corporate sustainability communication (CSC) is a versatile tool that can be used for various motivations but must be managed properly. It can be leveraged to achieve sustainability management objectives, improve the company's image, help maintain a license to operate, increase trust and credibility among customers, and finally, put pressure on institutions to obtain more favorable conditions in which to operate. All elements along with the aftereffects on the financial market (improved ratings in financial rankings) which can be clustered in the category of business case (Signitzer and Prexl, 2007).

Using a marketing perspective, CSC can be seen as a tool to achieve marketing goals and complementar to other communication initiatives. CSC can be used to build relationships with stakeholders that care about sustainability and enhance sales of sustainable products. Moreover given that marketing is not only a function focused on the external dimension, CSC can be adopted to inspire employees towards future sustainable orientation and consequently making business processes more sustainable.

In addition CSC gives the best results supporting public issues and ethical development. Indeed CSC can have a direct impact on sustainable development and guide local communities towards more sustainable form of activities. For example, by promoting educational campaigns to reduce the use of chemicals or harmful products, CSC can simultaneously increase the company's sales, deliver knowledge and lead customers towards more responsible forms of consumption that benefit everyone.

These three categories summarise the motivations and drivers that lay behind the willingness of the firm to implement CSC initiatives.

From a narrower management perspective, depending on how a company acts strategically

in relation to social issues such as ecological degradation and the fair distribution of wealth, there will be consequences for the legitimacy of the organization in the eyes of stakeholders. According to Suchman (1995), legitimacy is defined as: *"a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions"*.

Communication is crucial to respect the implied social contract, between firms and stakeholders, on which companies rely on. Indeed if firms execute socially desired actions, stakeholders will always sustain them. However when stakeholders expects something that an organization can not deliver a threat on the survival of the company will arise. As long as companies can manage properly this gap they will not have any problem and keep on with their activities.

Nowadays, with all the available information that overwhelm the society, local communities expect firms to be attentive to their environmental and social impacts, which is why organisations implement CSC operations. The effects on legitimacy will mirror directly on firm's reputation in the industry.

Firms should therefore take into consideration all these aspects while communicating their achievements in terms of CSR because currently, sustainability issues can be a life or death factor of companies' activities. It seems clear that any firm that is implementing sustainable activities should, along with its core operations engage in proactive communication with its external environment, despite this recommendation many firms are still lacking valuable communication. In the next section the challenges that organizations face in communicating will be analysed.

### **3.1.4 Implicit and explicit CSR communication**

According to the context within a company belongs to, CSR communication strategies vary. Given that CSR commitments are voluntary and usually linked to local communities, ways to engage with them are also driven by the culture and values embraced by the society (Amaladoss and Manohar, 2013). Indeed in some cultures it is believed that doing good deeds in a discreet way is better than doing them for publicity Amaladoss and Manohar (2013).

Furthermore the role that CSR communication plays also influence how firms engage with stakeholders. By having a strategic focus, firms with their communications try to influence the stakeholders to achieve a specific goal (Habermas et al., 1984). Using a CSR perspective in communications entails to sharing messages to underline the good actions of the firm and self-presenting the sustainability features and social commitment of the company.

On the other hand, CSR communications employed to promotes cooperation is dubbed communicative. The goal of this kind of information exchanges is to find a common understanding and agreements on crucial environmental and social issues, thus defining courses of action of the enterprises.

The need of the companies to have a clear understanding of their audience and how to present information puts them in a situation of conflict whether communicating CSR achievements through implicit methods or explicit ones.

Communication indeed is made through verbal and non verbal channels to stimulate improved social actions, taking a particular perspective and creating certain values and not others (Allen, 2016b; Christensen et al., 2013). The differences between explicit and implicit CSR were first defined by (Matten and Moon, 2008). In their article they describe explicit CSR as: *corporate policies that assume and articulate responsibility for some societal interests which usually consist of voluntary programs and strategies that combine social and business value addressing issues perceived as being part of the social responsibility of the firm*. On the other hand, implicit CSR is described as: *corporations' role within the wider formal and informal institutions for society's interests and concerns. It usually consist of values and norms that result in requirements for companies to address stakeholder issues*.

Whereas public disclosure are stated outside the organization and form expectations, more informal declaration among organizational members, despite the proven outcomes, do not put companies on the spotlight. Moreover producing public CSR reports or campaign creates effects that go beyond simple sustainability claims, indeed, explicit CSR transforms the social situation (Morsing and Spence, 2019). Especially small and medium firms prefer implicit CSR communication compared to big companies that usually lean towards explicit communications. However the utilization of only one of them can be risky and a tight link between corporate CSR talk and corporate CSR behaviors is fundamental to being perceived as trustworthy in CSR communication, these two types of CSR communication should, indeed, co-exist.

The main features of these two different kind of communication are summarized in Table 3.1.

Table 3.1: Implicit CSR communication and explicit CSR communication

	Implicit CSR communication	Explicit CSR communication
CSR communication rationality	Values. Beliefs of founder, integrity, and ethos is expressed in practices and norms, local/industry reputation, word-of-mouth	Strategic. Corporate branding, CSR reports, webpages, corporate vision statements, codes of conduct, standards certification
Primary stakeholder orientation of CSR	Orientated towards employees, families, and local community, customers and suppliers	Orientated towards national and international authorities, customers and suppliers
Contextualization of CSR communication	Culturally dependent communication, defined by founder, proximity, "close to home"	Standardized responses to external expectations, adherence to CSR standards and guidelines, defined by external authorities
Formality of communication about CSR practices	Informal dialogue, engaging with stakeholders, personalized nature of communication	Formalized into codes of conduct that are assumed to apply across organizational geographical boundaries

Source:(Morsing and Spence, 2019)

Despite not visible, implicit communication is powerful and avoid to incur in problems such as greenwashing or NGOs' protests. Implicit communication embraces communicative practices that are more informal and orientated towards employees, local communities and families (Morsing and Spence, 2019). Dialogue, face-to-face interactions and word-of-mouth campaigns are the core of implicit communication and aim to reach the understanding of different stakehold-



ers, outlining a pronounced communicative perspective unlike explicit communication which is characterized by a strategic approach.

The two approaches differ not only in the used methods but also in the pursued intents. As far as used methods are concerned, explicit CSR communicates policies and practices to stakeholders whereas implicit CSR do not describe implemented activities.

Concerning pursued intents, explicit CSR is the result of deliberate, voluntary and very often strategic decision, implicit CSR on the other hand is rather a reaction to or reflection of the institutional environment of the company (Matten and Moon, 2008). In spite of not disclosing claims, companies pursuing implicit CSR are acting responsibly.

In recent years, however, explicit communication is advancing at the expense of implicit communication also due to the common belief among companies that being quiet will not solve any sustainability problem, whereas being honest while communicating about what you are doing will have better results (Allen, 2016b).

Even in European markets which have always been characterized by careful explicit communication and massive application of implicit communication the shift is happening. This change is however having impactful reflections especially on SMEs characterized by the significant use of implicit communication. In the context of supply chains, lead firms, or more generally big companies are asking to small enterprises to make more explicit their sustainable claims putting a lot of pressure on SME managers which reluctantly are changing their tacit *modus operandi* (Morsing and Spence, 2019). In this way SMEs are stuck in a conflict situation where they are forced to respect the requirements by the lead firm, while keeping their personalized form of communication with stakeholders, that has always distinguished them, to not disappoint the latter's expectations.

All in all, the decision between explicit and implicit CSR communication is very difficult and obviously very important for sustainable firms. Drastically shifting from implicit to explicit might be harmful because firms will lose their proximity to stakeholders, however, explicit communication if not associated with sustainable behaviors would prove to be detrimental as well, in addition, stakeholders' trust in the company would suffer.

The use of one or the other depends on the context in which companies are surrounded, taking into account the characteristics and needs of stakeholders and the actions of competitors.

### **3.1.5 Challenges faced by organization in sustainable communication**

Despite the high importance and outcomes that can be collected through communication, many firms are not executing at all or are not managing properly this fundamental activity. Being sustainability a communication problem, firms that define themselves as sustainable by not exploiting the power of communication are basically wasting time, efforts and resources in their causes. Moreover by not communicating, drawbacks will also hit internal activities and employees' motivation.

The two main challenges that organization face in sustainable communication are: fear of

speaking out and the possibility that recipients of their messages do not process these. As far as the first challenge is concerned, top-management boards hesitate in communicating sustainability activities because they fear a negative reaction by stakeholders that might perceive this communication effort as greenwashing or self-serving. On the other hand, Peloza et al. (2012) state that by beginning communication of sustainable activities, firms start to create expectations in the eyes of the stakeholders that will become more alert to these topics and ask even more commitment towards the society or the environment. In this way if firms are not able to satisfy the increasing needs of sustainability showed by the stakeholders, they could suffer a great loss of reputation and legitimacy.

Second, the rankings of companies according to their sustainability performance implemented by rating agencies are usually very detailed, technical and not easily understood by stakeholders (Allen, 2016b). The latter are often not able to interpret this information and miss valuable messages. Even worse, this context leads stakeholders to not correctly identify outstanding companies in terms of sustainability.

In order to be compelling, messages should motivate stakeholders to draw conclusions and make judgments, but above all, a message should be personally meaningful (Allen, 2016b). All these features of the messages can be detected by the stakeholders only if these have the ability to interpret the message otherwise communication will not be considered at all.

Firms, given the nature of sustainability issues, fear that by being too specific and offering too detailed information will not allow stakeholders to interpret the conveyed information.

## 3.2 Overview of B corps

The rising awareness concerning environmental and social issues brought many firms to adapt their activities towards sustainability. Moreover many new firms and sustainable entrepreneurs are established to create value that includes economic and non-economic gains for the individuals, the economy and the society (Shepherd and Patzelt, 2011).

New organizational forms emerged, among which that of B Corps, described as for-profit, socially obligated, corporate form of business, with traditional corporate characteristics but with societal commitments (Hiller, 2013). All the B corps are characterized by a sustainable business model but it is not true the contrary, indeed not all the sustainable businesses are B corps.

To further outline their commitment towards societal and environmental issues, B Corps receive a certification, issued by B Lab, thus demonstrating their commitment towards sustainability and stakeholders by completing an assessment prepared by B Lab. Since the beginning of the process of certifying them in 2007 (at date more than 3500 companies are approved as such) the B Corps industry experienced important growth rates that attracted the attention of many investors and scholars.

In the next section the concept of B Corps will be analysed, in addition a short description of the certification process will be provided. Subsequently the reasons why a firms should become a B Corps will be examined and lastly the effect that adopting the B corps form has on the

business model, in particular in terms of innovation and communication.

### 3.2.1 What is a certified b corp?

Certified B corps are businesses combining elements of markets and social logics which meet the highest standards of verified social and environmental performance, public transparency and legal accountability to balance profit and purpose (B Lab, 2020). Furthermore, B Corps can be defined as a new form of sustainable venture method given that the certification influence the activities and operations that can be performed but also the brand reputation. Being embedded in the theme of sustainable entrepreneurship, the concept of B Corps shares all the pillars of the sustainable business model in terms of their social or environmental commitment, respect for broader stakeholder groups and the objective of maximising social benefits and not financial profits.

The certification is provided by the B Lab non-for profit organization through a careful and comprehensive assesment of all the aspects of social and environmental performance. Therefore, being a B corps is not a legal form, but just being part of an elitarian group of firms that share the same beliefs. Despite these features B corps modify their articles of incorporation in unique ways including the importance of stakeholders in the fiduciary duties of directors. If these amendaments are not possible, by agreeing on the Term Sheet, certified B Corps agree upon a contract binding them to take into account stakeholders' needs (Hiller, 2013).

The certification process is costly and time-consuming, hence firms decide to undertake it also for financial reasons despite their main purpose is not making profits. Considering that efforts towards sustainability have not been clearly inserted in pre-existing categories of firm, interested audience identify sustainable businesses through labels and the certification by a third party organization is a solid strategy to be recognized (Grimes, 2010).

As stated in their website (B Lab, 2020), being a B corporations means believing in:

- committing themselves in being the change that they seek in the world
- conducting all the businesses as if people and place mattered
- do not harm anyone through their products, practices and profits; aspiring to spread benefits for all
- acting with the understanding of being dependent upon another therefore responsible for each other and future generations

The points outline some of the guidelines that need to be respected to achieve a sustainable development (Brundtland et al., 1987).

By selecting only the best companies in terms of their performance concerning corporate responsibility in several key areas, B Lab seeks "systemic change" (Hiller, 2013). To encourage this holistic change, B Lab differentiates social positive actions from marketing ploys and provides solutions for prioritizing the creation of shared value for all stakeholders at the expenses of

current market laws that aim at financial returns.

Apart from the certification, indeed, B Lab fosters responsible investment trying to direct investors towards sustainable businesses (through the institution of the Global Impact Investing Rating System) and promotes a new legal business entity that is socially purposeful, accountable and transparent (B Lab, 2020)<sup>2</sup>.

Inherent with their nature, B corps aim at contributing to change market conditions and government policies that currently rule our economic systems. By lobbying governments and undertaking educational and communication initiatives they try to convert investors, businesses and the media. More in detail with their awareness campaigns B Lab and singular B corps try to share the values, beliefs and the model which characterize them, towards the embracement of a better way to do business (Stubbs, 2017b).

Usually B corps are confused with benefit corporations. While the former, as previously described, identify firms that attain the certification by B Lab to outline their outstanding outcomes as socially and environmentally committed businesses, the latter define a legal form of a corporation. Benefit corporations are therefore legal entities that, through the voluntary decision to incorporate as such, adopt a declaration (in the memorandum of association) that further binds them to specific duties. Among these duties stand out the commitment to a public benefit and the duty of directors to consider a broader spectrum of interest beyond shareholder profit (Hiller, 2013). Commonalities and differences are summarized in Table 3.2.

Table 3.2: Benefit corporations vs Certified B Corps

Theme	Benefit corporation	Certified B Corp
Accountability	Directors are required to consider impact on all stakeholders	Same
Transparency	Must publish public report of overall social and environmental performance assessed against a third party standard	Same
Performance	Self-reported	Must achieve minimum verified score on B Impact Assessment
Availability	Available for corporations only in 30 U.S. states and D.C., Italy, Colombia, British Columbia	Available to every business regardless of corporate structure, state, or country of incorporation
Cost	State filling fees from \$70-\$200*	B Lab certification fees from \$500 to \$50.000/year, based on revenues
Role of B Lab	Developed Model Legislation, works for its passage and use, offers free reporting tool to meet transparency requirements; No role in oversight	Certifying body, offering access to Certified B Corporation logo, portfolio of services, and vibrant community of practice among B Corps

\* incorporation fees for USA

Source: <https://benefitcorp.net>

Despite this phenomenon of benefit corporation was born in the USA, it has spread very quickly worldwide and nowadays Italy too has a legislation for benefit corporations included in

<sup>2</sup><https://bcorporation.net/b-economy>

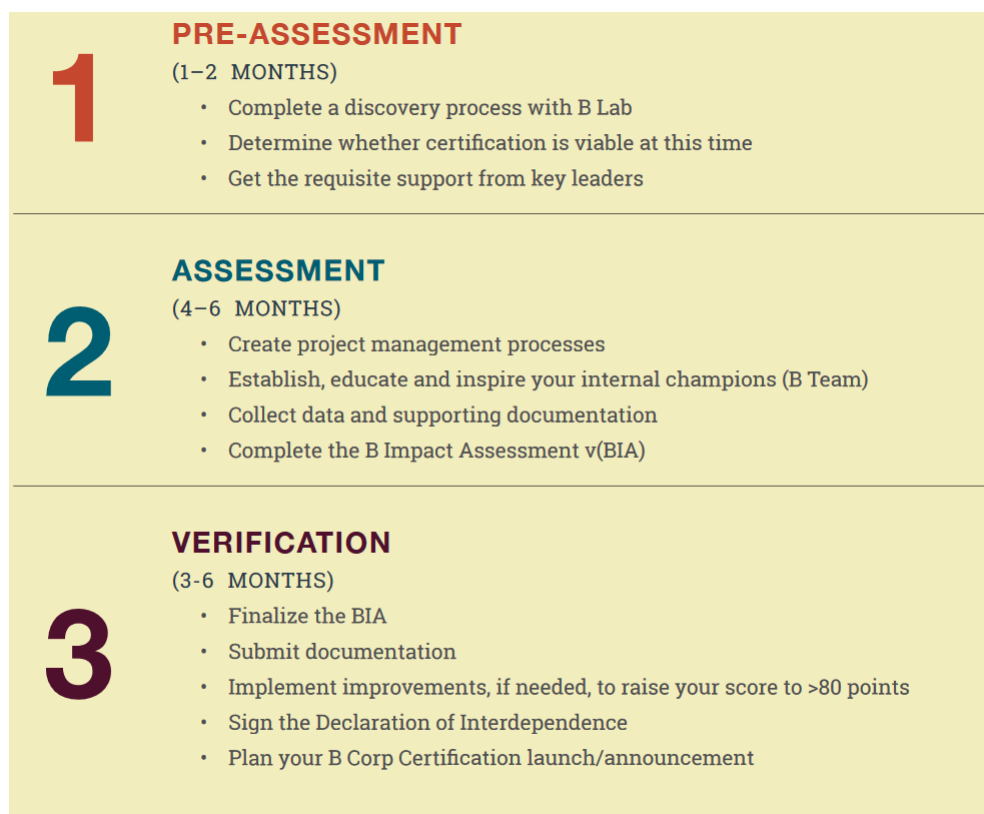
the law n.208/2015<sup>3</sup>.

Even though these concepts are distinct they are strongly linked. Indeed, the best way to achieve the certification of the B Lab is to being previously incorporated as a benefit corporations because the firm, the management and employees already have a mindset towards the achievement of sustainability through profits. Moreover as stated by B Lab, within three years from the certification a company must adapt its legal status to benefit corporation (B Lab, 2020). Therefore not all the benefit corporations are B corps whereas all the B corps are or eventually will be benefit corporations.

### 3.2.2 Certification process

The certification process for becoming a certified B corps differs according to the size of the firm undertaking the journey. The steps required for a large firm (company earnings > \$100M) are three and are reported in Fig 3.2.1.

Figure 3.2.1: Certification process



Source: (B Lab, 2020)

In the first phase, "pre-assessment", firms understand whether they have the potential to succeed the certification process or not. In the discovery process, companies along with B Lab verify if they meet certain minimum baseline requirements in terms of reporting, materiality assessment, material issues management, tax & government affairs disclosure and human rights policy. For companies that already meet these requirements the possibility of obtaining the

---

<sup>3</sup>Legge di Stabilità 2016

certification increases. This step incorporates also a preliminary assessment to become familiar with the B Impact Assessment (BIA) that is the tool used for the final evaluation.

Moreover, taking into consideration the other ongoing certification, and other requirements (e.g. transparency and legal) B Lab will check if the certification is viable at this time.

The second step is the crucial one and it is represented by the "assessment". Through the BIA, firms' performance in four main areas is evaluated. The examined sectors are: "accountability/governance" which includes governance metrics, corporate accountability and transparency, mission and engagement and many others; "employees" which includes compensation, benefit and training, work environment and worker communication; "community" that deals with issues such as jobs creation, diversity, social and environment commitment of suppliers; "environment" that evaluate the results in energy use, emission, reduction of environmental impacts (Wilburn and Wilburn, 2015). These categories are analyzed and if the overall score is higher than 80/200 the company will be considered as eligible. The BIA questions are determined by the characteristics of the firm and evaluate the impacts of daily operations as well as the business model on what and how the firm does its business. An example of BIA is provided by Fig 3.2.2.

Figure 3.2.2: BMI impact report



Source: (B Lab, 2020)

As final part, a disclosure questionnaire is required to be completed to disclose any sensitive practices with B Lab. The execution of the assessment requires the formation of a dedicated team by the firm (B Team) to ease the communications and flow of information with B Lab as

well as championing the project and inspiring employees to abide by the new practices.

In the last phase, B Lab will review the application and ask for additional documents, if needed. Moreover once that the application has been accepted the "future B Corp" need to present a feasible future plans to improve the performance in the fields in which it is weaker. Lastly, to finalize the certification the company has to sign the B Corp Declaration of Interdependence, the B Corp Agreement and pay the annual fees (which vary according to the annual revenues) that are collected to partially cover the expenses of B Lab. The modification of the corporate charter is made to give legal protection to stakeholders interests in decision-making processes and other secondary reasons.

Each year 10% of the certified B Corps undergo a site review executed by B Lab. In this way, the randomly selected firms' requirements are verified. Moreover in order to maintain the certification, every three years the companies must re-undertake the assessment and provide additional documents to support their achievements.

Therefore the certification process is long and time and resource intensive. Firms that want to undertake this process have to be ready and adapt their operations, business models and legal form to the requirements. Furthermore recurring checks by B Lab are performed to confirm the certification. Being a B corps have therefore its advantages and drawbacks, hence firm must be careful in making this decision. The reasons that guide firms to certify as meeting the highest standards in terms of social and environmental performance will be provided in the next section.

### **3.2.3 Why do firms certify themselves as B corps?**

Being a B corporation is a strategy used to disclosure the commitment of a firm towards stakeholders and the respect of their interests. By having a clear identity, firms communicate more easily their values to the customers to stand out from the competitors.

The first reason that leads companies to become certified B corps is definitely this, firms want to prove that they are more committed, sensitive and authentic as far as stakeholders interests protection is concerned (Kim et al., 2016).

Due to the massive utilization of CSR and consequently efforts towards sustainability, the latter lost a little bit of importance as characterizing feature. Indeed, large corporations even though are not truly committed in these themes are nevertheless filling CSR reports along with greenwhasing practices.

Firms have two main possibility to stress their achievement in terms of CSR goals, either becoming a Certified B corporation or using the Global Reporting Initiative. As sustainability is becoming a dominant theme in many industries, the number of certifications as B corps is increasing in response to these practices implemented by profit-oriented companies (Kim et al., 2016).

Furthermore, another reason is the championing of sustainability by strong leaders that shift the focus of the firm on long-term benefits rather than short-term profits. The importance of leaders leading the movement of social change is unquestionable, however revolutions concerning

the company strategies and missions are far more relevant.

Certified B Corps voluntarily join an association that include other firms sharing the same values. Being included in a network of firms, apart from the outcomes on issues like knowledge sharing and collaborations, empowers even more the B corps to fulfill one of their main goal: "creating a new economy with a new set of rules by redefining the purpose of doing business". Thus another reason emerges, competing with profit-oriented firms trying to eradicate beliefs pointing at profit maximization. As the presence of the latter companies increases in an industry the emergence of B Corps raises consequently (Kim et al., 2016).

Chen and Kelly (2015) describe other motivations that can lead a firm to undertake the certification process. These drivers can be linked as the ones identified for the creation of a business case for sustainability and therefore seen as ways to innovate the sustainable business model.

First of all, becoming a certified B corp means respecting stricter regulations concerning the environment, especially the extraction of raw material. By impacting directly on the economic performance through the determination of the costs the acceptance of the requirements for being elected as certified B corps can produce a reduction of cost voices in the P&L account.

As the certified firms believe, *"the major crises of our time are a result of the way we conduct business"*; by redefining the metrics used to establish the success of a firm, certified B corps will be able to reduce this risk. Moreover unsustainable activities are harmful to the whole society and create unestimable damages especially in developing countries. For instance by being more aware of the impacts on the environment caused by the performed activities, companies would be able to decrease the risk of climate changes or floods. Another more frequent risk for firms adopting a mission-driven model is the lack of funding by investors. The latter, indeed, are less remunerated by these kind of companies compared to profit-drive ones, however advantages due to positive financial, social and environmental performance can be collected as far as raising capital is concerned (Chen and Kelly, 2015).

Evidence by Bianchi et al. (2020) show that consumers driven by specific motivations prefer to buy products from firms that are environmentally and societal responsible. Companies must be perceived as credible in pursuing these goals to have a real impact on the environment or society. Responsible consumers are even willing to pay a premium price for sustainable products. In this way, obtaining the certification prompts increases in sales margin. Premium prices along with eco-labels can be sources of differentiation and repositioning in the competitive arena.

Being involved in a network leads firms to build valuable relationships with similar companies. The reliance on collaborations and partnerships is increased within a group of enterprises that share the same mindset. Thus firm can enhance their reputation within their industries. In addition, the B Corp network provides stimulus, resources and opportunities to amplify the mission-driven work.

By paying attention to workers' conditions (it is one of the variables examined in the certi-



fication process), certified B corps can attract talented individuals whose interests are aligned with those of the company. In this way employees are more connected and satisfied with their job.

As far as innovation capabilities are concerned, as mentioned, every three years certified B corps have to update their BIA thus fostering a path to constant and continued improvements. Moreover being surrounded by other mission-oriented firms allow comparison and therefore shed light to possible future innovations to implement emulating top-performers' best practices.

In terms of communication activities, B Corps by being certified by a third-party organization are already a step forward respect other "normal" sustainable firms. The certification as examined before concerns not the product, but the processes on which the sustainability of a product depends on. In this way the message of sustainability is easily understandable by the stakeholders and consequently all the benefits of transparent and credible communication are collected by this kind of firms. B corps are therefore not sustainable only in the final part of their activities (the product) but respect high standards in the entire way of doing business, allowing them to be placed in an exceptionality position by stakeholders.

In this regard, a great deal of communication activities of the B Corps resides exactly in the certification and the label that often is disclosed only on the websites and not on the products to not deceive customers. By voluntarily agreeing on the norms and value of the B Corps community, any firm of any industry, position itself on a higher ground respect sustainable firms that engage in communication activities with their stakeholders only through social reporting or annual general meeting.

By analysing the websites of many known B Corps (Patagonia above all) entire sections of their websites are dedicated to the B Corps commitment and social mission that are pursuing. Indeed a recurring feature of B Corps is that they use their websites as platform to share as many information as possible about their activism regarding environmental or social issues in order to inspire as many individuals as possible to support their causes actively.

Compared to non-sustainable/non-certified firms, the focus of their communication is mainly on the processes that define them as certified B corps if one take into consideration information flows between the organization and its consumers. Considering the communication towards suppliers or actors involved these must be aligned with their requirement in terms of social mission and therefore are characterized by a high presence of campaigns to obtain desired outcomes in terms of sustainability. However, implicit communication of values and norms which promotes collective initiatives is even more important.

In their communication endeavours, B Corps share simultaneously all the rationales of the concepts of communication about sustainability, communication of sustainability and communication for sustainability. Indeed they spread awareness about specific sustainability issues, they benefit high reputation and solid legitimacy in the external environment and spread guidelines for the achievement of the goals of sustainable developments.

In addition, B Corps can rely on unique communication strategies which stem from belonging to a network of similar companies. Along with direct communications, which are performed

singularly by each company, B Lab engage in awareness campaigns of the movement and organization of events from which all B Corps collect some benefits. Sharing the result of the assessment by disclosing the BIA value is another tool offered by B Lab that can be used by B Corps to communicate and guarantee their commitments towards CSR goals.

Becoming a B corp can prompt several growth opportunities that directly impact the economic performance of the firm. However a transformation process including the business model have to be experienced by the firms that want to obtain the certification. In the next section this theme is deepened.

### **3.2.4 B corp as an example of SBM**

SBM and B corporations are two concepts that are very similar and share many commonalities. The business model characterizing B corps is usually described as a realization of a SBM. B corps will become mainstream and a new corporate model in the near future (Bice, 2013; Sargisian, 2012). Despite this, B corps have some peculiar characteristics which distinguish them from the usual sustainable business models.

As SBMs, B corps have a social or environmental mission and purpose pursuing a dominant goal of creating positive societal impacts for its stakeholders rather than maximising profits (Stubbs, 2017a).

To integrate social and environmental goals a re-think of the business model of the company is needed by aiming at solving social and environmental problems through the power of business (B Lab, 2020). Since BIA covers manifold themes the B corp model can revolutionise the corporation extending its effects to the society and hopefully on the actors that dominate commerce (Hiller, 2013).

Apart from the features that share with the SBMs, B Corps distinguish themselves for the commitment towards a sustainability agenda, the pricing model, and the infrastructure management (especially the partner network).

While companies can significantly capture progress in achieving sustainability within their operations and internal capabilities, they can only be sustainable as a whole if the broader system is sustainable (Jennings and Zandbergen, 1995). For this reason B Corps actively engage in institutional work, lobbying the governments and trying to shape the legislation in favor of sustainable practices and sustainable mindset (Stubbs, 2017a).

Indeed B Corps go further reducing their impacts, with their products and activities aim at improving the environmental or social situation. B Lab and B Corps community engage in awareness campaign targeted at customers and other companies to influence the market, competitors and industry institutions. The widely spread belief that B Corps model will become mainstream and abundant further foster this institutional work.

Aiming at a sustainable system requires the adoption of the model by large companies (since currently the majority are privately held and small firms) and known brands to reach mass markets more widely.

Moreover education and advocacy initiatives are executed to shed lights on these themes,

encourage more companies to certify as B Corps, to share and listen customers', business owners' and competitors' opinions regarding the model to create a B Corp market. Through education on the values belonging to B corps, the latter seek to raise public awareness on the issues of the future, while changing industries-rooted practices.

Finally, by interacting with governments and institutions, the aim is to change the "rules of the game" by obtaining tax incentives and changing the metrics that define business success.

B Corporations reduce their margin, affecting the revenue model, as much as they can to survive as a business without damaging the quality of the products (Stubbs, 2017*b*). Indeed, every time that a product or service is sold, they accomplish their social mission. Their survival threshold is defined just to generate enough profits to reinvest in the social activity.

Many B corps adapt their pricing strategies on the willingness to pay of their clients and internalise social and environmental factors in all the operations they perform as well as in any stage of decision-making processes.

However, since B corps are businesses the more product they sell, the more profit can collect and consequently reinvest in the social or environmental purpose. These conflicting aspects might deceive managers and lead to strategic drifts that threaten the B corps pillar: the social mission.

As far as the infrastructure management is concerned, B corps are heavily reliant on a network of partners that share the same beliefs and values. Indeed through the B corps community, companies can identify and build strong relationships with other firms to have support in fulfilling their reciprocal missions. In addition, in respecting the interests of their stakeholders in carrying out their activities, B Corps also create mutually beneficial relationships with them. These points fully embrace the stakeholder perspective that characterize the SBMs.

Moreover, certified benefit corporations define operational policies along with the interested stakeholders. For instance the supply chain is managed to include suppliers which interests and values are aligned with the ones of the focal firm, working operations and contractual conditions are discussed with the employees and nature respected as a vital component of the business environment (Stubbs, 2017*a*). B corps collaborate with stakeholders on a reciprocal growing perspective, treating partners ethically and respectfully to spread the values of the B Corp community.

The BM blocks that are mainly impacted by certification are therefore the infrastructure management and the revenue model. The former defines how to interact with the customers and deliver the value embodied in the value proposition to them. In addition, given the reliance on trustworthy suppliers to deliver their services, B corps will be more apt to changes coming from outside and emulation of the best practices from partners.

The target of the B Corps is not only represented by the customers, with their advocacy campaign indeed they point at spreading the building rationales of their operations to influence and reach as much audience as possible. Their purpose is therefore wider than the already wide purpose of SBMs which also engage in awareness campaign but not systematically as B Corps do and with the support of an external not-for profit organization (B Lab).

The latter aims at increasing the access of the products in mass markets by adapting the revenue model to customer needs and retaining only a small part of the profits to reinvest in their activities. Revenue models of B Corps are typically characterized by flexible or variable pricing model to better address their goals.

In the following section an analysis of two of the more easier and used ways of communication activities namely, eco-labeling and eco-certification will be offered.

### **3.2.5 Eco-labeling and eco-certification**

As stressed in the previous sections communication has become a fundamental point of marketing practices. Firms that offer sustainable products must communicate this to their customers and the best strategy to do so is by using eco-labels and eco-certifications. These are two separate concepts, indeed a firm need to certify its product to put a label on it, moreover a firm can eco-certify its processes, products and so forth, without using a label on the final result of its activities (Delmas and Grant, 2014). In brief, eco-labels are the last step of eco-certification and pursue the goal of informing the customers thus easing the purchase process (De Boer, 2003).

Responsible consumers are those that positively evaluate green or social attributes of the products they buy. However sustainable products are usually dependent upon technological processes implemented in the production phase that render the perception of these sustainable features difficult to perceive both during pre-purchase or post-purchase stages (Hamilton and Zilberman, 2006).

These consumers, although are still a minority, are moving towards more responsible form of consumption considering social and environmental factors in products or service purchases. Driven by sustainable values, responsible consumers are also willing to pay a premium price for this kind of products (Lerro et al., 2018).

The motivations that lead consumers to buy from certified companies, and therefore from sustainable companies, are described by Bianchi et al. (2020).

A sense of social or environmental responsibility guides consumers to opt for buying B Corps products because with an external certification they are sure that certain environmental and social standards are met, finally generating a positive impact (Bianchi et al., 2020).

Furthermore, as any kind of consumer, also responsible consumers look for self-satisfaction in their purchases. By buying B corps' products they experience this in two different manners. First, they are satisfied by the fact that with their consumption actions are contributing to helping the world since B Corps are doing business in a way that respect high standards in term of environment, social commitment and governance.

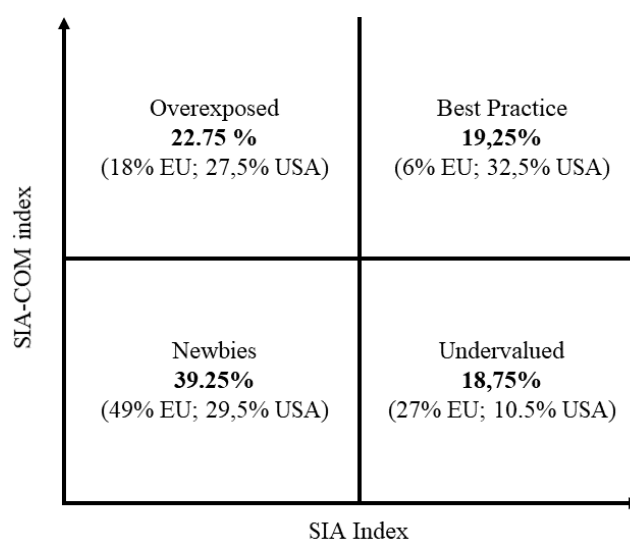
Secondly, they feel satisfied because they buy high quality and differentiated products, giving rise to a sense of pleasure in consuming that particular service or product.

However, despite the motivations that drive responsible consumption, the audience has serious problems in detecting when and which products/services are sustainable. By using eco-certifications, companies reduce this asymmetric information situation by helping consumers

recognize high quality products from low quality ones with false claims about sustainability.

By obtaining an eco-certification such as B corps or ISO 14001, hence disclosing sustainability information, companies enhance their brand value, increase reputation and differentiate from non certified competitors (Nigri et al., 2017). Social-driven companies have two main goals: pursue the social mission and clearly show that what they are doing is impactful on the society. Empirical evidence show that many B Corps lack in the latter objective. Nigri et al. (2017) developed a framework to evaluate the performance of a company according to two variables the *SIA index* describing the overall score of a firm according to the BIA and the *SIA online communication index* which measures the performance and level of the online communication. Their results are summarised in a matrix which identifies four main types of B corps according to the previously mentioned variables. Fig 3.2.3 depicts the matrix.

Figure 3.2.3: The SIA-COM and SIA Index matrix



Source: (Nigri et al., 2017)

Each quadrant defines a specific communication behaviour of the companies. Noteworthy is that the majority of the analysed B corps are gathered in the category "newbies", firms within this group experience low scores on both indexes and should work firstly in enhancing their social impact and afterwards in communicating it adequately.

Opposite to newbies one finds the category "best practices" in which belonging firms have high score on both indexes and should work only in maintaining their already good performance.

As middle categories one finds "overexposed" whose firms high performance in communication is not consistently supported by their activities, whereas the "undervalued" area is represented by firms achieving outstanding performances as far as their social impact is concerned but lack supportive communication.

Newbies' path towards the top performers is still long and requires multiple endeavours especially in increasing the social impact of their activities, equally, companies grouped in the category overexposed strive for enhancing their activities by improving in the 4 main areas evaluated by the BIA: environment, community, governance and workers.

Unlike firms belonging to the category overexposed, enterprises in the "undervalued" one have

greater possibility to reach the top performers, indeed they only need to be more focused in the communication by promoting for instance their achievement in terms of certification (Nigri et al., 2017). By increasing their communication performance, firms will shift up becoming implementors of "best practices" thus beginning a self-sustained loop of growth and contribution to their social mission because more aware consumers will boost up their financial performances which profits will be reinvested in their operations.

One way to communicate easily and clearly with customers is applying eco-labels signaling the environmental or social attributes of a product to consumers (Delmas and Grant, 2014). There are three types of eco-labels extensively analysed by Galarraga Gallastegui (2002):

- Type 1 labels are the result of a third party actor certification (such as B corps) and are used to outline the environmental quality of the product compared to others;
- Type 2 labels issued by manufacturers, importers or distributors based upon one-sided informative environmental assertions concerning specific attributes of the product;
- Type 3 labels are rarely used in the sustainability realm and use pre-defined indices disclosing quantified information about products based on independent verification

Although the use of eco-labels can bring benefits, it is very important not to trigger inconvenience due to misunderstandings and confusion experienced by customers. Labels based on private information, not certified by third party organisations, can be one of the main sources of the problems mentioned above, which in addition can undermine the entire certification system and cause a decline in the credibility of labels in the minds of customers. The damages therefore hit not only firms that spread noncredible messages but also, indirectly, the reputation of more credible and fair companies.

On one hand eco-certifications can improve firm reputation or product quality which may subsequently trigger a premium price strategy and consequently a repositioning of the company, on the other hand the only use of eco-labels can produce undesired effects, completely against their primary goal.

The literature offers an extensive analysis of benefits and drawbacks related to eco-labels and eco-certification, we will now offer an overview of the main benefits and subsequently of the drawbacks of this strategy.

According to the resource based view of the organization, companies have to support and exploit rare and inimitable resources to gain competitive advantage over the competition. These resources can be tangible or intangible, in the latter group one find reputation and environmental practices (Fanasch, 2019). Along these two main resources credibility also plays an important role in guiding consumers towards high-end products in markets characterized by asymmetric information (Akerlof, 1970).

Reputation is one of the most important resources for sustainable companies given that the business models that the majority of these use is relationship based and foster the improvement of features as credibility, trust, reliability and responsibility (Fombrun, 1996). Moreover the implementation of sustainable practices sustain a differentiation of reputation through the

integration of regular and sustainable resources (Fanasch, 2019). By implementing corporate sustainability practices to obtain eco-certification, sustainable corporate performance is produced with all the effects that this can have, for instance, saving costs and increase sales. High and good reputation can be used strategically to improve firm's performance. Indeed it act as a quality signal for consumers and enables the firm to charge higher prices (Bartikowski and Walsh, 2011; Rindova et al., 2005).

Eco-certification serves two main objectives: produce more eco-friendly goods and provide relevant information to customers. Credible signaling is however dependent upon the certifying entity and the audit requirements (Pullman, 2012). By aligning organization's strategic intent with customers' perception regarding the sustainable features of the product Zhang et al. (2014) demonstrate that even in a sector such as the hotel industry, which is highly dependent on services, eco-certification guarantees higher performance than hotels that do not certify. Indeed customers that are aware of green features endorse more often these hotels, spread positive word-of-mouth and are even willing to pay more compared to non-green hotels. In this way asymmetric information is minimized and adverse selection avoided given that customers will be able to detect two separate groups thus directing their purchases towards sustainable certified products.

Eco-certification and subsequently eco-labeling thus produce positive effects for sustainable firms either by redirecting more customers to them, increasing resource efficiency or by influencing consumer's behaviours towards more responsible ones (Zhang et al., 2014).

As far as premium price is concerned, some scholars affirm the possibility to achieve this benefits whereas others declare the contrary.

Delmas and Grant (2014) argue that as long as eco-certification trigger an increase in product quality this can lead to price premiums since the latter usually assures the quality of the offerings. However this is not sufficient to attract customers, in fact if consumers do not perceive the private benefits conveyed through eco-labels they might not be willing to pay this price premium. Hence, gaining a premium price through use of eco-labels is not an easy task. Furthermore Delmas and Grant (2014) declare that in the wine industry eco-certification would be associated with price premium, whereas eco-labeling would not.

Price premium therefore impacts not only the financial performance of the focal firm, it change also its positioning in the competitive arena. Indeed, in this way sustainable companies will narrow down their target aiming at consumers with an higher willingness to pay that seek high-quality products. This pricing strategy will consequently affect consumer loyalty and endorsements. A compelling offering which outlines high standards in sustainability practices linked with a price premium can be positive but at the same time risky. The type of customer described above has very high standards to meet, if a single criterion in terms of performance or quality is not respected and consumer expectations are not met, all efforts and investments in certification and labelling strategies may disappear.

On the other hand eco-labeling is not free from criticisms. First, the interpretation of eco-labels is not easy, therefore companies should take into consideration the misperception that

this may cause in the mind of customers.

Morris (1997) state that the usage of eco-labels may hinder the perception and communication of relevant information thereby deceiving customers and possibly encouraging the consumption of more resources which, all in all, is harmful for the environment. The use of false claims like "green" or "environmentally friendly" just worsen this situation thus outlining the importance of marketing in sustainable practices.

Furthermore as (Galarraga Gallastegui, 2002) highlights, considering that eco-labels might modify prices and other information that can influence the consumer behaviour they might also distort the allocation of resources and create inefficiencies.

Summing up, eco-labeling and eco-certification must be analysed as two separated strategies considering the outcomes on consumer awareness and behaviour after exposure to the label (Delmas and Grant, 2014).

Using self-certification despite it is the easier way, can be simultaneously the worse and more harmful in the long-run, affecting the effectiveness of the signal. On the other hand, eco-labels supported by eco-certifications reduce information asymmetries and attract the growing segment of sustainable-conscious customers.

When analysing the investment in eco-certification, companies must consider whether they will be able to adapt their practices and operations to the new model, knowing that certification will be public and that competitors could emulate their practices, thus eroding their advantageous position.

Companies should increase their reputation and maintaining it in the long-run in order to use price premium to attract high-end customers and increase their corporate sustainable performance. In this way they can differentiate their offerings, gain a competitive advantage and spread public benefits.

### **3.3 Communication in practice**

The ways through which companies engage in communication activities with its customers and with the broader group of stakeholders have important consequences on the firm. By sharing non reliable or non updated information, firms risk losing the legitimacy and reputation that they earned over the years. The development of marketing practices requires further efforts to improve their communication strategies. Especially in the last years new tools to be exploited in communicating have emerged with an important share of the latter represented by online and social media tools thus demanding a convergence between digital marketing and traditional marketing (Kotler et al., 2016). However communication activities performed by sustainable companies are different compared to those implemented by "normal" firms. Indeed sustainable communication must rely on claims not easily controllable by the audience who trust their words.

These strategies were effective only at the beginning though, when sustainability was still a taboo rather than an established and analysed topic. When the first cases of global firms engag-



ing in greenwhasing practices emerged at the attention of the audience, the latter started to be sceptical about the claims concerning sustainable practices and consequently, about sustainable products. Explicit disclosures if not supported by data or reliable facts are often perceived as misleading.

These are the reasons that have led many sustainable companies to rely on certification by third party organisations, which independently assess the social or environmental sustainability performance of the applicant companies and when they meet certain standards and thresholds they are granted certification.

Hence companies in pursuing their goals of increasing the brand awareness and reputation and influencing consumers to adopt more sustainable lifestyles and more responsible forms of consumption have to coherently integrate digital and traditional marketing, certifications and stakeholders opinions. The clearest example of these practices can be offered by B Corps which, by focusing on the four main areas and managing them consistently, are able to communicate transparently and authentically, listening to the needs and opinions of local communities, when communicating externally and their employees while communicating internally, always having B Lab certification which guarantees for the declarations.

By embedding all these concepts, firms should be able to communicate reliably always paying attention to the content asked by the audience though. Simultaneously sustainable firms will be able to build mutual understanding relationships, that might be profitable and contribute to the existence of the company, while talking about the issues on which care and believe the most. Furthermore this type of communication will foster word-of-mouth thus creating a wider network of stakeholders that maybe do not come in contact directly with the firm but contribute to their mission and share their values, ultimately enhancing their conditions.

In conclusion, very detailed communications about CSR results are usually not what stakeholders want because they are difficult to interpret and companies should therefore aim to disseminate messages that are as easy to understand as possible.

In the next sections two case studies will be examined on the basis of the analyses that have just been produced in terms of sustainable business model and communication strategies.



# Part III

## Case studies



# Chapter 4

## Perlage and Nonno Andrea: sustainability in practice

### 4.1 Introduction to the case studies

The topics analysed and discussed so far are manifold but are described using a theoretical perspective. To deepen our understanding of the themes we decided to give a more practical cut through the examination of two real cases of two firms that approach sustainability in different manners. The two companies, Perlage and Nonno Andrea, belong to the macro-category of the agro-food sector and are located in Treviso. The former is a well-known producer of sustainable and organic wines exported worldwide and since 2016 is a certified B Corps. The latter, Nonno Andrea is an agricultural, local company which produces various organic products, mainly jams, fresh vegetables and fruit, and pays extreme attention to the surrounding ecosystems respecting the biodiversity of their lands. Compared to the well-consolidated Perlage, Nonno Andrea is a young company that is experiencing great growth rates and increasing its presence also in international markets, see Table 4.1 for an overview of the companies.

These two cases are interesting because they offer the possibility to make a comparison between a certified B Corp and a sustainable firm which has not gained this type of certification yet.

Despite both sectors, wine and agriculture, are highly dependent upon ecological resources these are not respected and exploited in a sustainable way by every involved actor. The food sector is commonly recognized as one of the major impacting sectors from an environmental perspective due to high level of land occupation and use, greenhouse gases and freshwater consumption (Bonamente et al., 2015). Analyses of environmental impacts of agri-foods products are usually performed using carbon footprint (CF) and water footprint (WF) assessments within a Life-Cycle Assessment framework. Increasing environmental legislation and dissemination of new scientific knowledge outlined the importance of good environmental management of practices in the agro-food and wine industries (Skinner et al., 1997).

The main environmental concerns of these sectors are represented by: use of pesticides, nitrogen compounds and soil erosion. Moreover agricultural activities linked with emissions

Table 4.1: Overview of Perlage and Nonno Andrea

	<b>Perlage</b>	<b>Nonno Andrea</b>
Year of incorporation	1985	2000
Legal form	S.r.l. Società benefit	Azienda Agricola
Industry	Winemaking	Agri-food
Products	Organic, vegan and biodiverse wines	Fresh and transformed vegetables and fruit
Turnover	7 million (2018)	< 5 million
N° employees	20	30
N° of countries in which it is present	30	15

Source: Personal rielaboration

to the air and water can be harmful also many kilometers from their place of origin (Skinner et al., 1997). Unless the footprint of agricultural activities is properly managed by pursuing sustainable development rationalities, the degradation of ecosystems and agriculture per se will be undeniable.

Let's know analyse singularly the main sources of environmental footprint of agro-food activities. As far as pesticides are concerned these are very harmful because have effects on manifold sides: contamination of waters, impacts on fauna and flora and human impacts (Skinner et al., 1997). According to the type of chemicals used in the pesticide these can be more or less dangerous.

Nitrate are increasing their presence in the soil due to the overconsumption of fertilisers due to agricultural activities. The usage of this type of substances drastically reduce biodiversity as it stimulates the growth of competitive grasses at the expense of broadleaved herbs (Thurston et al., 1976).

Lastly, soil erosion caused by the action of water and wind on the land increases the damages to natural resources due to agriculture. The actions of the two previously mentioned factors transport soil from a field thus depriving the latter of important nutrients making the soil less fertile (Davies et al., 1993).

Thus, in our analysis of the two firms we will understand how their activities changed and re-shaped their business models to achieve sustainability to reduce their impacts due to the above-mentioned variables. Furthermore, as sustainable businesses these are based upon a sustainable value proposition, we will deep our understanding on the unique combinations of factors and activities that form the propositions of Nonno Andrea and Perlage.

Moving forward we will shift our focus, that initially will be on the business model, towards

communication issues. In this regard, we will examine the tools and methodologies used by the two firms to communicate with their stakeholders, moreover the importance of the certifications that the two companies have will be outlined using two perspective: in terms of communication and competition. Subsequently, given the context in which both firms are integrated, we will analyse the relationships between "Made in Italy", sustainability and certifications. As final part of our analysis a comparison between the two firms will be offered considering all the aspect examined but, above all, the differences due to having or not the B Corp certification.

#### 4.1.1 Research methodology

The aim of these analysis is to use the tools offered by the literature on sustainable business models, communication strategies and exploitation of certification in the market with two real cases of firms in the agro-food industry. In this way we will have, despite the limitations originated from the utilization of only two cases, the opportunity to check, practically, the statements offered by the literature on BM, SBMs, sustainable communication and certifications.

The methodology used in this analysis is that of case studies with all the linked benefits and drawbacks. As outlined by Yin (1994), case study research can be used as exploratory research tools while having an holistic view of the real phenomenon. Despite the simplicity and rich empirical evidence of particular instances, few case studies do not provide robust evidence and possibility to scientific generalization (Yin, 1994). However our goal is not to develop theory inductively but to use two cases as separated analytical units of interest (Eisenhardt and Graebner, 2007). The data used for the following analyses and comparison stem from three main sources: interviews, documents of different kinds and the websites of the two companies. While the data collection from documents and websites was done autonomously, the interviews were made during the month of September in the two companies' headquarters in Treviso. The questions asked to the companies were the same and are summarised in Table 4.2.

Table 4.2: Questions asked in the interviews

	Question
1	Which are the motivations that led your company to be sustainable?
2	How has sustainability changed your activities and your BM?
3	How is your company able to create sustainable value?
4	Do you think that sustainability is a communication issue?
5	Which are the tools that you are adopting and are more effective in your communication strategy?
6	Which role do certifications play in your communication strategy?
7	Are certifications also important in competitive terms?
8	What is the relationship between sustainability, "Made in Italy" and certifications?

Prior consent, the interviews were taped and subsequently transcribed (see Appendix) to gain better results and insights of the two companies, all the relevant information are included

in the statements provided in the next sections. For Perlage, Davide Scroccaro current CSR manager was interviewed for two hours and some question were shortly answered by Ivo Nardi Chairman of the company, on the other hand, as far as Nonno Andrea is concerned, Enrico Bellio COO of the company was interviewed for more or less one hour. The questions dealt with general themes and answered from the respondents on a conversational basis.

#### **4.1.2 Variables of interests**

As shortly mentioned before the range of our analysis is rather broad due to the heterogeneity and extent of the treated topics. In our analyses the main variables of interests will be: the business model of the firms especially their sustainable value proposition, the communication strategy by examining the tools used and which approach the firms are using whether implicit or explicit CSR communication (Matten and Moon, 2008) and, lastly the certifications that both have, in particular the B Corp one held by Perlage, and the role that these have in their communication and in their presence in international markets.

To examine the business model of both firms we will mainly use the business model canvas framework conceived by Osterwalder and Pigneur (2002) and where possible integrate its blocks with those of the triple layered BMC by Joyce and Paquin (2016). However particular attention will be given to the value proposition offered by the two players according to the tools offered by Osterwalder and Pigneur (2004) and Porter and Kramer (2019) as far as sustainable value creation is concerned.

In analysing the communication strategy a qualitative rather than quantitative research will be implemented. We will question which are the main tools used by the firms to communicate their CSR achievement among reporting, annual meetings and certification and which among these is the most effective. Moreover given the distinction between implicit and explicit communication we will try to describe which method is preferred and why. As far as certifications are concerned our priority will be to understand how these are used as a communication tool and guarantee symbol of commitment towards the environment or social issues. Furthermore it will be examined how certifications, apart the previously mentioned needs, can be used strategically against competitors to stand out from these and gain high reputation in the eyes of the stakeholders.

Lastly, considering that both business realities have some contacts with foreign customers, we will analyse the relationship between sustainability, "Made in Italy" and certifications to discover whether the simultaneously presence of these have significant impacts on the activities performed and on international markets.



## 4.2 The focal point: Perlage and Nonno Andrea

### 4.2.1 Perlage's corporate history

Perlage (see Fig.4.2.1 for the logo) was established formally in the 1985 as organic winery from the Nardi family which nowadays still owns the company with seven brothers occupied with the management of the firm, two of which form the board of directors and the other five are just business partners. Since the beginning of its activities, Perlage always believed in the organic production and preservation of the natural ecosystems. Indeed they obtain the organic certification in 1985 thus being a pioneer company in the production of organic wines. Given that Italy at the time was a very narrow market due to ignorance of issues such as organic cultivations and environmental sustainability, Perlage's main commercial outlet in the first twenty years of its operations was abroad, especially in Northern European countries given the increased sensitivity of these to the issues that represent Perlage's corporate values.

In 2010 Perlage started to invest more in the Italian market led by the increase of awareness and consciousness of consumers in topics as preservation of natural resources and the regeneration of the latters which can be done by producing biodynamic, vegan and organic wines. The selection of wines that Perlage offers, although they all share the same characteristics, is far from reduced, in fact there are wide possibilities ranging from still wines to sparkling wines, from red wines to whites and finally from Merlot to Prosecco.

Since always Perlage has tried to offer high quality wines to its customers respecting determined standards in terms of healthiness of its products for the final user, but above all in terms of respect for the territory and local communities. For these reasons throughout these thirty-five years of activity has gained numerous certifications. Among these stand out: A.V.I Label Veg, BRC, IFS, Bio Suisse (that allows them to enter in the Swiss market) (Perlage, 2020a) and in 2016 they got certified as B Corp by B Lab with a score of 80.8 which increased to 91.7 in 2020<sup>1</sup>. The B Corp logo used by Perlage is depicted in Fig.4.2.1.

The logo for Perlage Winery features the word "PERLAGE" in a large, bold, serif font. Below it, the word "WINERY" is written in a smaller, all-caps, sans-serif font, flanked by two horizontal lines.

(a) *Perlage's logo*



(b) *B Corp logo*

Figure 4.2.1: Perlage's logo and B Corp logo

---

<sup>1</sup><https://bcorporation.eu/directory/perlage-winery>

In the beginning Perlage used grapes of its own production, however given the increasing requests of the consumers and the split between the commercial company and agricultural company it started to use grapes from selected external suppliers mainly from Veneto, Friuli Venezia-Giulia and a small selection of grapes from central Italy.

Perlage today commercialize its products in thirty countries and has twenty employees who are defined internally as collaborators in its headquarters in Farra di Soligo (TV). Furthermore due to the B Corp certification is involved in many awareness campaign and educational programs with the local communities to spread the message of being organic and sustainable towards the environment and the wider society.

#### 4.2.2 Nonno Andrea's corporate history

Nonno Andrea (see Fig. 4.2.2 for the logo) was born in the 1989 as agritourism company specialized in local cuisine with raw material (wines, livestock and vegetables) entirely produced internally. The agritourism lasted for 10 years and after that the firm converted its entire activities towards cultivation of vineyards and vegetables using only a 5 hectares land. In the beginning of the 2000s the firm decided to invest more and more in the agricultural activities, slowly developing a company shop to sell its fresh products which by 2015 were represented by thirty different species of vegetables and fruit cultivated in their fields.



(a) *Nonno Andrea's logo*



(b) *Biodiversity friend certification*

Figure 4.2.2: Nonno Andrea's logo and Biodiversity Friend certification

Since 2014 Nonno Andrea is a "biodiversity friend" certified company, which testify its commitment towards the health of the soil, the repopulation of this with ancient vegetable species which produce less finished product per hectare cultivated but are more genuine and crucially contribute to the promotion of the territories by increasing the biodiversity within them, the certification logo is depicted in Fig. 4.2.2. Despite their goal of serving zero kilometers fruit and vegetables, in 2014 they started selling transformed products, such as jams or in oil vegetables, from other carefully selected organic certified partners but already in 2015 they started selling their own transformed products directly. 55% of raw materials are still produced in-house today. Moreover between 2014 and 2015 Nonno Andrea asked the organic certification for their cultivations and consequently of its products. With the introduction of transformed

products, Nonno Andrea began to invest more in this branch of the company also developing an in-house farm-made kitchen where all the recipes along with final products are invented, tested and made. At the beginning, processed products found very promising feedbacks as gifts during the Christmas period. In addition, very positive reactions were also given to the packaging offered which was simple, original and eco-sustainable exactly how Nonno Andrea introduces itself to its customers.

Given the high quality of its products and its presence at local fairs, Nonno Andrea has begun to spread its message and from 2016, thanks to the collaboration with a local distributor, has started to sell all over the country to the Ho.Re.Ca segment (Hotels, restaurants, caterings). Nonno Andrea's real growth path began in 2016 when they had the opportunity to enter and exhibit their products at national food fairs where they met for the first time small local and international players who proved to be crucial in the future for the development of collaboration networks and the company. In this regard starting from 2017 they have been hosted as exhibitor in the most important fair for niche agri-food products, "Taste" in Florence. Here, Nonno Andrea had his products evaluated and tasted by very conscious, cultured and specialized customers collecting positive reviews on their mission, corporate culture and products. Consumers' demand shifted from being locally distributed to being spread throughout the whole national territory. In fact, 2017 is the crucial year for the development of a widespread national distribution network that today counts on several distributors and 25 partners.

In 2018 after the three years period of organic conversion, Nonno Andrea decided to commercialize its first organic products not only locally through its shop and its distribution network, but to establish its presence also in international markets firstly with Austria, Germany, Malta, Japan with the support of a local buyer and Thailand, always positioning itself in the high-end band pointing at customers interested in high-quality, gourmet and "Made in Italy" products. 2019 represents the year of the consolidation of the firm on its markets and of the distribution network which reached its peak of expansion. Thus Nonno Andrea started to have few loyal customers which repeatedly ask for his products. These customers are mainly specialized retailers for example gastronomies, wine shops, cheese factories or companies belonging to the Ho.Re.Ca industry. The products that are mainly sold to this segments are: jams and single-dose products as far as hotels are concerned, natural ketchups, vegetable creams or particular in oil vegetables that allow restaurants to have typical and traditional products always available.

Nowadays Nonno Andrea is present in fourteen foreign countries with small and highly specialized actors, has twenty-five collaborators in Italy and is investing in the development of an innovative agritourism, in its headquarters, where breakfast, lunch and dinner are blended in a daily offer with only farm-made own produced products.

## 4.3 Results

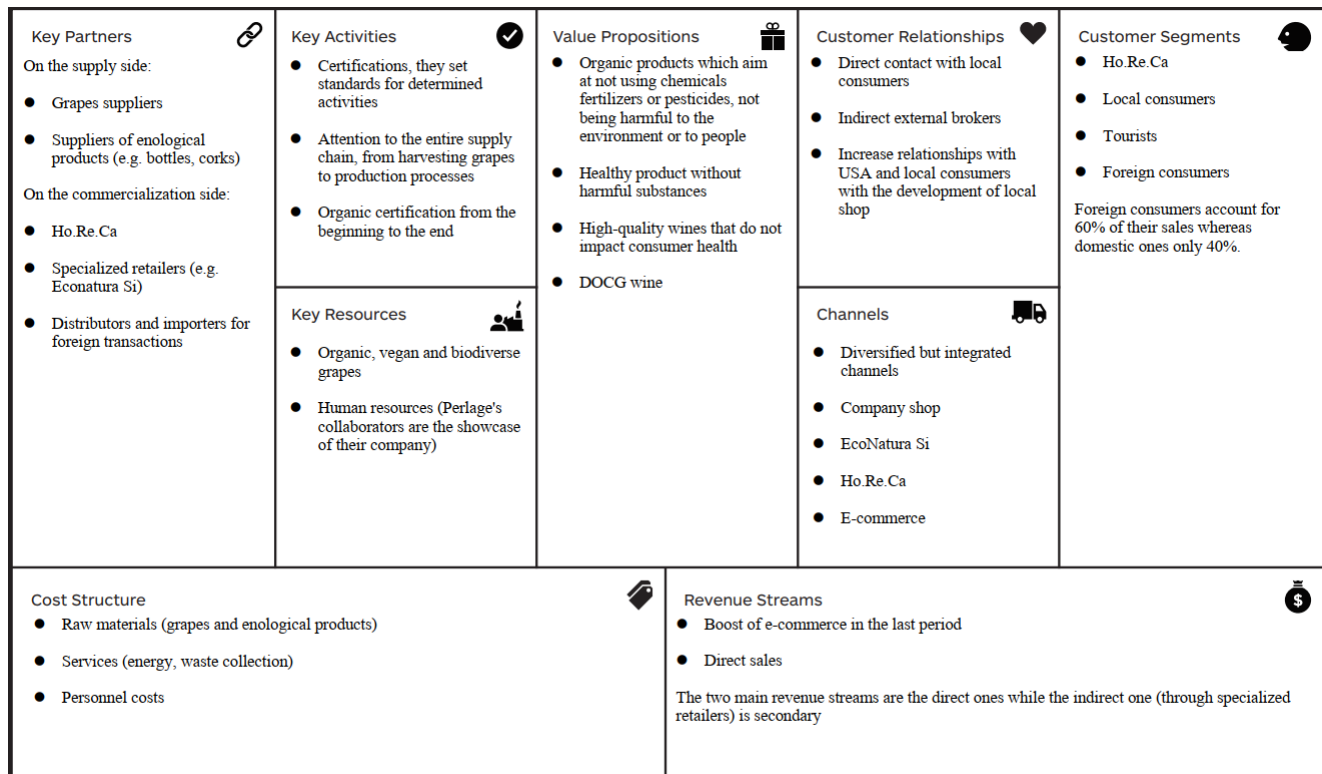
The results that will be summarised in the following sections are the outcome of personal re-elaborations of the data collected through the examination of the websites and the information

given during the interviews.

### 4.3.1 Business models

Each of the two companies has a peculiar business model which however is built around a value proposition that embodies their core values: being simple, eco-sustainable, original, biodiverse and organic as far as Nonno Andrea is concerned whereas offering organic, vegan and healthy wines as far as Perlage is concerned. Perlage's business model is depicted in Fig. 4.3.1

Figure 4.3.1: Perlage's business model



Source: Personal rielaboration

Perlage willingness to pursue environmental sustainability from the foundation comes from the then called values of soil and nature respect, preservation of water resources and microorganisms which play a vital role in making the soil fertile. The Nardi family back in 1985 was bearer of these beliefs and decided to establish a transparent business that was not focused only on profit but also on respecting the natural ecosystems of a delicate area such as the hills surrounding the province of Treviso. However the sustainability initiatives of Perlage have evolved over time, including social sustainability issues pursued through the involvement of local communities in cultural and recreational events with the partnership of local associations. We will deal further with this topic later on.

Similarly, Nonno Andrea main motivation to pursue this path of sustainable development comes from the willingness of its founders to respect the environment and all its microorganisms through organic and biodiverse practices. Environmental sustainability thus has always been

a crucial part of Nonno Andrea even a cornerstone for its foundation. However, environmental sustainability is not only pursued through organic farming practices, but in day-to-day operations, always having clear the challenging objectives of reducing pollution, reducing waste, reusing products and making the natural environment as natural and genuine as possible.

Therefore the motivations that led these two firms to embody and embrace sustainability within their operations can be defined, according to Bansal and Roth (2000) categorization, as ethical motivations on the part of management or the intrinsic motivations of the founders.

Moving to the business model of the two companies we used two tools widely described in the previous section to perform our analyses. First we used the BMC framework by Osterwalder and Pigneur (2002), second we integrated this profit-perspective view of the company with the TLBMC by Joyce and Paquin (2016) to include environmental and social factors.

As described before Perlage's value proposition revolves around offering organic, vegan and biodynamic wines with the final aim of serving healthy products that are not harmful to the environment or people. Perlage indeed does not use any chemical fertiliser or pesticide in the cultivation of the grapes nor in the storage and bottling processes. Moreover, some of Perlage's wine are DOCG certified, others are DOC or IGT.

Considering that Perlage is only a winery and producer of wines it does not own vineyards. For this reason grapes suppliers which are distributed mainly in Veneto and Friuli Venezia-Giulia are crucial partners in the activities. Perlage's highly dependent position with grape suppliers can prove risky, as prices of these raw materials fluctuate due to weather events affecting the harvest. Always on the supply side, Perlage has close contacts with specialized and selected suppliers of enological products such as: glass bottles, machineries and corks.

As far as downstream activities are concerned Perlage relies on the Ho.Re.Ca segment and specialized retailers such as EcoNatura Si to market its products. These actors are therefore crucial partners in its commercialization strategies. Considering that Perlage since the beginning of its activities has always had high volumes of wines exchanged with foreign countries, importers as well as distributors also play an important role.

The certification activity is seen by Perlage as a key operation because it has manifold consequences as stated by Davide Scroccaro: *"it is a tool that defines a series of activities to be implemented within the firm especially in terms of control of hygienic sanitary conditions of the processed grapes"*. Further, as key activities were identified also all other operations implemented by the firm to enhance its corporate sustainability, for example usage of renewable energies, circular economy practices and reuse of company waste or by-products. To obtain high-quality wines which respect the organic certification from the beginning until the end of the production process, Perlage engage in specific control and oversight activities concerning the whole supply chain, to obtain excellent products.

The key resources used by Perlage in offering their value proposition are: first, the certified organic, vegan and biodynamic grapes used to produce wines and the human resources of the company. The latter, in fact, are the core around which all Perlage's activities revolve. The collaborators (Perlage employees are defined as such) represent the values and ideals on

which Perlage is based. The importance given to their conditions and opinions highlights the attention that Perlage's corporate environment gives them according to the values of the B Corp community.

Perlage transparency lead to have mainly direct contacts with the consumers, indeed one of the plan for the future of the company is to further develop the company shop in Farra di Soligo to establish an even stronger channel with their customers. Respecting transparency and the possibility to have a dialogue with the interlocutor are the foundations of customer relationships management solutions implemented by Perlage. However given the extension of Perlage's customers network they also rely on external agents for contacts with foreign customers and interregional relationships.

As far as the channels used to reach customers are concerned Perlage's comes into contact with national customers mainly indirectly through the Ho.Re.Ca segment and specialized retailers. A small share of transactions is however based on direct channels through the company shop and the e-commerce platform on their website. Given the consolidated corporate activity Perlage has promptly integrated these diversified channels to offer an holistic experience to the customers. Word-of-mouth also represent an important way through which Perlage's customers are reached.

Perlage's customer target is represented by the Ho.Re.Ca segment, individual local consumers and tourists which specifically come at the company shop and later become loyal to the brand. It is abroad however where Perlage concentrate its sales, 60% of the these indeed belongs to foreign countries mainly Nordic countries along with the Baltic area and Central Europe.

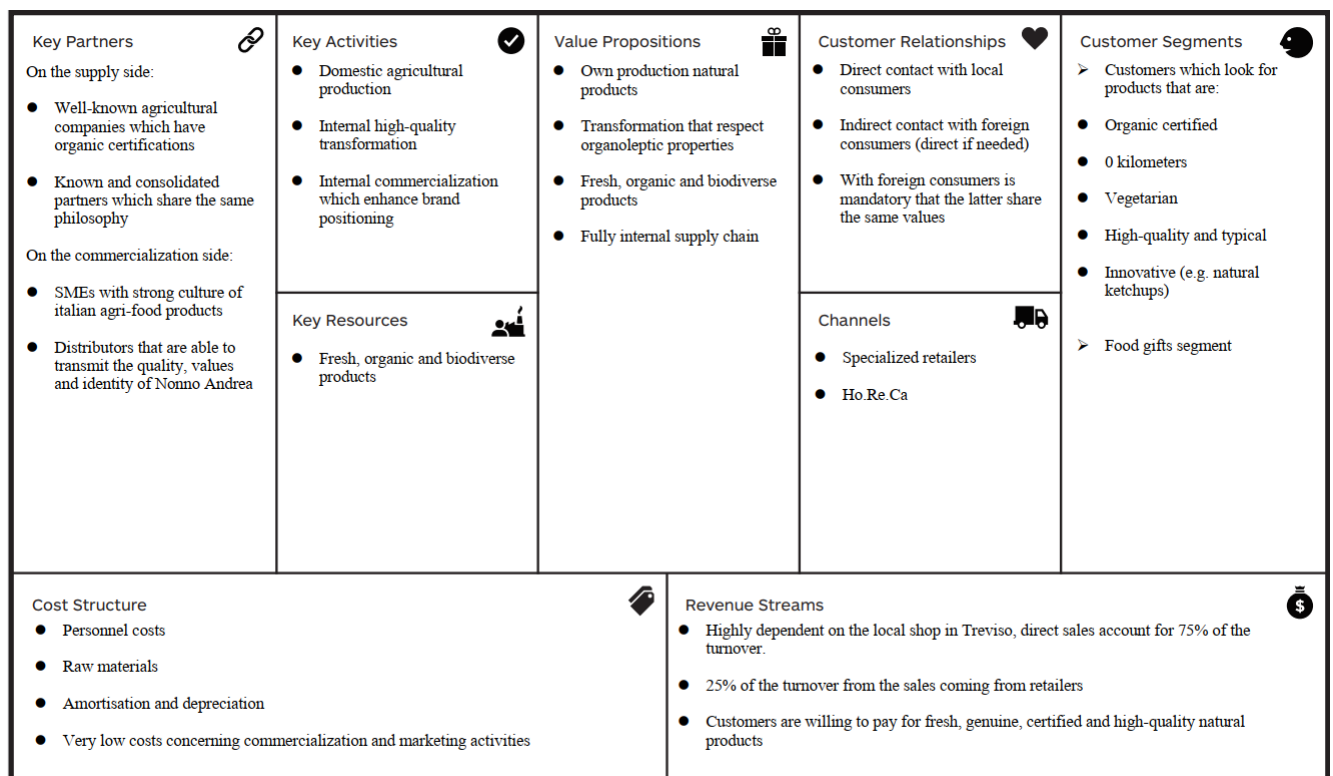
The cost structure of Perlage is unbalanced towards the manufacturing activities and the procurement operations of raw materials (grapes and enological products) which by far represent the main costs account in their business model, followed by costs for services and personnel costs. Customers are willing to pay for the value perceived by drinking organic, healthy and sustainable wines, and the main revenue stream comes from abroad. While foreign customers are used to pay with electronic means, national, especially local ones still rely on cash payments.

On the other hand, Nonno Andrea's business models, represented in Fig 4.3.2, tries to operationalise the three concepts that represent the foundations of the company, indeed, as stated by the COO of the company Enrico Bellio: *"our brand identity is built on three key concepts: simplicity, originality and eco-sustainability"*, values that are also outlined in their website (Nonno Andrea, 2020). Nonno Andrea's value proposition hinge on offering natural, organic and biodiverse products internally transformed (in their farm-made kitchen) respecting organoleptic properties of the raw materials in the entire cooking process. Thus their offers are twofold: fresh products directly purchaseable in their company shop or transformed products purchaseable online, from selected specialized retailers or directly at the headquarters. Another feature that characterize Nonno Andrea's value proposition is that all the transformation processes are performed internally with the majority (55%) of the vegetables and fruit utilized directly cultivated by Nonno Andrea, otherwise supplied by other Italian organic certified partners.

In the implementation of its activities Nonno Andrea has key partners in both upstream and downstream operations. As far as upstream operations are concerned, as previously said, some transformed products which form Nonno Andrea's offering use typical products from different Italian regions. To be supplied with these products, Nonno Andrea relies on well-known agricultural companies and consolidated partners who must be certified organic and share the same values and philosophy.

On the commercialization end, Nonno Andrea depends on SMEs with a strong culture concerning Italian agri-food products and specialized retailers that must be able to transfer the quality, values and identity that characterise Nonno Andrea.

Figure 4.3.2: Nonno Andrea's business model



Source: Personal rielaboration

The key activities required to offer the value proposition are mainly three: domestic agricultural production, fully internalised transformation processes and commercialization directly managed to better and coherently govern brand positioning and identity. On the latter point, given the small context which characterise Nonno Andrea, brand positioning and identity are crucial, Enrico Bellio COO of Nonno Andrea further highlights this point: *"if the positioning is wrong you can find Nonno Andrea's products with other substitutes for example not organic of lower quality and price radicchio which are more compelling for ordinary customers. Through our partners, Nonno Andrea's products are the only ones selected and brought to the attention of certain interlocutors. It is fundamental in a logic of business development to understand the brand, its value and its market positioning."*

To develop its value proposition Nonno Andrea has to pay particular attention to the resources used. The key resources are in fact fresh, organic and biodiverse vegetables and fruit

either treated during the transformation or used for direct sales.

As a small and deeply rooted reality in the territory, Nonno Andrea is able to have direct relationships with the majority of its consumers that are represented by local customers. With non-local consumers instead they favour indirect contacts and only if needed direct ones. As far as transaction in the national territory the intermediation of a broker is present. On the other hand, when approached with foreign actors, Nonno Andrea aims at establishing strong relationships with the importer whose have to embrace Nonno Andrea's values and have the same philosophy given that later, the importer, will be the one spending Nonno Andrea's name and represent it but most importantly will describe the corporate culture in a more complicated foreign context.

The channel used by Nonno Andrea to reach its customers are mainly three: specialized retailers, Ho.Re.Ca segment, and company shop whereas e-commerce represent a residual and still not very developed channel. The targets of Nonno Andrea propositions are conscious consumers that look for natural products that have these features: organic certified, 0 kilometers, vegetarian, high-quality, typical and innovative (e.g. natural ketchups). Lastly but not less important the whole segment of consumers interested in food gifts, which is nowadays experiencing a growing trends.

As an agricultural and thus labour-intensive company, Nonno Andrea's production activities are by far the most costly ones, therefore personnel and raw materials expenses are very high, followed by amortisation and depreciation of equipments and real estates.

Nonno Andrea's revenue model is highly dependent upon the direct sales within its company shop, indeed 75% of the sales are referred to this whereas the remaining 25% are sales from specialized retailers. The customers are willing to pay for the value represented by fresh, genuine and high-quality vegetables and fruit but above all organic and biodiverse certified.

### **Triple layered business model canvas**

As sustainable businesses, Perlage and Nonno Andrea, pursue wider social missions and engage in motivated and voluntary activities to spread public benefits that go beyond profit (Schaltegger et al., 2012). Given that the perspective used to implement the previous analyses on the business model was centered on the achievement of financial profits rather than of the social mission it overlooks crucial aspects which define the two companies in terms of their commitments towards the environment and the wider society.

To embed these factors in the analysis of the business model, indeed one needs to add two extra layers concerning environmental and social practices to the framework provided by Osterwalder and Pigneur (2002) thus building the triple layered business model canvas<sup>2</sup> first conceived by Joyce and Paquin (2016). We will offer first the analysis of Perlage corporate context, starting from the environmental layer followed by the social one, subsequently the same framework will be used to examine the business environment of Nonno Andrea. A more concise version of this is offered in Table 4.3.

---

<sup>2</sup>For further readings on the topic see section 2.5



Perlage's functional value lies in eco-sustainable, biodynamic, organic and vegan wines whose characteristics are carefully maintained during the whole production process, from harvesting the grapes until the bottling. Despite the attention they place on these activities there are still some points that can be enhanced to reduce its environmental footprint.

To produce its outputs, Perlage, needs high quantities of glass to be transformed in bottle where to store the wine. Despite using glass bottles has a reduced impact compared to plastic ones this have to be considered regardless, especially if recycling or remanufacturing activities are not implemented. Thus to reduce its consumption of glass they compensate for this issue by using bottles that use less glass. Moreover, on the packaging side, as Davide Scroccaro explained: *"1 year ago we started using stretch films to pack pallets which, although made of plastic, uses less plastic than traditional ones."*

With a focus on the production activities, Perlage's most expensive operation in terms of consumption of energy is definitely the refrigeration of the wines.

However the most critic area is represented by the distribution of its products. The main mean through which its wines are distributed indeed is represented by road transports which have high impact on the environment due to its high production of CO<sub>2</sub> emissions in the atmosphere.

As far as supplies and outsourcing activities are concerned, as previously mentioned, Perlage is a commercial firms and do not own any vineyards on which cultivates its own grapes. All the grapes used to produce its wines therefore come from external suppliers. The impacts coming from the organic farming are minimized and therefore are not considered relevant. On the other hand, water and energy use are relevant and supplied by local utility companies, only a small part of energy is produced on-site with solar panels. Despite this, Perlage demonstrates a strong commitment in the reduction of waste and conscious use of these resources.

The impacts of consumption activities can be omitted, so the use phase is not a concern for Perlage, it could only be if recycling activities are missing.

On the end-of-life edge, Perlage integrate in its activities various recycling and remanufacturing operations by utilizing by-products of the harvesting activity. Indeed through the use of stalks, marc and lees, Perlage produces compost and with the collaboration of a local distillery, grappa and ethyl alcohol respectively.

By joining the RafCycle<sup>3</sup> project in 2017, Perlage was able to reduce the production of non-recyclable waste from labelling practices. Indeed by re-using the siliconized supports on which labels are put before being used they are able to separate cellulose and silicone to create paper and other labels.

Despite great efforts that Perlage put in reducing the environmental impact of its activities there are still some areas to enhance in this regard, transportation, energy and water use are the main ones.

On the other hand Perlage is spreading great benefits to the environment and therefore to society, with its organic farming practices it reduces the use of chemical fertilizers and pesticides, while contributing to the health of consumers and the soil. Furthermore it is also engaged in

---

<sup>3</sup>for further readings on the topic see: <https://www.upmraflatac.com/products-and-services/label-products>

Table 4.3: TLBMC of Perlage and Nonno Andrea

	Perlage	Nonno Andrea
<i>Environmental layer</i>		
Functional value	Ecosustainable, byodynamic, organic and vegan wines	Typical fruit and vegetable and sweet compotes expenditure
Production	Refrigeration	Plant production
Materials	Glass bottles, plastic films	Glass jars, labels, cartons, boxes, trays
Distribution	Road conventional transports	Road conventional transports, bikes (if possible)
Supplies and outsourcing	Water and energy	Water and energy, packaging 100% recyclable
Use phase	-	Domestic water consumption
End of life	Recycling of by-products and of labeling waste	Minimize impacts due to 100% recyclable glass jars, trays and carrying bags
Environmental impacts	High impacts from transportation and water and energy use	Obsolete machinery and transportation
Environmental benefits	Do not use chemical fertilizers and pesticides. Recycling of waste and reintegrations of by-products	Do not use chemical fertilizers and pesticides. Commitment to the regeneration of the soil
<i>Social layer</i>		
Social value	Spreading the message on organic farming, respect of the nature, sustainable way of doing business	Healthy products without allergens, added sugars Local point of reference for sustainable practices and attention to the nature and labour inclusion
Local communities	Inclusion of local communities, recreational and cultural events, collaborations with schools and local associations	Initiatives to develop local communities, support to non-profit, sport and voluntary organizations
Governance	Transparency and involvement of stakeholders	Familiar business, direct control and management
Employees	Crucial stakeholders, training courses, bonuses (fuel vouchers, medical expenses fund)	10 different nationalities represented, with 50% of Italian employees and 50% non-Italian
Social culture	To spread a business culture not only focused on profits but on community benefits and information sharing to lead stakeholders to more sustainable and healthier lifestyles	To spread values such as sharing, accessibility, healthy eating. Cultural formation on sensible issues
Scale of outreach	Direct and personal contacts organizing events in its winery	Sharing the added value of products with partners. Direct and local-focused contacts
End users	Developing local communities socially, increasing the quality of life providing information and knowledge on sensible issues	Developing culture of fair trade and social responsibility
Social impacts	-	Exclusion of determined part of the society due to the high price of its products
Social benefits	Repeated involvement of stakeholders, care of the employees and regular contacts with local associations and schools for shared projects	Involvement of local associations of various nature, helping disadvantaged people, collaborations with local actors

Source: Personal rielaboration

active recycling activities through the RafCycle project and reintegrates by-products into its production processes to obtain secondary products.

As a B Corp, Perlage is highly committed also towards the society engaging in social activities to create sensibility in issues such as: organic farming, biodynamic and respect of natural ecosystems. In doing so Perlage organises events and targeted collaborations with local schools or associations to develop shared projects. This is exactly the social value that Perlage aims at spreading to its stakeholders. As it is clear on their sustainability balance sheet of 2018 (Perlage, 2020b), the latest available at date, apart from the goals in terms of environment and employees (that will be analysed later) there is clear mention to the community which summarises objectives related to the inclusion of local communities in Perlage's activities. Mu-

tually beneficial relationships are created with these actors to present the company and to have inspirational insights coming from external sources.

Another crucial aspect of Perlage's social commitment is represented by the consideration of employees as crucial stakeholders in the organization. As stated many times before, employees are defined as collaborators within Perlage, to these training courses are offered free of charge, in addition various bonuses not only on the monetary side but also more material ones such as fuel vouchers and health insurance are offered (Perlage, 2020*b*). Moreover on the governance side, decision-making processes are always implemented listening the interested parts, for example local communities or workers' representatives to increase transparency also in these practices.

Analysing Perlage's activities through the perspective of the block "societal culture", it has a broad potential impact on the society. It aims to spread a business culture that no longer focuses on profit, but on community benefits and information sharing that could ultimately result in healthier and more sustainable lifestyles for stakeholders. In pursuing this goal Perlage organises events in his winery, among which one that collected the most positive feedback was a cycle of movies about pesticide use and climate change. In this way, Perlage is able to establish direct and personal contacts with its stakeholders and do not appears as a firm only interested in financial returns.

Thus, by spreading this social value Perlage contributes to the development of the local communities, not only economically, but especially socially, increasing the quality of life of the latter also providing information and knowledge on sensible issues.

The last two factors to be analysed in the social level of the TLBMC (social impacts and social benefits) are really hard to quantify, especially on the impact side and therefore will not be examined thoroughly.

Shifting our focus to Nonno Andrea, the functional value they analyse is the typical fruit and vegetable expenditure and the typical purchase of sweet compotes. Needless to say that all these products are made respecting organic farming practices and respecting the biodiversity of the territory. The materials that are used by Nonno Andrea regard, glass jars, labels, cartons and boxes, trays, catalogues all certified 100% recyclable. However energy and water resources are also needed for Nonno Andrea operations. Whereas the first is supplied through the use of renewable resources the latter is a concern as for any agricultural company. Moreover as far as the category supplies and outsourcing is concerned, the packaging used by Nonno Andrea are also 100% recyclable.

Considering the two production activities performed by Nonno Andrea, namely plant production and production of processed products, the former is more impactful given its high consumption of water resources whereas the production of transformed products relies on renewable sources of energy and is therefore less harmful for the environment.

The most critical area, as for Perlage, is the distribution and transport used in it. Nonno Andrea, indeed uses mainly motor vehicles supported however by bikes for local consumers and short distances.

Vegetables before being consumed need to be carefully washed, therefore a concern borne by

Nonno Andrea in the impacts due to the use-phase of its products by the consumers is exactly the use of water resources. In addition to the latter, water is also used to wash empty jars before the recycling of these. Moreover particular concern is placed on the management of the oil of in oil products which if poorly handled can have serious impacts on the community. By carefully choosing 100% recyclable glass jars, trays and carrying bags, Nonno Andrea minimize the impacts of the end-of-life of its products.

To sum up, Nonno Andrea's attention to soil regeneration and recycling of his packaging together with the drastic reduction of environmental pollution due to the non-use of pesticides and chemical fertilizers creates considerable benefits for the environment. On the other hand, the machinery used in the company are still obsolete and therefore contributes significantly to increase the carbon footprint produced by the company. Moreover, transportation and water use are two factors that boost the environmental footprint of the company both in terms of cultivation and in terms of domestic use by consumers.

Nonno Andrea is also sensitive to local communities from a social perspective. Indeed, its products are produced without most allergens and with a low amount of sugar to be as healthier as possible, in addition are high-quality products due to the transformation methods used and a share of them is the outcome of labour inclusion projects.

Furthermore Nonno Andrea engage in numerous initiatives to develop local communities, indeed it supports non-profit, sports and voluntary associations and promotional organizations. Along with the supports to these kind of organizations, given its presence in the agri-food sector it promotes events concerning food and wines territorial excellences. Despite their commitment towards local associations, Nonno Andrea does not implement this kind of activities on a continuous base thus highlighting that its first concern is represented by the environment.

The areas of employees and governance are still not developed as in Perlage, also due to the fact that Nonno Andrea is not a B Corp and does not intend in the short term to become such. Indeed on the employees side are not present intended formation courses nor important benefits, however the composition of the personnel, 50% are Italian 50% are non-Italian employees with ten different nationalities represented underline the importance of values such as inclusion within the corporate culture. As far as the governance is concerned, Nonno Andrea is still firmly rooted to a model of governance centered in the hand of the owners, typical of Italian small family businesses (Colarossi et al., 2008). This kind of governance, is automatically translated in a direct control and management of the activities by the owners without leaving room for dialogues with interested stakeholders in decision-making processes.

However this kind of governance strengthen Nonno Andrea values of being typical and linked to traditions (Nonno Andrea, 2020). Consumers, employees and other important stakeholders are thus treated as being part of the family in a context of sharing and accessibility that characterise Nonno Andrea initiatives aimed at spreading foundation values for a healthy society. Furthermore with events concerning cultural education and healthy eating, the company can have important impacts on society.

In addition, consumers of Nonno Andrea's products in engaging with the firm, realize how

important is to be socially responsible in consumption activities and become aware of issues such as fair trade transactions.

The attention placed on the foundation values of the firm, lead Nonno Andrea to share the added value of its products with its commercial partners to help them in the development of their realities, in addition, educational programs concerning their products are offered to direct and indirect commercial partners when prompted.

In brief, Nonno Andrea points at the development of local communities by supporting local associations of various kinds (sports, non-profit) thus spreading benefits to the society and helping disadvantaged people. However, the price of its products and their singularity brings the exclusion of many social categories from the consumption of its offering thus creating a social cost.

### 4.3.2 Communication strategies

Sustainable companies have several problems in engaging in meaningful and valuable communications with their stakeholders mainly because sustainability has a very broad definition. It can be referred to as financial sustainability, environmental, social, economical and much more. Indeed the term sustainability is surrounded by imprecisions, ambiguity and sometimes also contradictions (Godemann and Michelsen, 2011). Despite an overall definition given by *Our common future* report Brundtland et al. (1987), discussions about what is sustainability are currently held and influenced by cultural perceptions and actions (Godemann and Michelsen, 2011). Even following the statements of the Brundtland report, given the broad definition offered any firms can say that is sustainable. As stressed during both the interviews, but especially during the one with Nonno Andrea's representative, the problem with sustainable communication lies exactly in the definition of sustainability. Indeed Enrico Bellio stated: *"mass communication is based on short and easy slogans in any field in which it can be applied, ranging from business, politics or agriculture. For sustainability one refers to a concept very wide and full of sub-concepts and themes that is very hard to define. Sustainability indeed can be used by anyone in communication activities using however determined sub-concepts of the issue and omitting others according to the needs. Moreover those chosen to be developed can also be in conflict with others not addressed."* On the other hand Davide Scroccaro added *"Communication is the Achille's heel for sustainable companies. This is exactly the reason why we engaged in many activities and events to share our beliefs especially about organic farming, which became one of the mission of the owner but also of us, collaborators. Awareness campaigns about what is a organic farming and an organic wine were very challenging because our audience was not ready nor conscious about these topics."*

Their statements therefore agree with the assertions of (Signitzer and Prexl, 2007) that sustainability is a communication problems. Companies that aim to spread the benefits to society in general must therefore, first of all, engage in communication initiatives to increase stakeholder awareness on these issues, but above all on what sustainability means to them and in which areas of this broad concept the company will commit itself.

Perlage, given its more formalized structure also due to the B Corp certification makes use of explicit instruments, recognizing the importance of implicit ones though. Their communication strategy is noteworthy since through a perspective of dynamic duality (Fang, 2012) they are able to coherently integrate and make co-exist these two types of tools (Morsing and Spence, 2019).

As Davide Scroccaro stated: *"the social reporting is one of the tools that we use to communicate with our stakeholders our mission and our values. The fact that it has changed its graphic design to make it more attractive goes in the direction of entering the common language, trying to get into the lives of ordinary people."*

Apart from this formalized tool, Perlage also makes great use of social media to communicate values and initiatives centered on sustainability and organized in the winery of Farra di Soligo to trigger determined levers to arouse interest in the company. In this way they are able to obtain more direct and personalized contacts with all the stakeholders.

Another tool used by Perlage, that is currently experiencing a renewal, is their website. Due to the last period situation with the COVID outbreak they realized the importance of the latter as both mean through which enhance their sales but especially as mean to communicate and present the company. Two examples of implicit and explicit communication performed by Perlage are depicted in Fig. 4.3.3. On one hand, by using a blog named "Bio Blog"<sup>4</sup> Perlage shares the values and beliefs on which the company is founded, expanding the focus on other activities that, however are based on the same values. In this way, through the blog, Perlage promotes the participation of customers in conversation and dialogs on a personal basis. On the other hand, Perlage engages in explicit communications disclosing its feature of being a B Corp on its Instagram page<sup>5</sup>.

Moreover all the events and participations to fairs allows Perlage to get in contact with different audiences to spread their message. According to Perlage's CSR manager: *"in communicating externally, we omitt some information because we share the most important one for the consumer."* However direct contacts based with the aim of gaining mutual understanding are precious and create a sense of mutual gratification on both parties (Godemann and Michelsen, 2011). Ivo Nardi, owners of Perlage, stressed on this point *"for particular matters question-answer method is very effective. There are many consumers who ask questions that give rise to relationships of mutual gratification given our precise and detailed answers, which always receive heartfelt thanks from the other side for the meticulousness with which even the simplest of doubts have been addressed."*

Perlage also stand out for the care it places in internal communication towards its collaborators to make them abide more tightly to the values that characterise the company. Ivo Nardi, in this regard asserted: *"Internally the topic of the environmental sustainabilty is always alive, during the meetings this issue is further enriched. For example the theme of separate waste collection passes through a collective management of the problem, giving guidance to employees and passing on the company's values to them helps to solve the problem."* Furthermore Perlage

---

<sup>4</sup>available at <https://blog.perlagewines.com/>

<sup>5</sup>available at [https://www.instagram.com/perlage\\_winery/](https://www.instagram.com/perlage_winery/)

Figure 4.3.3: Perlage's duality in communicating with explicit and implicit methods

(a) *Perlage's Bio Blog*



(b) *Perlage's instagram post highlighting the B Corp certification*



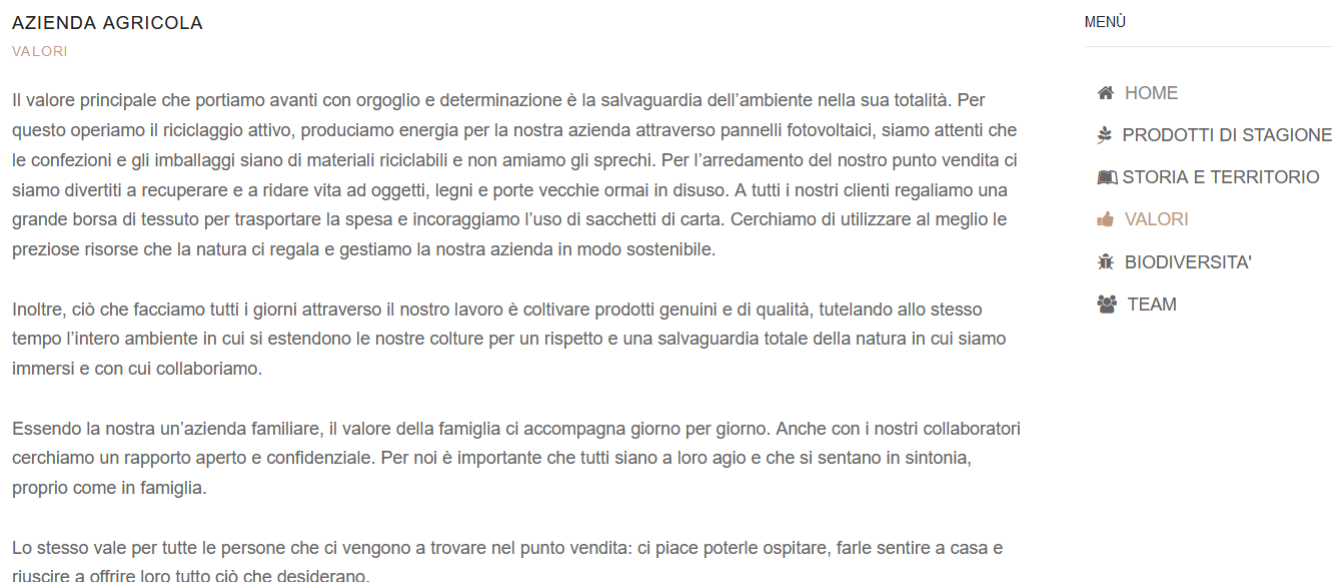
in 2018 organized a series of events, internally, dedicated to the issue of environmental sustainability with an external consultant that allowed the company and its collaborators to reflect and share opinions on this topic.

On the other hand, Nonno Andrea in communicating with its customers aims at offering transparent and coherent communications concerning the aspects of environmental sustainability on which are committed in all business areas. For Nonno Andrea environmental sustainability means, using the words of its COO *"being committed in a project of business growth and development of the activities in order to better preserve the territory."* All the messages used to communicate with the stakeholders should therefore embody at least part of this goal.

As a small business, Nonno Andrea in its communications with the stakeholders and consumers mainly rely on implicit tools to highlight their commitment towards the environment, fact that is in line with the analysis performed by (Morsing and Spence, 2019) on the communication methods used by SMEs. An example of this implicit methodology used to communicate

with its stakeholders can be offered by analysing how Nonno Andrea describe itself on its website<sup>6</sup>, Fig. In doing it, they do not mention their certifications but stress the values in which they believe and the care they put in their daily operations to protect the environment, thus reducing the distance with the stakeholders.

Figure 4.3.4: Nonno Andrea's communicating its values



Source: (Nonno Andrea, 2020)

Both internal and external communication are based upon delivering messages that include the foundation values at the core of the business. In this way, Nonno Andrea points at inspiring employees, local communities, customers and suppliers towards important issues for the preservation of the natural ecosystems. Through the establishment of direct relationships with both local customers and key partners, Nonno Andrea has the possibility to engage in informal dialogue spreading the beliefs of the founders. As stated by the COO *"we do not have the need to use explicit reports or other tools to outline our sustainability, all we need to do is to tell daily operations and corporate culture in which our sustainability truly lies."* Moreover to spread its values, Nonno Andrea engage in numerous direct collaborations with local associations.

Social media are also an important part of Nonno Andrea communication initiatives due to the fact that through these they can establish direct contacts and quickly answer to any questions or doubt of its customers, or even just having a conversation and sharing some opinions on its products and environmental issues. Fig. 4.3.5 illustrates an example of how Nonno Andrea communicates on Instagram<sup>7</sup>.

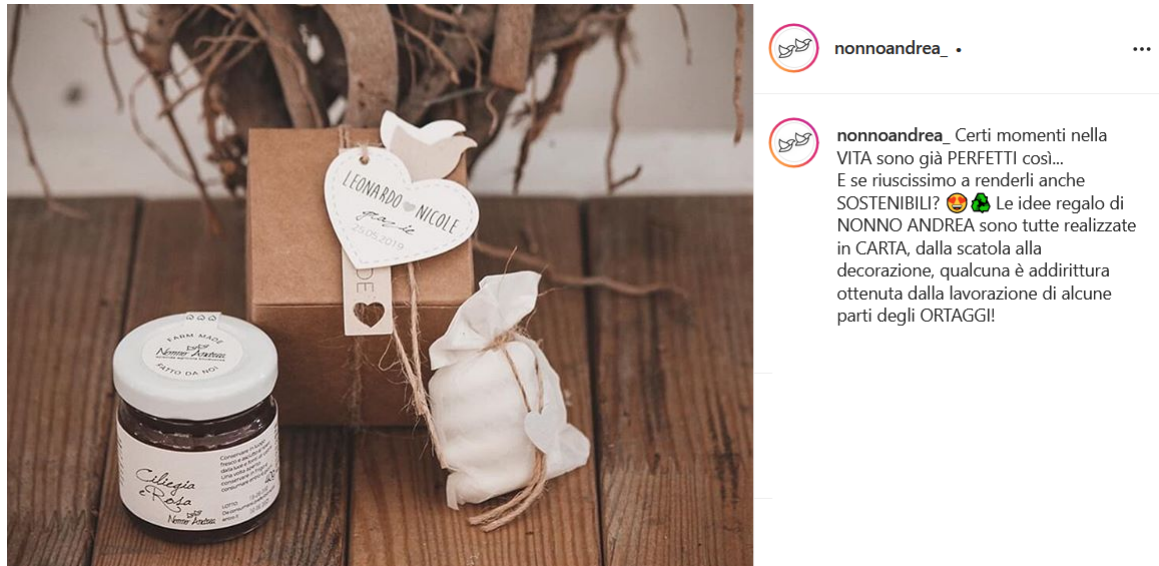
Both companies in their communication endeavours use a perspective focused not on the commercial product but rather on the values and beliefs that are the foundation of the business. Moreover the direct contacts that they try to establish strengthen their presence on the territory achieving the legitimacy to operate by the most important stakeholders (Suchman,

<sup>6</sup>available at [https://www.nonnoandrea.it/it/azienda\\_agricola](https://www.nonnoandrea.it/it/azienda_agricola)

<sup>7</sup>available at <https://www.instagram.com/p/CB0Nvq3q89X/>



Figure 4.3.5: Nonno Andrea's communication on social media



1995). Indeed both, Nonno Andrea and Perlage through their communications concerning sustainability along with their certification enhance their brand value and reputation (Herzig and Schaltegger, 2006). In the next section the role played by certifications in both companies will be analysed, stressing the difference among them due to the B Corp certification.

### 4.3.3 Certifications

The use of certifications can be beneficial for the firms in two ways: first in their communications the claims concerning sustainable practices are supported by analysis (usually by third-party organization) which testify the compliance with determined standards according to the certification and, on the other hand strategically against competitors to gain reputation and legitimacy in the competitive arena (Nigri et al., 2017; Pullman, 2012; Kim et al., 2016). Both analysed firms are characterised by the use of certifications, as far as Perlage is concerned, there are many certifications supporting its commitment to the natural environment and local communities, however the most important ones are, B corp certification, EU organic certification and A.V.I Label Veg. Nonno Andrea main certifications are instead EU organic certification and biodiverse friend which endorse its commitment towards the regeneration of the soil and of microorganisms.

Perlage main concern about its explicit communication is that the claims embodied in these can be perceived as greenwashing practices by consumers, the presence of certifications which testify their commitment towards environmental sustainability avoid this crucial issue, indeed using the words of Davide Scroccaro: *"in primis, the power of certifications lies in avoiding as much as possible greenwashing, they are a guarantee of transparency towards the consumer."* In this way Perlage's communication can be described as credible by delivering transparent and updated information (Allen, 2016a). On the other hand certifications that are more related with enological products indicate the respect of standards and norms in terms of quality and hygiene for instance IFS that subsequently also had a crucial role in the development of

Perlage's sales abroad. All the certifications obtained by mean of an assessment of Perlage's operations contribute to the positioning of the company and increase its competitive advantage over non-certified competitors.

More important, however, are the effects brought to Perlage by the B Corp certification which can be summarised by the words of Ivo Nardi: *"certifications help to maintain in order the company because they set some standard to be respect in the production processes which ultimately affect the product."* To obtain the B Corp certification companies must undergo an assesment implemented by B Lab in four main areas: governance, workers, community and environment (Wilburn and Wilburn, 2015). Davide Scroccaro added: *" the power of B Corp has been to better structure the entire sustainability sector, shifting the attention on the four macro-categories of interest."* The fact that it was the subject of B Lab's analysis led Perlage to focus its CSR efforts on specific areas that defined the content of its next improvements and helped the company to describe externally and internally, mainly to partners, where the next resources would have been deployed.

Shifting on the competitive side, certifications were crucial throughout the entire Perlage's corporate history, for example IFS certification is mandatory to sell wines in the large organised distribution and allowed Perlage to position its products on the shelves of many players in the sector, especially abroad. Moreover being vegan certified allowed Perlage to address an entire new segments, that in recent years is experiencing outstanding growth rates, thus broadening their consumer targets.

Transparency given by the certifications further increases consumer loyalty and being seen as a trustworthy company that not only aims at maximizing profits exploiting any means possible but cares about customers health and local communities enhance even more this process. The latters are values that synthetically represent the key features of a sustainable business model (Stubbs and Cocklin, 2008).

Moreover through the B Corp certification, Perlage managed to enter into a partnership with Altromercato, an organization which is highly committed towards the development of fair trade with fair retributions for any actors involved in the supply chain. This collaboration allowed Perlage to sell its products also through this channel, in small amounts, after strict audit operations performed by Altromercato which aimed at verifying the respect of determined standards in terms of social commitment towards employees and local communities.

The organic certification which has always been present since Perlage's foundation allowed in the beginning to expand its consumer network abroad but it is currently that Perlage is collecting the majority of the benefits of this choice made in the late 1985. As one of the first-mover in the sector of organic wines, Perlage has been able to transform the efforts and needs of the past regarding the sale of the majority of certified brand products abroad into a commercial opportunity also for the domestic market.

The B Corp certification, however, has opened up many opportunities for the company to grow, not only in commercial terms but in the development of social and environmental practices and through the constant contact with the B Corp community. When directly asked

about the benefits of being a B Corp, Davide Scroccaro answered: *"the B Corp certification surely contributed to enlarge our contact network with for example schools or local associations which contact Perlage to develop project and put the company under observation. Hence in terms of social network the certification was an added value."* Perlage is also in close and continuous contact with B Lab and the whole B corp movement, *"every month I participate at the B Corp calling in which we are made aware of collective initiatives or those undertaken by individual companies"* said Davide Scroccaro. With regard to the communication initiatives relating to the entire B Corp community these are shared to all the firms involved which consequently have a set of tools and materials to use in their communication activities. For instance in the month of July the B Corp community started a relevant awareness campaign named "Unlock the change" which prompted all the B Corps to integrate tools and methods, agreed collectively, within their communication strategies. Perlage's testimony gives a practical explanation of the advantages collected by being a B Corp that were only analysed theoretically in the third chapter.

Nonno Andrea as stated before is not a certified B Corp and therefore can not collect the many benefits on markets and networking activities as Perlage. However Nonno Andrea certified its product as organic as automatic consequence of its nature and values but most importantly to highlight its sensibility to raw materials. Moreover, they obtain the certification to enrich the value of the product by signaling through a label the high-quality included in its vegetables and transformed products at the eyes of the consumer. Enrico Bellio stressed exactly this point, especially in terms of spending the certification in the competitive arena: *"the certification is always a plus and in the implemented communication activities if you have it whereas your competitor do not, the certified company is in an advantageous position."*

Nonno Andrea's certification for organic farming was also done to avoid creating any possible doubt about the validity of his communication initiatives and not to confuse consumers. Local customers that are sensitive to environmental issues and organic farming find in Nonno Andrea a point of reference, *"there are no other producers of organic radicchio in oil in our territory, consumers who wants organic IGP radicchio come at us."*

Nonno Andrea's goal is however to become a consolidated and respected reality, albeit the small size of the company, in the local territory. The latter represents the main and crucial resource on which Nonno Andrea relies most and, consequently, the one on which it pays absolute attention in exploitation. To underline their commitment to repopulation, health and the promotion of sustainable ecosystems and land, they have obtained the "biodiversity friend" certification, which confirms the above mentioned practices. The certification is used by Nonno Andrea to show to its customers the efforts they make in every single action to pursue their corporate mission, thus becoming even more respected by consumers through the enhancement of their brand and reputation.

Moreover the certifications represent for Nonno Andrea all added values that are spent also on foreign markets to build their brand identity and to find specialized importers which share the same philosophy.

Nonno Andrea certifications are therefore exploited both in communication and in compe-

tition with other companies. However by being a small company still at the beginning of its operations and targeting specialized segments the certifications especially on the competition side appears to be less important compared to Perlage. On the communication side, given its high-quality products which use excellent raw materials the use of the certification helps them to confirm their CSR achievements and to obtain legitimacy in the eyes of local stakeholders. By certifying their products indeed Nonno Andrea was able to enhance the quality of its offering while also providing transparent information to customers and making the brand recognizable as organic and biodiverse also abroad (Pullman, 2012; Zhang et al., 2014).

### **Sustainability, "Made in Italy" and certifications**

The wording "Made in Italy" on the products can be put only if the product is entirely produced in Italy or if the final product has experienced the last phase of the transformation process in Italy<sup>8</sup>(Pellegrini, 2016). In traditional productive sectors that characterise Italian economic fabric, among which food and wine are listed, the presence of "made in Italy" makes the products gain a certain uniqueness that is associated with Italian traditional productive systems and overall, Italy (Temperini et al., 2016). The "made in Italy" brand is linked with high-level competences, tradition and heritage which enhance the value of Italian products (Temperini et al., 2016). Despite the consolidated presence of this brand in foreign markets its value has been losing importance due to misuses and counterfeiting.

"Made in Italy" can be therefore seen as a global brand which provides higher perceived quality, status and prestige compared to locally-born brands (Rosenbloom and Haefner, 2009). Along with all these benefits, abroad, "Made in Italy" producers are seen as trustworthy, in addition its presence reduces the uncertainty and risk associated with purchases of high-quality and high-price products.

Given that the two companies that we analysed both have contact with foreign consumers which are frequent for Nonno Andrea and the main segments addressed by Perlage, the presence of the inscription "Made in Italy" on their product is synonymous of quality and therefore further enhance the value perceived by foreign consumers.

The simultaneously presence of the two labels: "Made in Italy" and organic which confirm a sensitivity towards environmental issues, put Italian brands in a advantage position considering the high awareness of foreign customers (above all in the Nordic countries) about environmental sustainability. In this way Perlage's wine and Nonno Andrea's transformed products stand out first as Italian excellences and after that as organic(also vegan for Perlage) catching the interests of conscious consumers.

Enrico Bellio has hit the nail on the head perfectly concerning the relationship between "Made in Italy", certifications and sustainability: *"Made in Italy is what the importer looks for and it is seen as the main certifying brand, subsequently you can shift towards who needs organic products and who do not. Consumers or importers that want organic products can rely on the further organic certification which helps us to position our product. As far as other non-organic*

---

<sup>8</sup>This last part according to the art.36 of "Codice Doganale Comunitario Aggiornato"

*products, Made in Italy provides high-quality products which can be in competition with other products. In this case other certifications concerning the territoriality or quality play a crucial role."*

"Made in Italy" label is therefore crucial on both sides communicative because helps companies to engage with customers who looks for high-quality products without producing false claims, and also on the competitive edge by enhancing brand identity and positioning in foreign markets.

Perlage's perspective, instead begins from the importance of the certification for organic farming, as summarized by Ivo Nardi: *"the organic certification is the one that obliged us, back in the 1985, to market our products abroad as the only commercial outlets were there and not in the domestic market."* The presence of organic and Italian certification indeed is seen by Perlage customers as a positive plus. Another example brought by Ivo Nardi for the importance of the "Made in Italy" describes how Prosecco, a variety of wine exported worldwide and only produced in Veneto, gained international presence in the markets: *"the growth of the entire Prosecco' system in the winemaking industry benefited from the exclusivity of the product which is only produced in our area. Apart from economic activities this led to a wider financial flow also with regard to tourism and catering activities."*

In brief the synergy that is created among "Made in Italy", certifications and environmental sustainability can be exploited by Italian firms abroad. This lead producers of high-quality products, such as in our cases wine and food, to gain even more value in the eyes of foreign customers. On one hand Italian products are recognised as being of good manufacture thus enhancing the perceived value of the brand, on the other hand foreign customers are better informed on environmental sustainability issues, on the organic certification that both analysed companies have and on the B Corp certification held by Perlage. All these factors contribute to create a guarantee trademark on the validity of the product, trustworthiness of the brand and confirmation of their endeavours in terms of environmental and social sustainability in the eyes of the more mature segment of conscious foreign consumers.

## 4.4 Comparison between Perlage and Nonno Andrea

The two companies that we analysed, Perlage and Nonno Andrea, although similar in addressing the environmental sustainability of their activities, they are quite different. First, Perlage is a well-consolidated company in the wine industry both nationally and internationally with 60% of its production that is exported, Nonno Andrea instead is still a young company with reduced contact, albeit present, with foreign markets. Second Perlage is a B Corp, has formalized operations concerning both environmental and social sustainability which are integrated as focal goals of the company mission. Nonno Andrea, on the other hand, is not a B Corp and is not thinking of obtaining the certification, at least in the short-term.

In the previous section we analysed three main topics: business model, communication strategies and certification and on the basis of these we will further deepen our analysis with a

comparison of the two companies which is summarised in Table 4.4.

Table 4.4: Nonno Andrea and Perlage comparison

	<b>Perlage</b>	<b>Nonno Andrea</b>
Motivations for being sustainable	Ethical motives	Ethical motives
Business model archetype	Re-purpose for society/ environment	Adopting a stewardship role
CSR communication	Mainly implicit with some explicit tools. Communication for sustainability	Implicit. Communication about sustainability
Certifications	B Corp, EU Organic, Vegan, IFS, CODEX, DEMETER, A.V.I. LABEL VEG, UNI EN ISO 9001-2015, BRC, NOP, DOCG	EU Organic, Biodiversity Friend, IGP

Source: Personal rielaboration

## Business models comparison

The motivations that led the two companies to become sustainable reflect the ethical motives described by Bansal and Roth (2000). The inherent motivation to being responsible towards the environment is therefore shared by the owners and allow the companies to be completely focused on their goal.

According to the classification offered by Bocken et al. (2014) Perlage can be identified as belonging to the "Re-purpose for society/environment" archetype whereas Nonno Andrea within the "Adopting a stewardship role". Indeed, Perlage also through the B Corp certification, completely re-organized its activities embracing further its role as sustainable firm that priorities delivering social and environmental benefits to local communities and other stakeholder groups. Belonging to this archetype can be supported by Perlage's continuous commitment to local communities, but above all in spreading a new idea of how to do business thinking about the common good and not about profits. Furthermore Perlage do not use nor pesticides neither fertilisers of chemical nature to both preserve the environment and the genuinity of the wines to not be harmful for both consumers and natural ecosystems.

Similarly, but not with the same commitment Nonno Andrea engages in collaborating activities with the stakeholders to safeguard long-term health and well-being of these and especially, of the natural environment. Nonno Andrea in pursuing organic farming practices do not use chemical substances and respect the biodiversity of the soil aiming further to regenerate the territory. All these features fit with the description of the archetype "adopting a stewardship role" outlining the importance that nature have as main stakeholder for Nonno Andrea.

If instead the sustainable business models should be analysed using the pattern taxonomy offered by Lüdeke-Freund et al. (2018) they can be gathered in the Ecodesign group (G3) which collects patterns that integrate ecological activities within the value proposition and in each aspect characterizing the activities implemented by the firm. The value creation is therefore

created mainly through ecological activities.

A peculiarity which characterizes Perlage and not Nonno Andrea is the regular concern that it has towards social goals. Many of the activities that it implements in this regards are due to the B Corp Certification that characterizes it. Indeed Perlage, has active collaborations with schools, local associations, last year it promoted "fridays for future" initiatives and various educational projects concerning CSR achievements and organic farming practices.

In terms of value proposition the two companies offer different products yet sharing the same goals of environmental sustainability. Whereas Nonno Andrea has the whole processes internalised which allow the company to have entire control over the activities, as typical of agricultural firms, Perlage splitted the commercial firm from the agricultural one having the grapes and other enological materials supplied by external producers.

The customer segments addressed by Perlage are mainly individual consumers and Ho.Re.Ca segment 60% of which represented by foreign actors and the remaining 40% by national players. These are reached by diversified channels among which the most important are represented by the e-commerce platform and indirect retailers such as EcoNatura Si.

On the other hand Nonno Andrea address primarily local customers which look for fresh, genuine and organic vegetables making the company highly reliant in terms of revenue stream from the company shop in Treviso. Foreign consumers are instead more interested in "Made in Italy", organic and biodiverse products which can be traditional and innovative at the same time.

Both companies rely on direct contacts with the customers to establish long-lasting and mutually beneficial relationships to be exploited to gain mutual understanding, share values and projects by educating on issues as environmental sustainability and organic farming.

Another key feature which distinguishes Perlage's business model from Nonno Andrea ones is that employees are seen as an important and crucial resource for the implementation of the activities performed within the organizational boundaries. Indeed to reward the collaborators for being the soul of the company, Perlage distributes 81,91% of the created value to them (Perlage, 2020b). The sensitivity to employee situation is part of the B Corp certification and this further highlights the importance of the certification in shaping firms' activities and not only as a communication tool.

## **Communication strategies comparison**

The two communication strategies implemented by the firms at first sight are not so different. Indeed they both rely on direct and personal communication tools to increase their presence on the territory and towards local communities in order to create transparent and equal relationships.

Nonno Andrea CSR communication strategy is made only through implicit methods (Matten and Moon, 2008) which aims at the disclosure of the foundation values and beliefs that characterise the implemented practices. The communication have informal and personalized nature and leverage on issues such as the organic certification and the respect of the ecosystems not

referring to standards or measures of external authorities but on their perspective making the CSR communication culturally dependent.

Despite the use of certification is defined as explicit communication methods, Nonno Andrea do not refer directly to these in communicating, thus keeping as simple and informal as possible its messages. Using as point of reference the categorization offered by Genç (2017) one can define Nonno Andrea as a company that is implementing *communication about sustainability* since its efforts in the marketing strategy, precisely on the communicative side, are not yet linked to precise commercial objectives, but are rather focused on communicating information and encouraging stakeholders to share their opinions and to establish a more dialogical approach (Newig et al., 2013). This feature further highlights how sustainability, despite being pursued by Nonno Andrea, is not yet explicitly formalised in their activities thus showing an horizontal coherence between the two levels, social and environmental, of the triple layered business model canvas (Joyce and Paquin, 2016).

On the other hand, also Perlage engage mainly in implicit communications as automatic reaction of the institutional environment which characterise the company (Matten and Moon, 2008). However, due to the B Corp certification which formalized the structure of the firm and all the activities performed within, part of the communication strategies is made deliberately and voluntary through explicit means. Notwithstanding the annual disclosure of the social balance sheet, Perlage integrates these two methods seamlessly. Indeed the social balance sheet is designed to be as simple and understandable as possible for everyone and is thus not orientated only towards specialized audience such as national or international authorities. In drawing up the social report, indeed, many information are voluntarily omitted to disclose only the relevant ones and those in which end-users are interested the most. Obviously, as stressed many times the B Corp certification set strict standards to be respected, Perlage's internal communication indeed, relies also for instance on codes of conduct to manage its collaborators.

Always within the framework defined by Genç (2017), unlike Nonno Andrea, Perlage is strongly committed in *communication for sustainability*, indeed despite the issues which cares the most, organic farming and preservation of the natural resources, through its initiatives Perlage tries to communicate the need for a new basic paradigm with regard to the main objective of entrepreneurial activity, also underlining the need for a collective commitment to achieve the broader goals of sustainable development. Perlage's thus shows also in its communication activities a vertical coherence among the layers of the TLBMC, supporting both social and environmental initiatives and the interconnections among them (Joyce and Paquin, 2016).

Certifications are also another tools which is highly used by Perlage to communicate its CSR achievement, the importance of the certifications was indeed stressed many times during the interviews and highlights why Perlage gained various certification and is very proud of its accomplishments in this regard.

Both companies use social media to engage directly and quickly with the stakeholders, sharing pictures, promoting events and informing their audience on the business practices implemented and issues linked to environmental or social sustainability.



## Certifications comparison

Both firms use certification to confirm their commitment towards the environment or social activities to delete any doubt that consumers can have on the transparency of their activities and reliability of their communications. Furthermore certifications are crucial tools to be used against competitors to gain an advantageous position in the market.

Perlage also due to its long-lasting commitment towards the environmental cause has gained numerous certifications that guarantee the respect of high and strict standards with regard to its operations aimed at the development of sustainable practices. All the certifications obtained by Perlage are summarised in their website (Perlage, 2020c) to make it accessible to a larger audience thus eliminating any doubt on them. Among the various certifications one can find: organic, vegan, DEMETER, CODEX and IFS. In addition Perlage obtained in 2016 the B Corp certification which makes Perlage one of the few companies that meets the highest standards of verified social and environmental performance, public transparency and legal accountability to balance profit and purpose (B Lab, 2020).

In its first assessment Perlage had to pass numerous stages and adapt its activities towards the requirement of the B Corp certification in terms of governance, environment, community and employees. Therefore the certification was the beginning of a new era for Perlage which prompted radical changes on the activities side, which can be seen as a business case for sustainability (Schaltegger et al., 2012), but also on the normative side given that in 2019 it had to change its articles of association and its corporate charter to change its legal form in benefit corporation.

Hence despite the great efforts put by Nonno Andrea in environmental sustainable practices, Perlage can show the B Corp certification as a strong tool which confirm its sustainability due to the long and careful analyses performed by B Lab in order to grant the certification. The strong power given by the B corp certification is used both strategically and to support its communication initiatives using a synthetic index, the BIA to show its results.

On the other side Nonno Andrea can rely only on two main certifications: organic products and biodiverse friend which support their commitment towards the environment but do not provide objective tools to show to stakeholders in order to demonstrate their CSR achievements. As Perlage, it exploits the certifications to gain legitimacy in the eyes of the stakeholders, to enhance its brand reputation and to spread not confusing messages in the communication with its employees, suppliers and consumers.

Notwithstanding the better position of Perlage in terms of certifications, Nonno Andrea too highlights their importance in implementing sustainable practices. However the "sustainable position" of Nonno Andrea is weaker compared to Perlage who has always pointed on the certification activity and considers it as one of the key activities that characterise its business model. Moreover Nonno Andrea has not thought about obtaining the B Corp certification maybe because it is a very long and resource consuming process which would not yield the expected results given the local focus of its activities.

In brief Perlage is better positioned than Nonno Andrea in terms of certifications, how-

ever Nonno Andrea's future goals is to obtain further certifications within the field of eco-sustainability.

# Conclusions

Sustainable business models are complex, intertwined and apparently uncertainty entities. However the creation of these require a great sensitivity, competence and cross-cutting knowledge to address all the problems that are linked with this new form of business.

The integration of a social mission within business practices and the value proposition lead sustainable firms to be responsible for any actions directly and indirectly performed even considering its partners and supply chain actors. Apart from spreading positive effects in support of flourishing of the natural environment and human society, sustainable firms aim at inspiring individuals to embrace more sustainable lifestyles, thus creating a cycle of improvements thorough which the whole society could benefit.

The presence of this kind of companies is still limited due to the challenges faced in designing a financially viable business model and in convincing stakeholders to support positive causes without being perceived as performers of greenwashing practices. The power of sustainable businesses lies exactly in the wider social context to which they belong, this legitimizes their actions, supports their initiatives and benefits their activities, but on the negative side, is well informed, ready to share negative word-of-mouth and persistent in demanding greater efforts.

Thus in order to build an attractive and sustainable company, from an economic point of view, all these additional factors must be considered because they can quickly determine the survival or failure of companies.

The two case studies highlight how the economic management of sustainable companies, despite its importance, represent only a small fraction of the concerns and activities of this kind of firms. Indeed sustainable firms are nowadays oppressed by a capitalistic system which still puts the importance of profits first, thus harming the entire community that created and fuels it.

A systemic change as well as contributes from politics and educational programs are required to impose a new form of natural capitalism in the globalized economies thus rendering sustainable firms not seen as sporadic and irrelevant efforts towards an healthier and more equitable planet but as normal and integrated actors in a system attentive to the future generations. Non-profit organizations like B Lab are trying to promote this change by offering certifications and incentives to productive actors to become sustainable. However, most of them still see these innovative practices and growth paths as unprofitable and unworthy of investment in resources and time.

Yet time is running out and without sustainable practices there will be no profit for anyone.



# Appendix

## Interview with Enrico Bellio - COO Nonno Andrea

Elenco dei presenti all'intervista tenutasi in data 10/09/2020 in presenza presso la sede principale della azienda a Treviso:

- Enrico Bellio, Chief Operations Officer presso Società Agricola Nonno Andrea S.S.
- Marco De Florio, studente presso Università degli Studi di Padova, corso magistrale in Entrepreneurship and Innovation

Riporto di seguito le abbreviazioni che verranno utilizzate per indicare ciascun interlocutore:

- Enrico Bellio (“**E**”)
- Marco De Florio (“**M**”)

Durata totale intervista: 1 ora 3 minuti e 18 secondi.

INIZIO.

**M:** Innanzitutto approfitto per ringraziarla per la disponibilità e direi di iniziare subito con l'intervista. Questa ha lo scopo di collezionare una testimonianza e dei dati per lo sviluppo del mio progetto di tesi ad oggetto “Business Models Sostenibili”. Partirei subito chiedendole qual è la sua posizione nell'azienda.

**E:** Sono COO di Nonno Andrea e lavoro qui da circa 4 anni

**M:** Ottimo, per iniziare volevo chiederle è cosa fa la vostra azienda non Andrea e se può brevemente descrivermi la vostra storia.

**E:** Nonno Andrea parte alla fine degli anni '80, precisamente nel '89 con l'unione di due famiglie, che derivano da due storie di imprenditoria agricola una dedita all'allevamento l'altra più dedita ai vigneti e quindi alla vitivinicola e queste due realtà si incontrano proprio perché i due figli si sono sposati e hanno fatto famiglia decidendo successivamente di costituire una nuova realtà agricola chiamata Nonno Andrea che avvia il business dell' agriturismo. Vengono quindi mantenute quelle che sono le coltivazioni, tutt'ora mantenute, e gli allevamenti sempre più ridimensionati col tempo e viene iniziata questa attività di agriturismo molto particolare cioè abbastanza innovativa perché grazie alla formazione culinaria di una dei proprietari sviluppata seguendo tra l'altro svariati corsi con ad esempio Marchesi più che con altri nomi importanti della cucina italiana improntando così un menù altamente particolareggiato e molto fine in un

contesto agriturismo dove tendenzialmente nella quasi totalità dei casi viene offerto un menù abbastanza improntato sulla semplicità dei piatti e sulla presentazione di quella che è la materia prima di valore del chilometro 0. L'agriturismo è andato avanti poco più di 10 anni perché nei primi anni del 2000 si è deciso di fermarsi con l'attività ristorativa e di proseguire invece quella che era l'antica vocazione delle due aziende cioè quella di agricoltura quindi, partendo dai 5 ettari che avevano tra ortaggi e vitivinicola anno dopo anno hanno cominciato ad allargare gli ettari e la strumentazione agricola quindi l'attrezzatura piuttosto che la parte immobiliare per il deposito dei macchinari fino ad arrivare nel 2015 ad avere in mano quasi 70 ettari. Questi 70 ettari erano coltivati a regime biologico ma non certificato e comprendevano più di 30 specie di frutta e verdura diverse, 5 di questi ettari erano dedicati come tuttora ai vitigni che sono principalmente Glera e Chardonnay. Contestualmente allo sviluppo dell'azienda in ambito agricolo si è sviluppata anche la parte di commercializzazione. Da una piccola tenda, un piccolo gazebo con cui sono partiti o utilizzando anche le itinerante con furgone per la vendita piano piano hanno sviluppato quello che è l'attuale punto vendita di Nonno Andrea che ha iniziato a prendere forma ed ad allargarsi a proponendo sempre più prodotti, ortaggi e frutta, e poi ad un certo punto quando anche la mole di lavoro è iniziato a diventare importante e le richieste da parte dei vari clienti maggiori ha incominciato anche ad ampliare la sua offerta con determinati acquisti di prodotti che ovviamente non potevano venire dal territorio Veneto e in pochi casi tanto meno da quello italiano, facciamo l'esempio delle banane, però nella quasi totalità la provenienza della frutta e della verdura è o locale o italiana appoggiandoci al mercato ortofrutticolo di Treviso, tenendo presente comunque che la quota di frutta e verdura utilizzata dall'azienda tra fresco e trasformato è di oltre il 55% di nostra produzione. Nel 2014 si era pensato di inserire nel contesto del punto vendita dei prodotti trasformati utilizzando però prodotti freschi del territorio e visto che la proposta suscitò molto interesse ebbe un gran bel responso soprattutto nel periodo natalizio dove veniva utilizzata per la regalistica. Nell'ottica di sviluppo dell'azienda quindi la proprietà ha deciso di investire per sviluppare un laboratorio ed una cucina per meglio dire farm-made come la chiamiamo, cioè una cucina di derivazione agricola dove vengono sviluppati tutti questi prodotti trasformati. Nonno Andrea quindi iniziò a sviluppare prodotti trasformati e le prime ricette proponendole nel punto vendita. Oltre la materia prima di alta qualità e la trasformazione con ricette studiate la cui cultura derivava dall'approccio agriturismo e quindi dal ristorazione che fu il passato dell'azienda ciò che ha fatto molto da traino ed è stato un valore aggiunto è stato il packaging, questo venne ideato sul concetto della semplicità da una parte e dell'originalità dall'altra, e già così facendo ti parlo di due delle tre parole chiave dell'azienda: semplicità originalità ed ecosostenibilità nonché quindi i tre pilastri dell'azienda e il filo conduttore per iniziare a far percepire capire che cos'è Nonno Andrea e che cosa il brand Nonno Andrea portava nelle cucine delle persone. Viene quindi sviluppato la prima linea nel 2015 con l'aiuto di un distributore nazionale la cui sede è a Conegliano a cui sono piaciuti i prodotti, ci ha proposto la collaborazione e quindi dal 2016 la distribuzione di non Andrea ha cominciato ad avere un carattere nazionale e non più locale.

**M:** Scusi se la interrompo la prima linea è stata fatta nel 2015 e il distributore nazionale è

arrivato nel 2016 giusto ?

**E:** Sì esatto 2016 proprio quel Natale al distributore nazionale è piaciuto il prodotto e lo ha testato proprio nel periodo natalizio, da lì ha manifestato il suo interesse, ha proposto la collaborazione e ha cominciato a posizionare in qualche cliente particolare, selezionatori di eccellenza alimentare piuttosto che gastronomie piuttosto che enoteche, i prodotti di Nonno Andrea

**M:** Perché prima Nonno Andrea era solo locale ?

**E:** Prima Nonno Andrea era solo punto vendita e qualche rivenditore locale che per sentito dire o per informazione e/o passaparola era venuto qui e ha iniziato ad acquistare prodotti. Quindi già in un anno Nonno Andrea assume la caratteristica nazionale non a livello di numeri ma di concetto distributivo. Nel 2016 questo distributore ci consente di entrare in fiere italiane molto interessanti e molto importanti dove si incominciano a incrociare player non solo nazionali ma anche internazionali, ovviamente sempre di piccola caratura come distributori di piccola entità che poi possono però garantire un percorso di crescita commerciale in azienda. Nel 2016 viene avviato questo percorso di crescita che viene confermato e consolidato nella fiera del 2017 “Taste” di Firenze. Il “Taste” è la migliore e più importante fiera di prodotti di nicchia enogastronomici che ci sono in Italia quindi piccoli produttori che avviano la loro espansione commerciale selezionando e andando a incrociare un tipo di clientela molto attenta al prodotto e molto capace che ha una grande cultura del prodotto culinario italiano di alta qualità quindi non quelle fiere che ti fanno incontrare buyers di grande quantità e grandi dimensioni ma, ripeto il Taste è la miglior fiera proprio per questa tipologia di interlocutore commerciale. Succede che nel 2017 arrivo anche io in azienda e arrivo poco dopo questa fiera, prendo in mano i contatti commerciali e iniziamo questo lavoro di sviluppo commerciale vero e proprio dell’azienda. L’azienda iniziò ad avere un buon feedback ed oltre al distributore iniziale, cominciare ad approcciarsi ad altri distributori, collaboratori e procacciatori il prodotto di Nonno Andrea comincia così a insediarsi in molti territori. 2017 è quindi anno di espansione e anno di investimenti quindi costi per fiere, per la commercializzazione, per la promozione e la campionatura iniziano a diventare importanti. 2017 e 2018 ricalcano lo stesso trend quindi due anni di investimento commerciale due anni di espansione o comunque di sviluppo del fatturato dove Nonno Andrea incomincia a insediarsi anche all’estero. Nonno Andrea quindi si insedia all’estero già dopo un anno e mezzo dalla sua nascita come prodotto trasformato con Austria e Germania in primis, conosce fin da subito un buyer giapponese , Malta, e Thailandia quindi piccole realtà di nicchia che vanno a selezionare in Italia prodotti gourmet. Quindi 2017 e 2018 anni di espansione 2019 anch’esso di espansione ma di consolidamento in cui viene confermata o meglio bene sviluppata, convocata e confermata la squadra commerciale costituita da procacciatori che vede 25 collaboratori per tutta l’Italia quindi 25 zone, tendenzialmente province, per ogni collaboratore. Nonno Andrea comincia quindi ad avere clienti ripetuti nel corso degli anni e non solo singoli e sperduti ordini ma c’è un ripetersi di ordini di determinati clienti distribuiti in svariate province e la tipologia di cliente tendenzialmente è quello di rivendita quindi del retail specializzato proprio come canale distributivo che vuol dire gastronomia, che vuol

dire macelleria, enoteca o caseificio. In alcuni casi anche il segmento ho.re.ca tendenzialmente hotel di lusso che richiedono particolari prodotti monodose per le colazioni perché solitamente il ramo delle colazioni è maggiormente sviluppato quindi composte dolci e poi quello ristorativo che richiede prodotti particolari da utilizzare nelle sue ricette quindi ketchups naturale, creme di verdure o particolari sotto oli che permettono di avere il prodotto tradizionale tipico del territorio anche fuori stagione. Ad oggi non Andrea conta quindi 25 collaboratori in Italia e si è insediato in 11 paesi esteri, ovviamente ripeto e sottolineo, sempre piccole collaborazioni molto al dettaglio, molto specializzate, molto mirate verso l'alta qualità e data anche la situazione che è accaduta dell'incendio che lo scorso Novembre c'ha portato via il negozio precedente adesso oltre alla produzione agricola, alla trasformazione, alla vendita in negozio, in Italia e in alcuni stati esteri ha sviluppato anche un agriturismo 3.0 dove il concetto di pranzo e di colazione si espandono in un concetto giornaliero. Si parte da una colazione farm-made fatta con prodotti agricoli per la maggior parte di nostra derivazione, si prolunga con delle merende mattutine e spuntini, si conferma con il pranzo, prosegue con la merenda pomeridiana e si conclude con l'aperitivo pomeridiano/serale. attualmente il quartiere generale e sede principale che ospita il punto vendita è la forza e anche il cash flow aziendale principale perché rimane importante nel fatturato che si attesta al 75% per la vendita diretta al dettaglio della frutta verdura e del prodotto trasformato l'altro 25% invece proviene dalla vendita del prodotto trasformato al di fuori del punto vendita quindi in Italia e all'estero.

**M:** Okay grazie ha detto che dal 2014 Nonno Andrea coltivava con pratiche biologiche però non certificate, mi sbaglio ?

**E:** Fin dall'inizio tecniche biologiche quindi dal 2000 o meglio da quando nasce Nonno Andrea 1989, poi quando ha ripreso in mano i campi dato che si vendeva anche il prodotto si è sempre mantenuto un metodo ed approccio biologico. La certificazione è stata richiesta tra il 2014 e il 2015 e infatti i primi prodotti certificati, perché ci vuole il triennio di conversione biologica, sono stati venduti nel 2018.

**M:** La domanda successiva è, quali sono le motivazioni che hanno spinto Nonno Andrea a diventare un'azienda sostenibile che quindi rispetta l'ambiente ?

**E:** Allora è nelle corde e nella sensibilità dei proprietari aver sviluppato un' azienda con questa caratteristica. È anche nelle fondamenta di questa azienda proprio nel senso che andando a studiare il brand, lavoro adesso più fine che si sta facendo dato anche l'aumentare delle dimensioni aziendali, si sono identificati tre fattori principali oltre alla semplicità e all'originalità anche l'eco-sostenibilità. L'eco-sostenibilità che quindi è stata un'idea ed un traino per tutto lo sviluppo di Nonno Andrea, quindi dai campi con la produzione agricola in regime biologico all'utilizzo di determinati strumenti per costruire ed allargare il negozio nonché l'abbattimento dell'inquinamento attraverso il riutilizzo dei prodotti, evitando sprechi e prodotti che non si possono poi riciclare, essendo attenti anche nei processi aziendale ad evitare sperperi, sprechi o quant'altro ma soprattutto tenere più naturale possibile il territorio dove si coltiva e dove si commercializza il prodotto. Anche l'utilizzo del legno piuttosto che il ghiaino, evitare la cementificazione fanno tutte parte di un insieme di basi che l'azienda, ma soprattutto i propri-



etari e tutti dipendenti che ne fanno parte condividono. In più anche l'attenzione ad utilizzare prodotti naturali di derivazione naturale ed evitare prodotti sintetizzati e non riciclabili. Un aspetto molto particolare non è solo quello di evitare di utilizzare i prodotti di un certo tipo o sostanze chimiche o sintetizzate ma anche quello di ripopolare i terreni, ecco perché nel 2014 Nonno Andrea riceve ancora prima del biologico la certificazione biodiversity friends. Questa certificazione è molto peculiare perché va ad analizzare due cose in sostanza: uno quanto sono in salute i terreni che stai coltivando quindi quanta vita di microorganismi, di sostanze vegetali e di sostanze animali sono presenti in quei terreni in quei campi e, due quanto tu vai a ripopolare i tuoi campi ed orti con vegetali, piante, arborei con tutto quello che di vegetale può essere che oggi non è più coltivato o comunque viene sradicato perché prodotto che produce in minor quantità per superficie che si ammala però meno facilmente. Nella cultura di oggi in cui l'intensivo e il maggior profitto per area che vuol dire resa maggiore è l'abc non solo per la coltivazione ma per tutte le tipologie produttive Nonno Andrea è invece in controtendenza perché mira alla qualità e alle specie più antiche, quelle più resistenti, saporite, sane e non geneticamente modificate in laboratorio per poter fornire al cliente un prodotto diverso. Ecco la parola che va ad identificare la realtà di Nonno Andrea: biodiverso. Quindi biodiversity friend, biodiversity farm, biodiversity made cioè tutto si va a ricollegare ad una parola che va a definire molto bene Nonno Andrea il Bio davanti che indica anche il fatto di essere biologica e il diverso perché cerca sia di coltivare che promuovere con trapianti di alcune specie arboree piuttosto che con l'inserimento di case per gli insetti o l'aumento delle case delle api il ripopolamento dei propri terreni con vegetali e animali il più possibile per far sì che si generi un unico ecosistema in armonia e ben popolato che faccia star bene tutte le varie componenti al proprio interno. Questa è una mission aziendale non da poco che ne caratterizza molto ogni tipologia di attività che viene fatta dalla produzione, alla promozione, adesso anche alla ristorazione e al accoglimento delle persone. Nonno Andrea è riconosciuta come azienda biodiversa proprio per questi motivi.

**M:** Okay grazie, leggendo degli articoli sulle motivazioni che portano le aziende a diventare sostenibili erano elencati come tali, la legislazione, pressione degli stakeholder, opportunità economica oppure motivi etici. Direi che Nonno Andrea si trova in quest'ultima categoria.

**E:** Il motivo vero è il motivo etico anzi se vogliamo metterla tutta, la certificazione biologica che abbiamo richiesto è stato uno stimolo ma anche una conseguenza automatica dovuta dalla richiesta dell'interlocutore finale nel riconoscere il prodotto biologico, nel senso che tu puoi comunicare finché vuoi sui social o quant'altro che sei azienda biologica e biodiversa ma se non hai il bollino ovviamente l'interlocutore finale pensa tu puoi non essere biologico, tu puoi essere parzialmente biologico (come azienda) io ho bisogno del bollino per crederci. Quindi si parte da una motivazione etica ad avere un regime biologico ad avere un certo tipo di sensibilità e approccio alla coltivazione e nel trattamento delle materie prime, ma si richiede la certificazione biologica per ovviamente far capire all'interlocutore quindi di fatto a fini commerciali, non tanto per volumizzare il fatturato ma per far capire effettivamente che ciò che si sta facendo è un prodotto di valore e nel più facile dei modi lo si fa capire ottenendo quel brand che è di uso

comune riconosciuto all'unanimità come certificazione biologica.

**M:** Okay, poi le volevo chiedere come la sostenibilità ha cambiato le vostre attività in quanto avrà avuto degli impatti sui vostri processi e anche sul vostro proprio business model. A tale scopo ho portato una copia del business model canvas e magari mentre lei parla io compilo questo modello.

**E:** Okay, va bene

**M:** Dato che il nucleo del business model canvas è la value proposition, qual è il valore che voi date ai vostri clienti o consumatori ?

**E:** Allora il valore è di un prodotto naturale che proviene dai nostri campi che viene lavorato secondo metodi di preservazione delle qualità organolettiche del prodotto, questi diciamo sono proprio i due valori fondamentali. Uno è il prodotto fresco prodotto da una azienda agricola che coltiva e lavora da sempre direttamente nella sua cucina agricola e lo fa riservando le qualità organolettica quindi con dei particolari metodi di cottura che ovviamente hanno il loro costo ma che garantiscono l'altissima qualità del prodotto finito all'interlocutore finale. Poi la filiera non corta ma, completamente interna. La nostra attività è un processo che inizia e finisce all'interno della nostra azienda, ovviamente vengono acquistate dei prodotti esternamente, ma qui andiamo ad analizzare in particolare qualcosa che diciamo è molto difficile da far percepire le persone cioè che di fatto la mandorla non possiamo produrre noi quindi la compriamo però tendenzialmente la stragrande maggioranza del prodotto all'interno del vasetto, ad esempio la crema di zucchine 83%, le zucchine per la produzione sono tutte nostre. L'altissima percentuale di prodotti freschi utilizzati nella trasformazione è infatti di produzione interna.

**M:** Okay, legandoci a ciò che ha appena detto che alcuni prodotti che giustamente non potete produrre internamente li comprate esternamente immagino che facciate affidamento su dei partner con i quali avete delle relazioni commerciali. Quali sono i vostri partner principali ?

**E:** Allora abbiamo sia partner per gli acquisti che partner per la commercializzazione. Principalmente i partner per gli acquisti sono aziende agricole conosciute che garantiscono un prodotto di qualità che viene testato prima e che è obbligatoriamente certificato biologico.

**M:** Cercate quindi sempre di contattare aziende agricole locali?

**E:** A seconda del tipo di prodotto, se abbiamo l'arancia siciliana dobbiamo andare in Sicilia. Se invece abbiamo il topinambur facciamo finta, se non fosse nostro si va a cercare un'azienda locale. Dove è possibile si rimane locale, dove invece bisogna andare extra locale ma si cercano sempre partner conosciuti quindi aziende agricole visitate e visitabili. Ancora ci sono per alcuni prodotti partner consolidati bravi che garantiscono prodotti di qualità, cosa importante che ci sia sempre un assaggio quindi prima un giudizio del prodotto il quale viene assaggiato testato, giudicato e poi viene approvato o meno. Quindi key partners nella parte di acquisti, sicuramente partner conosciuti che producono con la stessa filosofia aziendale e producono prodotti di alta qualità. Per la commercializzazione invece si tratta di partners di piccole e piccole medie dimensioni che abbiano una forte cultura del prodotto agroalimentare e gastronomico italiano perché oltre ad acquistare il prodotto o comunque a comunicare e a procacciare clienti,

questi devono saper trasferire sia la qualità del prodotto sia il valore e l'identità di Nonno Andrea. Valori ed identità dell'azienda che ritornano sempre ai valori principali. Nonno Andrea produce il fresco, lo produce in regime biologico e lo va a trasformare con metodi di cottura che preservano le qualità organolettiche. Nel valore a questo punto inserirei anche produzione naturale.

**M:** Quindi andando avanti potrei mettere nelle key activities queste che abbiamo detto, produzione interna e?

**E:** Sì le principali attività ricalcano quelli che sono i valori cioè, produzione agricola direttamente in azienda e trasformazione direttamente in azienda. Commercializzazione anche questa è molto importante e gestita dall'azienda, non viene data esternamente al distributore ma c'è la figura del commerciale che gestisce tutta la parte di posizionamento del brand perché per noi è molto importante il mantenimento del posizionamento che sia in coerenza con quella che è l'identità dell'azienda.

**M:** Okay, come risorse chiave quali indicherebbe?

**E:** Risorse chiave nel senso di materia prima ?

**M:** Sì sì quali sono le risorse che servono ad offrire la vostra value proposition

**E:** Allora prodotti freschi, biologici e quindi certificati e metodi di lavorazione di alta qualità

**M:** Per quanto riguarda i consumatori invece, che tipo di relazione avete con essi ?

**E:** C'è una gestione diretta nei clienti locali e una gestione indiretta ma dove serve diretta dei clienti extra locali. In Italia come si diceva c'è il passaggio intermedio del procacciatore ma se servono informazioni piuttosto che quesiti piuttosto che anche una semplice visita, questi eventi vengono gestiti direttamente dalla figura aziendale in questo caso il commerciale. Per l'estero si punta tantissimo a costituire un grandissimo rapporto con la importatore che sposi e che abbia la stessa identica filosofia dell'azienda perché poi è lui che spende il nome, spende le parole per l'azienda e deve sapere spiegare al meglio in un contesto estero molto più complicato i valori dell'azienda e dei prodotti di essa. Poi c'è anche la questione dei social media che ci aiutano a gestire direttamente i consumatori rispondendo alle loro domande o anche solo parlando dei propri prodotto o di sostenibilità.

**M:** Okay e quindi attraverso quali canali riuscite a entrare in contatto con i vostri clienti ?

**E:** Retail specializzato e Ho.Re.Ca di alto profilo

**M:** Quali sono i clienti consumatori più importanti per il quali create valore ?

**E:** Allora sicuramente ai consumatori che prendono solo prodotti certificati, che guardano il chilometro 0 e che guardano al prodotto vegetariano. Ai consumatori che cercano prodotti di qualità , o prodotti tipici e prodotti innovativi, ad esempio i ketchup naturali e, scusami altro importante segmento è quella della regalistica del food che sta crescendo sempre di più. Cioè garantire confezioni regalo con i nostri prodotti consente di avere un inserimento in un segmento in alta crescita.

**M:** Per quanto riguarda il lato economico della vostra azienda quali sono le voci di costo più importanti del vostro business model ?

**E:** Beh, il costo del personale , materie prima e ammortamenti per la parte immobiliare e

delle attrezzature

**M:** All'interno delle risorse e attività che abbiamo individuato quali sono quelle più costose ?

**E:** La più costosa è sicuramente la produzione, la nostra è un tipo di azienda in cui la voce più incisiva è la produzione perché si lavora sulla qualità e sulla selezione oculata non è invece una voce importante di costo quella commerciale di marketing. Siamo comunque un'azienda che viaggia sul tenore di una piccola impresa che viaggia sotto i 5 milioni fatturato, la parte commerciale e il marketing non sono voci di costo rilevanti.

**E:** Stessa analisi per quanto riguarda i ricavi, per cosa i consumatori sono disposti a pagare? Come pagano?

**M:** Beh sulla parte dei ricavi il 75% di essi proviene dal punto vendita e il 25% dal retail questo vuol dire che la maggior parte dei ricavi proviene dalla vendita del fresco e i clienti vogliono un prodotto buono e di qualità primo, secondo valore per cui pagano i nostri consumatori è il biologico certificato.

**M:** Nell'elaborare la mia tesi leggevo in un articolo in cui alcuni autori affermavano che la sostenibilità è un problema di comunicazione in quanto molte persone non sanno cosa voglia dire sostenibilità ambientale. Cosa ne pensa a riguardo? ha un'opinione su questo tema?

**E:** Il vero problema è questo, la comunicazione di massa si basa sempre su semplici parole come gli slogan, ma in qualsiasi ambito, dall' economia alla politica fino all'agricoltura, in qualsiasi settore semplici slogan e brand identificabili sono la chiave. Il problema quindi è che per sostenibilità si intende un concetto così ampio di sotto concetti e di tematiche che non puoi definirla quindi la parola sostenibilità ce la possono avere in bocca tutti spiegandola a proprio modo con le proprie parole e attingendo da alcuni sotto concetti della sostenibilità che poi in realtà possono anche andare in forte discrepanza e quindi non essere coerenti con altrettanti concetti di sostenibilità. Facciamo finta, ne prendo tre su cento, sviluppo solo questi tre e li pubblicizzo, gli altri novantasette non li vado neanche a toccare, può essere anche che vadano in contrasto con questi . Quindi il vero problema è, sostenibilità che cosa vuol dire? Sostenibilità ambientale, sostenibilità sociale, sostenibilità economica, sostenibilità finanziaria andiamo a toccare tantissime, troppe voci quindi per sostenibilità tendenzialmente si va a identificare la sostenibilità ambientale perché probabilmente è il tema più gettonato, importante, toccato e più sensibile alla popolazione mondiale. Nel nostro caso cerchiamo di comunicarlo facendo una comunicazione trasparente e coerente di tutte le aree aziendali non andando però a toccare tutti i vari concetti di sostenibilità ma parlando tendenzialmente di sostenibilità ambientale poi ci colleghiamo anche quella sociale con i nostri progetti benefici di inclusione sociale come quello che stiamo portando avanti con la Onlus Il Labirinto per l'inclusione lavorativa dei ragazzi autistici. Concentriamoci però sulla sostenibilità ambientale che per noi, vuol dire impegnarsi in un processo di crescita aziendale e dello sviluppo delle attività affinché queste preservino al meglio il territorio, generalizzando estremamente. Tutte poi le attività che vengono pubblicizzate dovrebbero racchiudere una parte di questo messaggio quindi come azienda tu puoi comunicare la tua sostenibilità e le tue attività eco-sostenibili ma è

un discorso che sviluppi tu internamente che argomenti tu ma che non ha né una certificazione né un cardine né un punto di riferimento né un'associazione particolarmente riconosciuta che tratta specificatamente il tema della ecosostenibilità perché l'eco sostenibilità non è una certificazione non è un brand ma è un concetto molto ampio quindi qui gioca molto il marketing aziendale e le risorse utilizzate per la comunicazione.

**M:** Okay la prossima domanda riprende alcuni concetti che ha descritto, quali sono gli strumenti che più utilizzate nella vostra comunicazione? Prediligete metodi impliciti o espliciti e quindi rispettivamente la condivisione di valori o norme su base personale oppure strumenti più istituzionali come il bilancio sociale o le certificazioni?

**E:** Tenzialmente strumenti impliciti cioè cerchiamo di comunicare il valore sia internamente che esternamente con strumenti come comunicazioni dirette, collaborazioni dirette lavorando in stretta collaborazione con la Onlus Il Labirinto avendo una risorsa interna che lavora in entrambe le realtà. Lavoriamo come ho detto parecchio con l'implicito, recentemente abbiamo avuto questa discussione in cui dicevamo che forse era il caso di fare dichiarazioni più esplicite tirando fuori normative e standard però poi abbiamo fatto una riflessione arrivando al punto che secondo noi non c'è bisogno usare strumenti espliciti per comunicare la nostra sostenibilità. Ciò che dobbiamo fare è raccontare ciò che facciamo ogni giorno, i metodi di agricoltura che utilizziamo, la sostenibilità che applichiamo in tutte le aree delle nostre attività è rispecchiata in tutto ciò che andiamo a comunicare ed è alla base di tutto il nostro pensiero però sì e ti ripeto è tutto implicito proprio per una nostra scelta aziendale. In questo periodo stiamo anche sviluppando il marketing in maniera più importante con una figura dedicata a tale funzione e ci poniamo sempre questo discorso se implicito o esplicito, ma soprattutto l'esplicito a che cosa fa riferimento e in che cosa lo comunichi? Perché anche se comunichi norme chi le legge e comprende questi riferimenti ?

**M:** Okay abbiamo giusto poche altre domande poi abbiamo finito, che ruolo hanno le certificazioni dal punto di vista della comunicazione e anche dal punto di vista competitivo?

**E:** La certificazione è sempre un plus a prescindere quindi dalla comunicazione che tu fai sai che se ce l'hai e il tuo competitor non ce l'ha tu hai una marcia in più in qualsiasi situazione quindi viene sempre utilizzata nella parte di comunicazione marketing, ovvio che c'è chi punta sulla certificazione e c'è chi la integra all'interno del suo ecosistema come facciamo noi di Nonno Andrea. Parliamo infatti di biologico, parliamo di biodiversità, parliamo anche di IGP e quindi certificazione territoriale ma è di fatto, è assodato, è matematico che la certificazione sia un plus. A seconda di poi come vuoi fare la comunicazione e di quanti altri contenuti hai parli più o meno della certificazione se è il tuo unico plus parlerai solo di quello oppure puoi parlare di tante altre cose tra cui la certificazione, la quale, però rimane un vantaggio.

**M:** Quindi voi le usate anche strategicamente contro dei competitor?

**E:** Chi altro fa sott'olio di radicchio? Facciamo finta. Se dobbiamo parlare di radicchio fresco ovvio che ce ne sono molti di più, di produttori di radicchio sott'olio invece non ce ne sono tantissimi però chi li fa biologici siamo gli unici. Chi vuole sott'olio di radicchio biologico e IGP nel nostro territorio, perché magari in Italia c'è qualcun altro che lo fa, si affida e va da

Nonno Andrea

**M:** Ma lei pensa che effettivamente un consumatore veda ipotizziamo due prodotti sott'olio uno biologico di Nonno Andrea e uno di un'altra azienda non biologica che costa anche di meno compri effettivamente quello di Nonno Andrea perché biologico?

**E:** Qui entra in gioco il posizionamento e quindi rientriamo nel business model canvas, posizionamento del brand e key partners per la parte commerciale. Perché ti dico questo? Perché quando i consumatori vengono da Nonno Andrea trovano solo Nonno Andrea. Quando vai altrove se ti posizioni in maniera sbagliata succede quello che dici tu, trovi Nonno Andrea con altri produttori di radicchio non biologico e di minor qualità e prezzo magari, che però sono più appetibili per i consumatori. Se invece vai dai partner giusti Nonno Andrea è l'unico produttore e l'unico prodotto selezionato e portato alla attenzione di determinati interlocutori quindi è fondamentale in una logica di sviluppo del business concepire il brand, il suo valore, il posizionamento di mercato e da lì giocare tutte le partite che si hanno a disposizione mantenendo una linea ferrea sapendo che per riuscire ad essere competitivi e per riuscire ad essere acquistati bisogna mantenere il proprio valore e la propria brand identity venendo così venduti all'interno di realtà che ti sappiano spiegare, che ti sappiano posizionare proprio a livello di arredo e situazione espositiva e che ti sappiano selezionare rispetto agli altri che hanno meno valore di te.

**M:** Okay, la vostra realtà è comunque una realtà che si sta affacciando sui mercati esteri e ha una parte di esportazione, che relazione c'è tra la sostenibilità il made in Italy e le certificazioni? Pensa che ci sia una relazione tra questi tre ?

**E:** Sì perché il made in Italy è ciò che va a ricercare l'importatore quindi l'estero viene attirato e viene qui per trovare il prodotto italiano quindi, made in Italy come se fosse il principale brand certificativo nazionale che riconosce l'alta qualità del prodotto. Poi dal made in Italy ti sposti a chi ha bisogno del prodotto biologico e chi invece non gli serve il prodotto biologico. Chi ha bisogno del prodotto biologico ha l'ulteriore qualità aggiunta che trova nella nostra azienda e quindi riesce dato che sono molti meno interlocutori e molti meno rivenditori di prodotto biologico a posizionare facilmente il prodotto. Nell'altra casistica invece di rivenditori non biologici, il Made in Italy fornisce un prodotto di alta qualità che può essere in competizione con altri rivenditori quindi lì la cosa importante è avere altre certificazioni di qualità o di territorialità come si parlava prima dell'IGP piuttosto che certificazioni ISO piuttosto che gli IFS, BRC che sono le certificazioni europee per l'alta qualità e l'organizzazione interna aziendale del processo produttivo. Se uno invece non guarda le certificazioni produttive guarda come viene fatto il prodotto e guarda la filosofia dell'azienda. quindi c'è sicuramente grande connessione tra le certificazioni il made in Italy e il biologico perché comunque sono tutti valori aggiunti che fanno sì che da parte dell'intermediario distributore di dire: okay questo produttore ha questa certificazione questa e questa, arriva quindi ad un determinato livello. Come dicevo prima le certificazioni sono basilari. Arrivati a questo poi c'è la parte di filosofia quindi la quota rimanente della brand identity che racchiude le certificazioni e la filosofia aziendale. In quest'ultima si trovano i contenuti emotivi che si trasferiscono al cliente finale con delle parole

chiave, con concetti come ad esempio chilometro 0, “nella pianura accanto la laguna di Venezia”, quindi territorialità, “metodo produttivo chilometro 0” piuttosto che “contornati dagli alberi e dagli animali perché biodiversi”, “azienda familiare che ha sempre prodotto prodotti di altissima qualità e locali” quindi tutto un insieme di contenuti emotivi che vanno ad attrarre il distributore e poi questo fa sì che vadano ad attrarre il rivenditore in maniera tale che questo seleziona i tuoi prodotti rispetto agli altri. Quindi prima parte certificazione seconda parte filosofia aziendale e quindi esclusività cioè più sei piccolo più i tuoi interlocutori, noi andiamo ripeto a parlare con interlocutori piccoli e medio piccoli, vogliono quel prodotto che non ha nessun altro. Nel nostro tipo di mercato con il nostro tipo di posizionamento se sei bravo malgrado la tua piccola dimensione riesce a ottenere certificazione e a dare un concetto di specificità e riesce anche a dare contenuto emozionale incominciando così ad avere molte più chances per entrare nei mercati italiani ed esteri.

**M:** Sa che cos'è la certificazione B corp avete mai pensato di richiederla ?

**E:** Sinceramente mi trovo impreparato e non so che cos'è questa certificazione.

**M:** È una certificazione riconosciuta internazionalmente che attesta la sostenibilità aziendale in quattro aree: governance, comunità, ambiente e lavoratori a seguito di una attenta valutazione di un'organizzazione terza, Blab

**E:** Ah molto interessante se hai un link da dividermi ci do un'occhiata molto volentieri. Tuttavia mi dà molto l'idea di una certificazione che richiede anche una determinata organizzazione dell'azienda. Ti dico noi abbiamo biodiversity perché punta ai campi cioè da dove parte Nonno Andrea. Però sicuramente siamo interessati ad ottenere nuova certificazione nel campo della ecosostenibilità.

**M:** L'ultima domanda è se ci sono dei progetti futuri che state sviluppando riguardanti la sostenibilità. Sia sociale che ambientale

**E:** Primo progetto l'agriturismo che di fatto sta cercando di proporre pietanze a base di nostri prodotti quindi evitando prodotti di lavorazione industriale evitando prodotti di bassa qualità. Secondo sta utilizzando il più possibile prodotti riciclati nella parte di attrezzatura quindi legno, quindi metallo senza plastica senza i prodotti non riciclabili in maniera tale da costituire una micro ristorazione che utilizza prodotti da azienda agricola e che non utilizza quasi al 100% prodotti non riciclabili quindi utilizza quasi al 100% prodotti riciclabili. Inoltre il nostro packaging utilizzato per la parte di confezione regalo è 100% riciclabile, quindi solo carta e cartone piuttosto che materiale biodegradabile riciclabile. Altra cosa in cui si punta è continuare ad ampliare la biodiversità all'interno dei nostri terreni quindi ampliare le aree a disposizione per la coltivazione e adibire una specifica area ad un turismo esperienziale dove le persone possono essere accolte in un'area aperta, fare una passeggiata o fare dei picnic all'aria aperta in terreni caratterizzati da un contesto diverso e quindi in cui non viene utilizzata la chimica in cui ci sono frutteti antichi e piante officinali che permettono di far capire facilmente a qualsiasi persona di qualsiasi età che sono in contesto naturale il quale ha generato e continua a generare sempre più biodiversità. Quindi il progetto di sviluppo è soprattutto per la parte locale poi sai si può fare come non si può fare, a seconda della potenziale ripetizione di un

contesto agrituristico come quello che è stato sviluppato qua.

**M:** Abbiamo finito, grazie mille per gli spunti molto interessanti.

FINE.

## **Interview with Davide Scroccaro – CSR Manager Perlage e Ivo Nardi – Presidente Perlage**

Elenco dei presenti all'intervista tenutasi in data 11/09/2020 in presenza presso la sede principale della azienda Perlage a Farra di Soligo (TV):

- Davide Scroccaro, Corporate Social Responsibility Manager presso Perlage s.r.l Società Benefit
- Ivo Nardi, Presidente presso Perlage s.r.l Società Benefit
- Marco De Florio, studente presso Università degli Studi di Padova, corso magistrale in Entrepreneurship and Innovation

Riporto di seguito le abbreviazioni che verranno utilizzate per indicare ciascun interlocutore:

- Davide Scroccaro (“D”)
- Ivo Nardi (“I”)
- Marco De Florio (“M”)

Durata totale intervista: 1 ora 52 minuti e 26 secondi.

INIZIO

**M:** Grazie di avermi accolto e di aver accettato di partecipare a questa intervista. Come le avevo accennato questa intervista è per il mio progetto di tesi riguardante i business model sostenibili, così ho pensato a Perlage come realtà da analizzare.

**D:** Grazie a te Marco di aver preso in considerazione la nostra impresa, è sempre un piacere avere degli studenti che si interessano alla nostra realtà e ai temi della sostenibilità ambientale.

**M:** Se per lei non è un problema inizierei subito con la prima domanda.

**D:** Certo, va bene.

**M:** Innanzitutto volevo chiederle qual è la sua posizione all'interno della azienda.

**D:** Io in realtà sono un collaboratore esterno di Perlage e mi occupo di progetti di sostenibilità ambientale e social oltre che della certificazione B Corp.

**M:** Okay, potrebbe farmi una breve panoramica di Perlage di cosa fa e della sua storia?

**D:** Allora dunque Perlage nasce più di trent'anni fa nel 1985 formalmente. Nasce appunto come cantina e quindi un'azienda che produce vini biologici. Dopo un periodo di conversione dei vigneti di proprietà che era partita quattro anni prima nel 1981 con la conversione dei primi sei mila metri quadri di vigneto a biologico e diciamo che nasce in un'epoca in cui qui di biologico



praticamente se ne parlava pochissimo e comunque non era inquadrato in un protocollo di coltivazione o di standard di certificazione. Possiamo quindi dire che è un'azienda pioniera in questo settore. Dunque l'azienda è di proprietà della famiglia Nardi e nello specifico dei 7 fratelli Nardi, due di questi sono gli amministratori e fanno parte del consiglio di amministrazione mentre gli altri cinque sono dei soci. Nasce appunto nel 1985 e il primo mercato a cui vennero destinati i nostri è stato il nord Europa quindi l'estero principalmente, diciamo che nei primi possiamo dire, vent'anni l'estero era il mercato principale anche perché puoi immaginare che c'era una maggiore sensibilità sul tema del biologico e su cos'era il vino biologico. Nell'ultima decade il mercato italiano ha cominciato a crescere e anche su questo fronte abbiamo iniziato a commercializzare in misura più rilevante anche nel territorio nazionale. Ad oggi l'azienda conta 20 dipendenti che noi preferiamo chiamare collaboratori più che dipendenti e commercializza in 30 paesi al mondo. Il fatturato del 2018 è di 7 milioni € con circa 2,3 milioni di bottiglie vendute. Questo per darti un inquadramento, in sintesi un'azienda di famiglia che appunto produce vini biologici, vegani e biodinamici con una grande varietà di questi dai vini fermi, ai vini frizzanti, ai vini spumanti e diverse varietà dal Pinot grigio allo Chardonnay al Merlot a ovviamente il prodotto principe, il Prosecco dato che è il prodotto più locale che abbiamo. Si approvvigiona principalmente da fornitori di uve locali che in gran parte provengono da Friuli e Veneto ma abbiamo anche qualcosina nel centro Italia una piccola linea di uve.

**M:** E la certificazione B Corp l'avete ottenuta in che anno?

**D:** La certificazione arriva a fine 2016 e ci siamo ricertificati quest'anno.

**M:** Passando la prima domanda quali sono le motivazioni che hanno portato Perlage a diventare un'azienda sostenibile?

**D:** Allora diciamo che in realtà possiamo dire che Perlage non è arrivata alla sostenibilità ma già dal principio nel modo in cui era stata impostata l'azienda o anche il prodotto che ha deciso di produrre in realtà se vuoi erano già un'espressione di quella che è diventata poi la sostenibilità aziendale. Cioè mi spiego, il prodotto che comunque noi produciamo è vino biologico e rispetta proprio uno dei criteri che sono quelli della sostenibilità ambientale. In un'epoca in cui di sostenibilità ambientale non se ne parlava, anzi appunto solo nell' '87 abbiamo la definizione di sviluppo sostenibile. Quindi in un'epoca in cui non esisteva il biologico e la sostenibilità non si sapeva cosa fosse se non con altre accezioni non legate a quelle a cui ci riferiamo oggi diciamo che la sostenibilità è stato uno dei valori fondanti dell'azienda ed allora non si chiamavano sostenibilità ma soltanto rispetto dell'ambiente, rispetto del suolo, rispetto dei microrganismi presenti nel suolo e fuori suolo, tutela delle risorse acqua quindi ecco in questo modo veniva declinata la sostenibilità. Inizialmente la parte più preponderante della sostenibilità era quella ambientale e quindi il fatto di produrre biologico, dopodiché nel tempo la sostenibilità si è ampliata anche all'area sociale e quindi appunto diciamo da sempre insomma dalla prima ora comunque la cantina organizzava degli eventi culturali, degli eventi ricreativi in cantina che potessero comunque avvicinare la comunità all'azienda collaborazioni con associazioni del territorio che poi se vuoi si è formalizzata in questa attività aderendo al programma di CSR, quindi responsabilità sociale d'impresa, Promosso dalla Camera di Commercio di Treviso che

era appunto questo programma che invitava le aziende del trevigiano a fare un resoconto delle loro attività proprio in termini di rispetto dell'ambiente, tutela della comunità a metterle per iscritto e a comunicarle. Tanto è vero che nel sito della Camera di Commercio era stato creato un profilo per ogni azienda con tutte le attività in termini di CSR. Diciamo che era un modo proprio per comunicare con l'esterno ciò che praticavamo in azienda. In realtà poi ci si era accorti di un limite di questo programma della CSR nel senso che comunicavamo tante attività ma poi ovviamente il cliente, il consumatore o una persona all'esterno ci credeva in buona fede cioè non c'era nessuno che effettivamente andava a controllare e garantire le effettivo perseguimento e applicazione di queste pratiche. Di conseguenza c'era questa esigenza di trovare uno strumento o comunque qualcosa che potesse dare garanzia di questo e appunto ti ripeto 1985 certificazione biologica, 2010 adesione a questo programma della Camera di Commercio di Treviso, 2016 scopriamo appunto questa certificazione B corp che faceva proprio al caso nostro in quanto andava infatti a strutturare la sostenibilità tramite questo questionario considerando quattro macroaree: dell'ambiente, della comunità, dei lavoratori e della governance . In qualche modo quindi andava a sintetizzare i nostri sforzi. La sostenibilità infatti è un compartimento grandissimo e la certificazione permetteva quindi di andare a misurarsi su questi focus, su queste macroaree e soprattutto di avere un punteggio che era questo proprio il valore aggiunto in quanto permetteva di vedere a che punto eravamo tramite un punteggio oggettivo convalidato da un ente terzo che come sai è B Lab. Inoltre il potere della certificazione ti dà le basi per migliorare perché ti dà un'idea dello stato dell'arte e di a che punto sei con il valore della sostenibilità e successivamente puoi stilare un piano di miglioramento andando a vedere i punti deboli, i punti dove andare a concentrarti di più. È stato un passaggio epocale perché ci ha permesso di strutturare tutto un lavoro sulla sostenibilità che prima lasciava il tempo che trovava perché comunque aderendo al programma della CSR nessuno ti dava dei vincoli o delle scadenze invece il potere della certificazione è che ti fa un po' focalizzare di più sull'ambito in cui vuoi lavorare. Dopo questo da lì in poi parte tutta se vuoi l'impegno formale di Perlage verso la sostenibilità nell'accezione dei giorni nostri ecco e quindi tutto un lavoro di ad esempio cercare di integrare in azienda il concetto di economia circolare, cercare di integrare ancora di più la collaborazione con enti ed associazioni del territorio però, una collaborazione che non è filantropia ma proprio condivisione di intenti e di progetti comuni. Da lì, appunto, comincia un sacco di lavoro con le scuole ad esempio in progetti dedicati a portare all'interno delle scuole la CSR ma anche progetti più concreti. Ad esempio abbiamo collaborato con l'istituto Marco fanno di Conegliano su dei lavori e progetti comunicativi da utilizzare noi proprio in azienda sul valore del biologico . Infatti uno dei progetti di queste classi è stato utilizzato da noi per creare un video comunicativo . Da lì poi parte tutto il percorso per diventare società benefit perché come sai una volta che un'azienda si certifica B corp entro tre anni deve poi fare il passaggio a società benefit e questo è un dimostrazione di un impegno effettivamente ancora più formale perché richiede la modifica dello statuto quindi la scelta di alcune finalità specifiche di beneficio comune quindi andare a scegliere dove vuoi focalizzarti con la tua azienda in termini di sostenibilità ambientale e sociale. Lì c'è stato un lavoro di formazione soprattutto nostra e

dei soci infatti mettere d'accordo sei fratelli non è stata una cosa facile quindi c'è stato appunto un lavoro di formazione attraverso l'aiuto di un consulente che ha proprio consapevolizzato su cosa sia la società benefit cosa implichi e siamo arrivati alla fine del 2019 a questo traguardo a modificare lo statuto, a farlo convalidare da un notaio, presentarlo alla Camera di Commercio per cui ad oggi possiamo definirci Perlage s.r.l s.b.

**M:** Grazie perché ha detto un sacco di cose interessanti, tornando alla domanda, leggevo su un articolo che tra le motivazioni che spingevano le aziende diventare sostenibili erano riassunte in: legislazione, pressione degli stakeholder, opportunità economica oppure motivi etici. interpretando le tue parole direi che Perlage si può inserire nell'ultima categoria , confermi?

**D:** Sì diciamo che allora direi che le motivazioni principali possono essere le ultime due ma soprattutto l'ultima perché in realtà vabbè a livello di opportunità commerciali non puoi prevederlo a priori. Però direi comunque soprattutto l'ultima motivazione che è quella che ha spinto di più ti ripeto a formalizzare questo impegno soprattutto anche in termini di trasparenza.

**M:** Okay, la domanda successiva riguarda il business model di Perlage. La sostenibilità è quindi un elemento importante dell'azienda Perlage, come quest'ultima ha cambiato le attività che vengono implementate anche in termini di business model canvas? Ho portato infatti a tale proposito una copia del business model canvas che compilerò mentre lei risponderà alle mie domande.

**D:** Okay va bene

**M:** Partirei dal nucleo centrale del business model che è la value proposition. Qual è il valore che vuoi fornire ai vostri consumatori?

**D:** Diciamo che il valore si può sintetizzare sul prodotto che produciamo quindi un vino appunto biologico Che viene prodotto da coltivazioni biologiche e quindi vigneti biologici e come puoi immaginare non utilizzano pesticidi chimici o fertilizzanti di sintesi ma utilizzano esclusivamente dei prodotti comunque ammessi in agricoltura biologica o che comunque non vanno a danneggiare quelli che sono i microrganismi presenti nel suolo e gli insetti o appunto gli animali ma soprattutto le persone che poi vivono nelle vicinanze del vigneto biologico. Un prodotto comunque che è sano per l'ambiente e anche privo di sostanze che possono anche danneggiare la salute dell'uomo e dell'ecosistema .

**M:** Qual è secondo lei il bisogno che spinge un consumatore a comprare un vino Perlage?

**D:** Il bisogno secondo me è proprio questo acquistare un vino che sai che appunto è ovviamente di qualità ma soprattutto non va ad inficiare insomma, danneggiare la salute . Direi quindi un vino che è buono ma soprattutto buono per la salute . E ovvio che stiamo parlando di alcool per cui siamo comunque in un'ottica di consapevolezza nel bere però sinceramente tra un vino convenzionale e un vino biologico bevo anche un vino biologico per questo valore qui perché comunque non avere tante sostanze all'interno di tipo chimico che possano danneggiarmi . D'altra parte comunque anche per l'ambiente ti dicevo, è un vino che non va ad inquinare il sistema vigneto.

**M:** Prima ha accennato che non tutte le uve che utilizzate sono vostre ma che vi rifornite da altri vigneti del Veneto e del Friuli. uno dei blocchi del business model canvas è proprio

quali sono i partners più importanti. Cosa può dire a riguardo?

**D:** Hai fatto bene un attimo a precisare questa cosa perché probabilmente l'ho un po' saltata. Allora l'azienda è un'azienda di tipo commerciale quindi non ha vigneti di proprietà, o meglio ce li aveva all'inizio della propria storia poi appunto c'è stata una scissione tra azienda agricola e cantina. In realtà c'è da dire che comunque uno dei vigneti sono di proprietà di uno dei due titolari quindi è come se alla fine sono di proprietà di Perlage. Però in realtà c'è una scissione tra l'azienda che è un'azienda di tipo commerciale e poi appunto le aziende agricole da cui provengono le uve. Noi infatti riceviamo soltanto le uve e le vinifichiamo e come ti dicevo una parte di queste uve deriva da uno dei vigneti che originariamente erano di Perlage. Come partner principali ed essenziali quindi possiamo indicare i fornitori di uve e poi sai che ci sono tutti i fornitori di prodotti enologici quindi bottiglie, sughero, gabbiette, capsule. Poi c'è ovviamente tutta la parte a valle della distribuzione quindi appunto tutto il comparto dell'ho.re.ca ristoranti ed enoteche. In realtà qui in Italia non siamo tanto nella grande distribuzione tranne che negli EcoNatura Si. Poi abbiamo all'estero quindi vari importatori e distributori. All'estero siamo anche nella grande distribuzione.

**M:** Quindi i vostri prodotti sono biologici certificati ed attenti all'ambiente, quali sono quindi le attività chiave che permettono di ottenere questo prodotto?

**D:** C'è da dire che il vino è certificato biologico dal vigneto alla cantina nel senso che la certificazione ovviamente richiede una serie di accortezze che permettono di definire biologico anche il vino durante la vinificazione. Questo cosa significa? Che ad esempio può capitare che ci sono dei filari di viti che sono a stretto contatto con vigneti convenzionali in quel caso i primi 7 filari vengono considerati a priori convenzionali e quindi questo comporta che in cantina vengono trattati in una linea diversa e non vengono miscelati con uve biologiche a 360°. Quindi questo se vuoi è una garanzia della qualità e anche della certificazione biologica il nostro possesso.

**M:** Quindi potrei inserire in questa categoria attenzione a tutta la filiera dalle materie prime ai processi di vinificazione?

**D:** Sì sì esattamente, io direi poi anche tutto il comparto delle certificazioni che comunque sono degli strumenti che permettono di adottare in azienda una serie di attività molto attente soprattutto alla questione igienico sanitaria delle nostre uve e dei nostri vini quindi oltre al protocollo HCCP che è abbastanza basilare ed è un protocollo di attività che devono essere rispettate per l'igiene degli alimenti abbiamo poi anche delle certificazioni la BRC o IFS che sono anch'essi delle certificazioni orientate a garantire la salubrità dell'ambiente di lavoro e degli alimenti che vengono maneggiati. Poi comunque il fatto di avere la certificazione B corp, anche quella diciamo fornisce dei dati che vengono dati per adottare certe pratiche di attività quindi anche il fatto di avere questa certificazione ti impegna in un certo senso ad adottare determinate pratiche sulle quattro aree che vadano in direzione del valore che noi vogliamo proporre quindi nell'ambiente abbiamo tutto lo sforzo e l'impegno nel risparmio energetico per l'utilizzo di fonti rinnovabili, per migliorarci nella raccolta differenziata e tutto il discorso che ti dicevo prima dell'economia circolare quindi andare ad utilizzare il più possibile rifiuti o

sottoprodotti aziendali. In ambito poi comunità appunto tutte le attività che facciamo con le scuole quindi l'impegno che abbiamo con il territorio e le associazioni. Per dirti l'anno scorso ha realizzato una serie di incontri con le associazioni dei fridays for future oppure con l'istituto Cerletti di Conegliano, che è l'istituto di viticoltura ed enologia, abbiamo proposto un progetto di vigneto plastic free di durata triennale che impegnerà i ragazzi a fare una supervisione del vigneto sperimentale della scuola o di altri vigneti esterni andando a fare un resoconto di quella che è la situazione plastica in vigneto cioè quanti materiali plastici vengono utilizzati e quanti rifiuti plastici si trovano per poi andare ad adottare delle pratiche di miglioramento. Nell'ambito invece lavoratori abbiamo adottato una serie di pratiche che vadano a premiare i nostri collaboratori con dei bonus determinati ad esempio da dei risultati raggiunti o anche bonus più materiali come ad esempio bonus carburante oh non lo so in fondo che permette di avere un rimborso di spese sanitarie. Poi tutto il comparto della formazione che fin dagli esordi Perlage ha puntato molto sulla formazione dei propri collaboratori anche con corsi ad hoc oppure proprio estesi a tutta la compagine di collaboratori. Nel comparto governance invece lì ha soprattutto importanza l'aspetto della trasparenza e quindi se vuoi dal 2017 abbiamo iniziato un percorso di pubblicazione del bilancio di sostenibilità che è un documento secondo me molto importante in quanto se comunicato bene va a rendicontare quello che sono i risultati raggiunti e gli obiettivi da raggiungere in termini di sostenibilità ambientale sociale e se vai a vederti il sito possiamo dirci di esserci evoluti anche in quell'ambito. Se vedi il primo bilancio pubblicato nel 2017 era un manuale che, ok poteva farci belli ed era ben descritto, la mission, la mappatura degli stakeholders e tante cose molto corpose e descrittive però penso che non so quanti l'abbiano letto. Da lì si sentiva già l'esigenza di fare qualcosa di diverso l'anno successivo e quindi con il bilancio 2018 abbiamo ridimensionato radicalmente la forma grafica del bilancio in modo tale da essere molto semplice da leggere e accattivante graficamente e senza per forza comunicare tutto, tutti i dati di tutte le attività, comunque c'è un lavoro dietro un po' pesante ma soprattutto per una questione di utilità. Questo documento infatti deve essere fruibile non solo dall'esperto o dallo studioso ma anche dal semplice consumatore che vuole informarsi e vedere cosa fa Perlage in termini di progetti.

**M:** Un altro punto importante del business model canvas sono le risorse che voi utilizzate per fornire la value proposition quindi sicuramente le uve biologiche

**D:** A parte che poi io qui metterei anche le nostre risorse umane, i collaboratori di Perlage. Queste infatti sono la vetrina di come ci presentiamo ai consumatori infatti anche i responsabili commerciali sono coloro che vanno poi a presentare i nostri vini a clienti alle fiere a potenziali consumatori.

**M:** Che tipo di relazione cercate di stabilire con i vostri consumatori? Quali sono i segmenti più importanti che volete mantenere?

**D:** Potrei dirti che abbiamo a cuore il contatto con i consumatori locali quindi non a caso abbiamo anche qui in cantina uno spaccio aziendale dove quindi chiunque può venire ad acquistare i nostri vini mantenendo quindi questo canale che ci mette a stretto contatto con il consumatore. Nel prossimo futuro stiamo pensando di incrementare questo rapporto c'è in-

fatti un progetto di estendere il nostro punto vendita non qui ma qui vicino. Non solo però aumentare la presenza a livello locale ma anche nazionale, i rapporti con clienti extra regionali è uno dei focus dei prossimi anni, abbiamo infatti anche una serie di agenti commerciali sparsi in Italia che permettono di avere il contatto con noi di tipo diretto . Per quanto riguarda la parte dell'estero anch'esso è un segmento su cui vorremmo spingerci di più in particolar modo gli Stati Uniti.

**M:** Sempre rimanendo collegati al tema consumatori, attraverso quali canali i vostri consumatori vogliono essere raggiunti quali sono quelli che preferiscono? Come li state attualmente raggiungendo?

**D:** Come hai visto i nostri canali sono un po' diversificati diciamo che i principali canali che abbiamo sono quelli dello spaccio aziendale, degli EcoNatura Sì , e dei ristoranti, hotel, catering . Diciamo che qui nello spaccio aziendale vengono accolti in maniera più stretta e diretta ovviamente in hotel e ristoranti vengono in contatto in maniera indiretta. Per quanto riguarda gli EcoNatura Sì possono scegliere direttamente il prodotto. Poi c'è il canale dell'e-commerce che se vuoi ha avuto una spinta proprio in questo periodo di lockdown con un incremento sostanziale . A tale proposito durante il lockdown abbiamo distribuito un sondaggio a clienti italiani ed esteri riguardante delle domande volte a raccogliere idee e suggerimenti sulla sostenibilità e su come potremmo migliorarci dal loro punto di vista su questo ambito, abbiamo però anche fatto delle domande dal punto di vista commerciale. Ad esempio è emerso dai clienti italiani che questi vengono a conoscenza dei nostri vini soprattutto attraverso il passaparola, la ricerca online, i punti vendita, EcoNatura Sì, lo spaccio aziendale , e enoteche e ristoranti . Durante l'emergenza Covid il 63% dei consumatori ha acquistato vini attraverso la piattaforma di e-commerce e l'84% ritiene importante che il vino abbia una certificazione DOCG . Ecco anche questo che sia un vino DOCG offre un valore maggiore al nostro prodotto . La ragione principale dei consumatori italiani per acquistare un vino biologico è il miglioramento della qualità del territorio e la tutela delle persone quindi quello che ti dicevo prima, salute delle persone del territorio . Il 100% dei rispondenti ha dato un valore alla cura del benessere dei dipendenti e dei collaboratori in azienda, quindi al fatto di adottare un equità retributiva o pratiche di welfare. Il 95% ritiene che sia importante anche lavorare sulla filiera quindi appunto dal vigneto alla cantina e come pratiche suggerite di miglioramento c'è il riciclo ed il riuso dei propri rifiuti e sottoprodotti e l'incremento della trasparenza .

**M:** Quindi riassumendo i vostri segmenti di consumatori più importanti ?

**D:** Ho.Re.Ca consumatori locali ed extra regionali, magari turisti che vengono in visita . Diciamo che comunque il 60% dei nostri vini è venduto all'estero e il 40% nel territorio nazionale . Ci stiamo però avvicinando ad una distribuzione cinquanta e cinquanta.

**M:** Ora andiamo più nello specifico nelle questioni economiche che sono la struttura dei costi e quali sono le fonti di ricavo principali del vostro business model. Per quanto riguarda le strutture dei costi quali sono le voci più importanti di costo nella vostra attività? Quali sono le attività e le risorse più costose?

**D:** Ammetto che non sono un esperto in materia tuttavia questo qua è il bilancio 2017 e

questo è il bilancio sociale dello stesso anno dove avevo esaminato nello specifico e rielaborato il conto economico di Perlage. Come principali voci di costo come puoi vedere ci sono le materie prime e quindi le uve, bottiglie tappi e altri prodotti enologici, costi di servizio quindi consumi energetici, la seconda voce tralasciando i costi energetici e dei servizi è rappresentata dal costo del personale.

**M:** Per quanto riguarda i ricavi quali sono le principali fonti di essi? qual è il valore per il quale il consumatore effettivamente pagano?

**D:** Togliendo l'e-commerce che ha avuto una spinta nell'ultimo periodo il metodo di pagamento è quello classico in contanti o al limite con la carta di credito almeno per quanto riguarda acquisti nel punto vendita. Il valore per cui pagano i consumatori è proprio quello di un vino di qualità salutare e attento all'ambiente.

**M:** Il business model canvas però è sviluppato tenendo in considerazione un'ottica di profitto e non è quindi adatto a aziende sostenibili che perseguono una missione sociale più ampia. A tale scopo un altro strumento il triple layered business model canvas è utilizzato per realizzare business model sostenibili, ha piacere di compilarlo insieme a me?

**D:** Certo, volentieri.

**M:** Direi di iniziare con il livello ambientale

**D:** Allora diciamo che noi in azienda non abbiamo un sistema di gestione ambientale formalizzato come ISO 14001 però questo nulla toglie che anche grazie alla certificazione B corpo e collaborando ad uno studio di Life Cycle assessment con un'altra università siamo un po' risaliti a quelle che sono le aree un po' più critiche se vuoi. Da una parte abbiamo dal livello energetico tutta l'attività di refrigerazione che comunque rappresenta una buona porzione di consumo della nostra energia nonostante parte di essa è prodotta internamente con dei pannelli solari, dal punto di vista dei materiali possiamo dire che quelli che impattano un po' di più sono le bottiglie con il vetro perché comunque c'è tutto un processo energivoro e comunque di materiali dietro, lì abbiamo cercato di compensare un po' questa criticità adottando propri delle bottiglie che utilizzano minor vetro e quindi meno materiale, nella parte dell'imballaggio per quanto riguarda i cartoni che vengono poi spedite ad esempio abbiamo adottato da un anno un film estensibile che è di plastica ma che comunque richiede meno plastica rispetto ai film tradizionali, cioè sto parlando di quelli che vengono utilizzate per imballare il pallet.

**M:** E dal punto di vista delle attività produttive quali possono essere quelle più impattanti?

**D:** Si ti ripeto la refrigerazione è quello che consuma più energia

**M:** Dal punto di vista della distribuzione avete fatto degli studi e delle analisi?

**D:** La distribuzione appunto è anche l'aria un po' più critica cioè, avviene soprattutto via gomma quindi utilizzando trasporti convenzionali ed è infatti è quella che emette di più a livello di emissioni di CO2 e quant'altro però sì è ancora un settore da toccare perché è un'area non facile.

**M:** Avete anche analizzato gli impatti delle attività di consumo dei vostri prodotti da parte dei clienti?

**D:** Sinceramente no cioè intendi una volta che il prodotto arriva al consumatore gli impatti

ambientali che anche questo produce, no non abbiamo fatto analisi.

**M:** Un altro fattore da considerare è l'end-of-life che riassume attività di riciclaggio o di rimanifattura dei vostri prodotti , fate qualche attività di questo genere?

**D:** Beh diciamo che se vuoi quello un po' più noto è il riciclo dei supporti siliconati delle etichette. I supporti di esse sono una carta siliconata particolare . Pensa che fino al 2017 tutti i supporti delle etichette proprio perché carta siliconata quindi una parte di silicone e una parte di cellulosa venivano inviata nei rifiuti indifferenziati quindi nel secco e da lì procedeva o all'inceneritore o alla discarica. Per evitare questo abbiamo aderito un programma che si chiama RafCycle che ha permesso di andare a raccogliere questo materiale derivante da 2,3 milioni bottiglie quindi pensa la quantità di materiale che avevamo, si aggirava intorno alle 2 t, queste vengono inviate in un'azienda che separa la parte di silicone da quella di cellulosa. Con la parte del silicone vengono creati gli oggetti in silicone come ad esempio le nostre spumantiere con la parte di cellulosa che è carta, si producono anche nuove etichette. Anche i sottoprodotti della vinificazione vengono utilizzati ad esempio la feccia, i raspi di uva e la vinaccia vengono riutilizzati in altri processi produttivi nel processo di compostaggio per quanto riguarda i raspi di uva o la produzione di alcool etilico con la feccia e di grappe con la vinaccia

**M:** Ora passerai al livello sociale se ha tempo

**D:** Assolutamente, andiamo pure avanti

**M:** Volevo quindi chiederle quali sono gli aspetti della missione del creare valore per gli stakeholder

**D:** Come ti dicevo prima una delle missioni è proprio quella di creare sensibilità sui temi del biologico, del biodinamico e quindi in generale sul rispetto dell'ambiente del territorio in cui viviamo quindi tutti gli incontri che ti dicevo sono finalizzati a questo, a sensibilizzare su questi temi. Anche tutte le collaborazioni con le scuole servono proprio a questo appunto creare progetti condivisi sulla sostenibilità.

**M:** E per quanto riguarda i lavoratori offrite corsi o bonus e quant'altro riguardante il miglioramento della loro situazione ?

**D:** Come ti dicevo Perlage è molto attenta ai propri collaboratori infatti offriamo corsi di formazione e sensibilizzazione riguardanti temi a noi più cari ma soprattutto abbiamo un chiaro sistema di incentivi e bonus monetari e non come tessere carburanti o fondi per le spese mediche per migliorare la loro condizione. Ad esempio l'anno scorso abbiamo avuto un corso di formazione ad hoc sulla motivazione in azienda con uno psicologo che come dire, dopo anni di lavoro che sei qui, ricalibrare un po' le tue motivazioni nel lavorare nella nostra azienda ci ha aiutato.

**M:** Per quanto riguarda la governance invece?

**D:** La nostra governance aziendale è comunque basata sulla trasparenza anche attraverso la pubblicazione del bilancio sociale e degli obiettivi da rispettare stabiliti dalle certificazioni. Inoltre per quanto riguarda decisioni a livello di pratiche aziendali ad esempio in cantina o nel magazzino o nell'imbottigliamento quindi cose un po' più pratiche ovviamente c'è una condivisione di opinioni tramite un incontro con i referenti . Mentre per altre decisioni a livello



amministrativo in genere la riunione dei soci è quella che delibera.

**M:** L'impegno verso le comunità è stato ampiamente descritto precedentemente, quali sono gli impatti che ha la vostra azienda nella società

**D:** Sicuramente quello di diffondere una cultura d'impresa che non è più impegnata solo sull'esclusivo profitto ma anche sul creare un beneficio appunto sull'ambiente e sulla comunità quindi se questo in primis e poi anche quello di creare una formazione condivisa avere dei progetti condivisi che ci permettono di imparare da parte degli attori coinvolti ad esempio il consumatore o uno studente . Inoltre ultimamente qui in cantina abbiamo realizzato un ciclo di film dedicato al tema dei pesticidi e dei cambiamenti climatici quindi quello di creare informazione su questi temi è quindi sicuramente un impatto nel portare a casa delle riflessioni che diciamo idealmente potrebbero un attimo ridimensionare il proprio stile di vita e porsi delle domande.

**M:** L'ultimo punto è quello che riassume l'ampiezza e la profondità della relazione con gli stakeholder?

**D:** Abbiamo contatti diretti e personali anche tramite i social o anche tramite il più semplice invio di una e-mail.

**M:** Quanto la vostra value proposition aiuta i vostri consumatori a soddisfare i loro bisogni dal punto di vista sociale e della qualità della vita?

**D:** A parte fare un aperitivo insieme con i propri cari penso sicuramente che un bicchiere di vino è un momento di convivialità e ti permette di avere quel momento di socialità con le persone bevendo però un buon bicchiere di vino che non ti dia la testa e che in un certo senso faccia meglio rispetto ad un vino con schifezze o altre sostanze chimiche all'interno

**M:** Fino ad ora ci siamo concentrati su attività interne e processi di produzione ora cambiamo il nostro focus sulla comunicazione. Leggevo alcuni articoli secondo i quali la sostenibilità è un problema di comunicazione in quanto molte persone non approcciano dei prodotti sostenibili perché non sanno effettivamente cosa voglia dire essere sostenibili. Ha un'opinione su questo tema? Cosa ne pensa?

**D:** Se vuoi, è uno dei talloni d'Achille ma di tante aziende che come noi perseguono questo valore . Infatti è per questo che in tutti questi anni abbiamo dato molto valore anche alla divulgazione del verbo nel senso partecipare a conferenze, seminari , accettare momenti di intervento in incontri dedicati al biologico per sensibilizzare su questo tema . Questo è proprio quasi una missione del titolare in primis e poi anche di noi come collaboratori . Sicuramente c'è una difficoltà dall'altra parte ma anche appunto già partendo dal biologico come ti dicevo non si riusciva a concepire l'idea che un vino fosse biologico cioè bevo un bicchiere di vino e stop. Quindi già sensibilizzare appunto su cosa significa produrre in maniera biologica e cos'è un vino biologico è stata una sfida che comunque adesso ci fa trarre frutti di tutto questo sforzo in quanto il biologico è ormai entrato nella visione, nella mente della maggior parte delle persone soprattutto nella parte più giovane . Direi quindi che a livello di comunicazione ad esempio lo strumento del bilancio di sostenibilità è uno degli strumenti che adottiamo proprio per comunicare la nostra mission e il nostro valore , ti ripeto anche il fatto di averlo concepito in

maniera diversa, più accattivante dal punto di vista grafico va nella direzione di entrare sempre di più nel linguaggio comune e appunto se vuoi calandosi nelle persone più comuni. Ovviamente poi abbiamo tutta la parte dei social che ci permette di comunicare dei valori e delle iniziative che facciamo qui in azienda in termini di sostenibilità in modo più diretto. Per il sito che è ancora in versione anni '90 però in questo periodo stiamo lavorando per il rinnovamento per cercando di renderlo più moderno ed accattivante anche alla luce dell'incremento delle transazioni nell'e-commerce che ci hanno portato a capire che possiamo utilizzare il nostro sito anche per presentarci e comunicare con i nostri consumatori. Tutta la parte di partecipazione eventi fiere e incontri vari contribuisce anche alla divulgazione dei nostri valori.

**M:** La domanda successiva alla quale però ha già risposto un po'è proprio quella di descrivere gli strumenti che utilizzate di più per la comunicazione soprattutto perché per le aziende sostenibili ci sono due tipi di strumenti generali che sono espliciti ed impliciti. Espliciti sono per esempio il bilancio sociale le certificazioni o partecipare ad assemblee con gli stakeholder più importanti invece impliciti sono quelli più radicati nella cultura nella diffusione di valori anche all'interno dell'azienda . Quali sono quindi tra questi quelli che Perlage predilige?

**D:** Beh guarda già che è qua ti faccio parlare con il presidente Ivo Nardi.

**M:** Buongiorno, sono qui in qualità di studente dell'università di Padova e mi sto impegnando nella scrittura della mia tesi magistrale sull'argomento business model sostenibili e quindi avevo pensato Perlage come caso da analizzare . Eravamo impegnati a parlare di strategie di comunicazione quindi volevo porle questa domanda, Quali sono nella comunicazione di Perlage gli strumenti più utilizzati tra espliciti ed impliciti ? Come espliciti si identificano ad esempio il bilancio sociale, le certificazioni mentre impliciti la diffusione di valori o norme che rappresentano l'azienda

**I:** Internamente si tiene sempre vivo il tema della sostenibilità ambientale infatti durante le riunioni ci si confronta sempre sul tema. Perché anche ad esempio anche la gestione della raccolta differenziata per evitare di produrre rifiuti passa sempre per una gestione collettiva di questa criticità. Dando indicazioni ai dipendenti e trasmettendo ad essi i valori importanti della nostra realtà aziendale si contribuisce a risolvere il problema.

**D:** Ci teniamo infatti molto la formazione dei nostri collaboratori e tra l'altro nel 2017 è stato realizzato un piccolo ciclo di incontri dedicati alla sostenibilità rivolta internamente con un consulente esterno che ha permesso di riflettere sul tema della sostenibilità e declinarlo anche nel concreto internamente con il risultato di aver stabilito ad esempio, un codice di condotta interno per raggiungere i risultati migliori possibili anche nelle operazioni quotidiane implementate all'interno della nostra cantina.

**I:** Mi permetto di aggiungere Perlage è un'azienda che punta di più all'essere sostenibile che a comunicare la sostenibilità. A volte abbiamo delle abilità che per trascuratezza non vengono comunicate.

**D:** Nel senso che per noi non occorre comunicare tutto ma comunicare le cose che poi interessano di più al consumatore.

**I:** Tra l'altro questo è un tema molto interessante perché il tutto il tema della sostenibilità

non sempre interessa il consumatore e diventa complicato da comprendere perché il consumatore si aspetta di sentir parlare di vino e/o di qualità .

**M:** La comunicazione implicita è tuttavia anche più personale rispetto a quelle esplicite che prevede invece la pubblicazione ad esempio di un bilancio sociale che viene quindi condiviso ugualmente verso tutti gli stakeholder. Qual è quindi secondo voi il migliore tra questi due metodi una comunicazione implicita che o una esplicita ?

**I:** Ad esempio sui social si cerca di stimolare delle chiavi che però sono delle chiavi semplificate rispetto all'interesse dei contenuti sviluppati dentro l'azienda quindi là c'è comunque un presidio e un'attenzione. Poi invece sulle questioni più particolari funziona molto bene la risposta-domanda ci sono dei consumatori che chiedono quindi arriva la mail allora lì nascono delle relazioni di gratificazione reciproca perché le risposte nostre, sono molto precise e dettagliate difatti quando si invia la risposta si riceve sempre un ringraziamento a tale tempo e meticolosità nel dare la risposta .

**M:** Poi volevo chiedere che ruolo hanno le certificazioni nella vostra comunicazione ?

**D:** Io direi in primis il potere della certificazione almeno per quello che riguarda la parte di sostenibilità è quello di evitare il più possibile la cosiddetta greenwashing quindi quello di andare a comunicare delle pratiche in realtà non vengono realizzate effettivamente in azienda quindi dà una garanzia di trasparenza nei confronti del consumatore e poi dal punto di vista delle certificazioni legate più al prodotto vino anche una garanzia di qualità, in genere anche dal punto di vista sanitario come ti dicevo la certificazione BRC ha avuto un ruolo fondamentale all'estero ci ha permesso di dare maggiori garanzie al consumatore o comunque al cliente importatore di qualità, di appunto rispetto delle norme igienico sanitarie all'interno dell'ambiente di lavoro e quindi questo è sicuramente un valore aggiunto rispetto ad un prodotto che invece non ha queste garanzie .

**I:** Se posso aggiungere le certificazioni aiutano anche a mantenere in ordine l'azienda perché sono dei paletti attorno ai quali tu devi costruire il prodotto, i processi e quant'altro quindi sono molto utili anche sotto questo punto di vista e poi ovviamente hanno una valenza per gli operatori professionali . Il consumatore il termine sostenibilità già lo mette in difficoltà.

**D:** Infatti sì come dicevo prima il potere della B corp è stato quello di strutturare meglio il comparto sostenibilità che è questo grande mondo sul quale è bene focalizzarsi.

**I:** Anche per tradurla alla compagine societaria è stata molto importante perché hai dei settori , dei contenuti. Io dico sempre la responsabilità sociale non è perché dai i soldi alla Pro Loco come molto spesso anche i soci pensavano è un qualcosa di più complesso. La certificazione quindi dà anche questa struttura a questi contenuti che sono utili per spiegare nel nostro caso alla compagine sociale che voleva capire meglio .

**M:** Per quanto riguarda l'arena competitiva quali sono i vantaggi che offre una certificazione?

**I:** Ci sono le certificazioni quelle sulla salubrità dei prodotti, sulla garanzia e sicurezza alimentare che se le hai puoi entrare per esempio nella grande distribuzione però queste sono la BRC o IFS.

**D:** Come ti ho detto i nostri vini sono anche vegani e abbiamo una certificazione per il vino

vegano che ci ha permesso di arrivare ad altri potenziali consumatori più attenti anche a questo punto di vista alimentare e dal punto di vista della sostenibilità. Come ti dicevo il potere della certificazione è proprio quello di non creare greenwashing e quindi di essere più trasparenti rispetto a un'altra azienda che invece comunica di rispettare l'ambiente, di rispettare la natura ma poi effettivamente non ha nessun ente terzo che va a giudicare il loro operato ecco quindi secondo me questo è un valore aggiunto, che poi venga percepita dal consumatore finale o meno è in realtà un po' dubbio, non abbiamo dei dati oggettivi a dimostrazione di questo però è comunque una garanzia in più .

**I:** per non trascurare tutto il lavoro che il fatto sulle B Corp e sulla responsabilità sociale d'impresa ci ha portato a stringere la relazione con Altromercato e quest'ultimo è diventato un nostro distributore . Inoltre loro ti fanno un audit perché non basta solo la certificazione ma controllano una serie di requisiti tra cui anche le nostre buste paga, altri standard in termini di sostenibilità sociale, dei lavoratori e delle comunità locali e tutte altre evidenze che sono nella B Corp riassunte . Però è stata una conquista importantissima come anche la certificazione Bio Suisse che è una certificazione Svizzera più restrittiva sul biologico di quella europea, ci ha permesso di entrare in Coop Svizzera. Sono cose che tu costruisci perché hai una filosofia e non è che hai chiaro l'obiettivo come lo sbocco commerciale si sono in qualche modo concretizzate dopo in funzione della ricerca o delle attività che hai acquisito nello sviluppare queste certificazioni. Questi sono i casi importanti che ci hanno dato anche soddisfazioni commerciali.

**M:** Come prima accennato il 60% dei vostri vini viene esportato, qual è la relazione che c'è tra la sostenibilità, il Made in Italy e le certificazioni?

**I:** Sicuramente la certificazione biologica fatta tanti anni fa è quello che ci ha obbligato ad andare all'estero perché gli unici sbocchi possibili per essa erano quelli, non c'era ancora domanda nazionale e quella ha costituito l'attuale vantaggio competitivo perché siamo diventati allora per necessità biologici, ora è un'opportunità per le export . Se uno nasce biologico ora non sarebbe più in una situazione di vantaggio perché c'è anche il mercato nazionale ora.

**D:** Sì se vuoi non so se sia un elemento, comunque essere biologici fin dagli esordi e anche comunque di commercializzare un prodotto italiano ecco è sicuramente un valore in più.

**I:** Eh certo il prosecco, che come sai è prodotto solo qua, è un prodotto esclusivo della nostra area ed è stato di traino, diciamo che della crescita in generale del sistema prosecco ne ha beneficiato anche la nostra realtà come tutto il territorio. Ha avuto infatti una ricaduta economica importante sul territorio anche per il turismo e i ristoranti.

**M:** Ok grazie quindi come ultima parte quali sono i vantaggi effettivi che va dà la certificazione B Corp rispetto ad una realtà aziendale che non c'è là?

**I:** Qua io vi lascio, Ho le mie perplessità perché ci abbiamo lavorato, ma dal punto di vista commerciale è difficile da percepire però ha sicuramente valore nel sistema relazionale perché le aziende che si spendono su queste tematiche sono aziende che stanno bene, dinamiche, che hanno visioni. Questo è bellissimo perché quando ti trovi altre aziende certificate B Corp o comunque impegnate in queste tematiche, il feeling è immediato.

**D:** Sì sicuramente ha contribuito ad allargare la nostra rete di contatti dalle scuole, le associ-

azioni che anche ci contattano come ad esempio nel tuo caso dell'università siamo effettivamente messi sotto osservazione in qualche modo e quindi questo ha contribuito ad allargare le nostre collaborazioni, i nostri contatti quindi sì dal punto di vista della rete più sociale è stato un valore aggiunto.

**M:** Invece dal punto di vista della comunicazione? Perché comunque Perlage ottiene dei benefici della comunicazione di B Lab la quale riflette comunque i valori di Perlage.

**D:** Con B Lab e comunque con tutto il movimento delle B Corp c'è comunque uno stretto contatto infatti partecipo ogni mese alla B Corp Calling dove si è messi a conoscenza di iniziative prese insieme o della singola azienda e quindi poi tutto quello che riguarda la comunicazione dei progetti di non so del movimento B corp vengono poi condivisi con tutte le B corps per cui abbiamo a disposizione una serie di materiali e strumenti per la comunicazione. Ad esempio a Luglio è stata lanciata questa grande campagna delle B corp chiamata "Unlock the Change" cioè sblocca il cambiamento che è una campagna abbastanza rilevante e tutte le B corps cercano di formalizzare ed applicare nella loro comunicazione aziendale .

**M:** Ultima domanda: quali sono i progetti futuri riguardanti la sostenibilità?

**D:** Beh suoi progetti futuri o anche in essere ma che comunque hanno una prospettiva futura abbiamo un progetto chiamato filiera 4.0 che andrà a digitalizzare la filiera di un prodotto pilota che abbiamo scelto dei nostri vini cercando proprio di andare a tradurre in digitale quella che è la filiera quindi far avere un riscontro di quelli che sono tutti i passaggi che avvengono dal vigneto al distributore al consumatore e abbiamo quindi unito i partner di filiera quindi l'azienda agricola da cui prendiamo le uve, ci siamo noi come trasformatore delle uve, e c'è Altromercato come distributore, poi ci sarà ovviamente il consumatore che agirà in un secondo momento. Quindi tracciabilità della filiera tramite la piattaforma che probabilmente sarà una piattaforma web o un'applicazione con la quale il consumatore potrà risalire quella che sarà la filiera ad informazioni di natura del prodotto, ma anche di sostenibilità, informazioni del tipo di performance ambientale e sociale di quel vino aumentando anche così il grado interazione con il consumatore stesso. Un altro progetto è quello della rigenerazione del nostro territorio che tra l'altro è tra le finalità specifiche istituite dallo statuto e cioè quello di andare a sistemare alcune porzioni di bosco presenti qui nel territorio del Prosecco, che come sai è anche patrimonio Unesco, e andremo lì a risistemare questa porzione di bosco proprio perché c'è un problema. Il fatto di aver creato un sistema così allargato di vigneti va ovviamente a creare delle fragilità e delle criticità e quindi il fatto di andare a sistemare dei boschi comunque ha una funzione ecologica di sostegno del terreno ed è importante poi proprio per una funzione in termini di assorbimento delle emissioni di CO2. Anche quello infatti, il lavoro che stiamo portando di andare a misurare e valutare le nostre missioni di CO2 che avevamo già fatto nel 2013, ora ci sarà un processo di aggiornamento con la misurazione della carbon footprint e appunto con la risistemazione di questi boschi che dovrebbero in parte andare a compensare le nostre emissioni . Gli altri progetti come ti ho detto il vigneto Plastic free.

**M:** Grazie per il suo tempo dedicatomi, abbiamo finito.  
FINE.



# Bibliography

- Afuah, A. and Tucci, C. L. (2003), *Internet business models and strategies: Text and cases*, Vol. 2, McGraw-Hill, New York.
- Akerlof, G. (1970), 'The market for "lemons": Quality uncertainty and the market mechanism', *Quarterly Journal of Economics* **84**(3), 488–500.
- Alexander, C. (1977), *A pattern language: towns, buildings, construction*, Oxford university press, New York.
- Allee, V. (2008), 'Value network analysis and value conversion of tangible and intangible assets', *Journal of intellectual capital*.
- Allen, M. (2016a), Legitimacy, stakeholders, and strategic communication efforts, in 'Strategic Communication for Sustainable Organizations', Springer, Cham, pp. 61–104.
- Allen, M. (2016b), Sustainability and communication, in 'Strategic Communication for Sustainable Organizations', Springer, Cham, pp. 1–19.
- Alt, R. and Zimmermann, H.-D. (2001), 'Preface: introduction to special section–business models', *Electronic markets* **11**(1), 3–9.
- Amaladoss, M. X. and Manohar, H. L. (2013), 'Communicating corporate social responsibility—a case of csr communication in emerging economies', *Corporate Social Responsibility and Environmental Management* **20**(2), 65–80.
- Amit, R. and Zott, C. (2001), 'Value creation in e-business', *Strategic management journal* **22**(6-7), 493–520.
- Anderson, J. C. and Narus, J. A. (1991), 'Partnering as a focused market strategy', *California Management Review* **33**(3), 95–113.
- Andrews, P. P. and Hahn, J. (1998), 'Transforming supply chains into value webs', *Strategy & Leadership* **26**(3), 7.
- Andries, P. and Debackere, K. (2006), 'Adaptation in new technology-based ventures: Insights at the company level', *International Journal of Management Reviews* **8**(2), 91–112.

- Andries, P. and Debackere, K. (2007), 'Adaptation and performance in new businesses: Understanding the moderating effects of independence and industry', *Small business economics* **29**(1-2), 81–99.
- Applegate, L. M. (2000), 'E-business models: Making sense of the internet business landscape'.
- Aspara, J., Lamberg, J.-A., Laukia, A. and Tikkanen, H. (2013), 'Corporate business model transformation and inter-organizational cognition: The case of nokia', *Long Range Planning* **46**(6), 459–474.
- B Lab (2020). Retrieved August 04, 2020 from <https://bcorporation.net>.
- Baker, M. and Schaltegger, S. (2015), 'Pragmatism and new directions in social and environmental accountability research', *Accounting, Auditing & Accountability Journal* .
- Baldassarre, B., Calabretta, G., Bocken, N. and Jaskiewicz, T. (2017), 'Bridging sustainable business model innovation and user-driven innovation: A process for sustainable value proposition design', *Journal of Cleaner Production* **147**, 175–186.
- Bansal, P. (2002), 'The corporate challenges of sustainable development', *Academy of Management Perspectives* **16**(2), 122–131.
- Bansal, P. and Roth, K. (2000), 'Why companies go green: A model of ecological responsiveness', *Academy of management journal* **43**(4), 717–736.
- Barkemeyer, R., Holt, D., Preuss, L. and Tsang, S. (2014), 'What happened to the 'development' in sustainable development? business guidelines two decades after brundtland', *Sustainable development* **22**(1), 15–32.
- Bartikowski, B. and Walsh, G. (2011), 'Investigating mediators between corporate reputation and customer citizenship behaviors', *Journal of Business Research* **64**(1), 39–44.
- Beattie, V. and Smith, S. J. (2013), 'Value creation and business models: Refocusing the intellectual capital debate', *The British Accounting Review* **45**(4), 243–254.
- Belussi, F., Orsi, L. and Savarese, M. (2019), 'Mapping business model research: A document bibliometric analysis', *Scandinavian Journal of Management* **35**(3), 1–19.
- Bengtsson, M. and Kock, S. (2014), 'Coopetition—quo vadis? past accomplishments and future challenges', *Industrial marketing management* **43**(2), 180–188.
- Benoît-Norris, C., Vickery-Niederman, G., Valdivia, S., Franze, J., Traverso, M., Citroth, A. and Mazijn, B. (2011), 'Introducing the unep/setac methodological sheets for subcategories of social lca', *The international journal of life cycle assessment* **16**(7), 682–690.
- Betz, F. (2002), 'Strategic business models', *Engineering management journal* **14**(1), 21–28.



- Bianchi, C., Reyes, V. and Devenin, V. (2020), ‘Consumer motivations to purchase from benefit corporations (b corps)’, *Corporate Social Responsibility and Environmental Management* **27**(3), 1445–1453.
- Bice, S. (2013), ‘Firms with benefits: B corporations and the future of business’. Retrieved August 08, 2020 from <https://theconversation.com/firms-with-benefits-b-corporations-and-the-future-of-business-13395>.
- Bocken, N. M., Short, S. W., Rana, P. and Evans, S. (2014), ‘A literature and practice review to develop sustainable business model archetypes’, *Journal of cleaner production* **65**, 42–56.
- Bonamente, E., Pelliccia, L., Merico, M. C., Rinaldi, S. and Petrozzi, A. (2015), ‘The multifunctional environmental energy tower: Carbon footprint and land use analysis of an integrated renewable energy plant’, *Sustainability* **7**(10), 13564–13584.
- Boons, F. and Lüdeke-Freund, F. (2013), ‘Business models for sustainable innovation: state-of-the-art and steps towards a research agenda’, *Journal of Cleaner production* **45**, 9–19.
- Borgatti, S. P. and Foster, P. C. (2003), ‘The network paradigm in organizational research: A review and typology’, *Journal of management* **29**(6), 991–1013.
- Bowman, C. and Ambrosini, V. (2000), ‘Value creation versus value capture: towards a coherent definition of value in strategy’, *British journal of management* **11**(1), 1–15.
- Bremser, W. G. and Chung, Q. (2005), ‘A framework for performance measurement in the e-business environment’, *Electronic Commerce Research and Applications* **4**(4), 395–412.
- Brundtland, G. H., Khalid, M., Agnelli, S., Al-Athel, S. and Chidzero, B. (1987), ‘Our common future’, *New York* **8**.
- Buchholz, R. A. (1991), ‘Corporate responsibility and the good society: From economics to ecology’, *Business Horizons* **34**(4), 19–32.
- Carayannis, E. G., Sindakis, S. and Walter, C. (2015), ‘Business model innovation as lever of organizational sustainability’, *The Journal of Technology Transfer* **40**(1), 85–104.
- Chen, X. and Kelly, T. F. (2015), ‘B-corps-a growing form of social enterprise: Tracing their progress and assessing their performance’, *Journal of Leadership & Organizational Studies* **22**(1), 102–114.
- Chertow, M. R. (2000), ‘Industrial symbiosis: literature and taxonomy’, *Annual review of energy and the environment* **25**(1), 313–337.
- Chesbrough, H. (2006), *Open business models: How to thrive in the new innovation landscape*, Harvard Business Press.

- Chesbrough, H. and Rosenbloom, R. S. (2002), 'The role of the business model in capturing value from innovation: evidence from xerox corporation's technology spin-off companies', *Industrial and corporate change* **11**(3), 529–555.
- Choi, T. Y. and Wu, Z. (2009), 'Triads in supply networks: theorizing buyer-supplier-supplier relationships', *Journal of Supply Chain Management* **45**(1), 8–25.
- Christensen, C. M., Verlinden, M. and Westerman, G. (2002), 'Disruption, disintegration and the dissipation of differentiability', *Industrial and corporate change* **11**(5), 955–993.
- Christensen, L. T., Morsing, M. and Thyssen, O. (2013), 'Csr as aspirational talk', *Organization* **20**(3), 372–393.
- Cohen, B. and Winn, M. I. (2007), 'Market imperfections, opportunity and sustainable entrepreneurship', *Journal of business venturing* **22**(1), 29–49.
- Colarossi, F., Giorgino, M., Steri, R. and Viviani, D. (2008), 'A corporate governance study on italian family firms', *Corporate ownership & control* **5**(4), 93–103.
- Cox, M. J. (2008), 'Sustainable communication: A study of green advertising and audience reception within the growing arena of corporate social responsibility. case study: British petroleum', *Earth & Environment* **3**, 32–51.
- Davies, B., Eagle, D. and Finney, B. (1993), 'Soil management', pp. 243–266.
- De Boer, J. (2003), 'Sustainability labelling schemes: the logic of their claims and their functions for stakeholders', *Business Strategy and the Environment* **12**(4), 254–264.
- Delmas, M. A. and Grant, L. E. (2014), 'Eco-labeling strategies and price-premium: the wine industry puzzle', *Business & Society* **53**(1), 6–44.
- Djelassi, S. and Decoopman, I. (2013), 'Customers' participation in product development through crowdsourcing: Issues and implications', *Industrial Marketing Management* **42**(5), 683–692.
- Doganova, L. and Eyquem-Renault, M. (2009), 'What do business models do?: Innovation devices in technology entrepreneurship', *Research Policy* **38**(10), 1559–1570.
- Dohrmann, S., Raith, M. and Siebold, N. (2015), 'Monetizing social value creation—a business model approach', *Entrepreneurship Research Journal* **5**(2), 127–154.
- Donath, R., Kalakota, R., Cerf, B. S. and Kalyanam, K. (1999), 'Taming e-business models', *ISBM business marketing web consortium* **3**(1), 1–24.
- Doppelt, B. (2017), *Leading change toward sustainability: A change-management guide for business, government and civil society*, Routledge, Sheffield: UK.

- Dubosson-Torbay, M., Osterwalder, A. and Pigneur, Y. (2002), 'E-business model design, classification, and measurements', *Thunderbird International Business Review* **44**(1), 5–23.
- Dunphy, D. C., Griffiths, A. and Benn, S. (2003), *Organizational change for corporate sustainability: A guide for leaders and change agents of the future*, Routledge, New York.
- Eden, S., Bear, C. and Walker, G. (2008), 'Mucky carrots and other proxies: problematising the knowledge-fix for sustainable and ethical consumption', *Geoforum* **39**(2), 1044–1057.
- Ehnert, I. (2009), *Sustainable human resource management: A Conceptual and Exploratory Analysis from a Paradox Perspective*, Physica, Heidelberg.
- Eisenhardt, K. M. and Graebner, M. E. (2007), 'Theory building from cases: Opportunities and challenges', *Academy of management journal* **50**(1), 25–32.
- Evans, S., Gregory, M., Ryan, C., Bergendahl, M. N. and Tan, A. (2009), *Towards a sustainable industrial system: With recommendations for education, research, industry and policy*, University of Cambridge, Institute for Manufacturing.
- Evans, S., Vladimirova, D., Holgado, M., Van Fossen, K., Yang, M., Silva, E. A. and Barlow, C. Y. (2017), 'Business model innovation for sustainability: Towards a unified perspective for creation of sustainable business models', *Business Strategy and the Environment* **26**(5), 597–608.
- Fanasch, P. (2019), 'Survival of the fittest: The impact of eco-certification and reputation on firm performance', *Business Strategy and the Environment* **28**(4), 611–628.
- Fang, T. (2012), 'Yin yang: A new perspective on culture', *Management and organization Review* **8**(1), 25–50.
- Fauvel, C. (2013), 'Criticisms, variations and experiences with business model canvas', *European Journal of Agriculture and Forestry Research* **1**(2), 26–37.
- Ferns, B., Emelianova, O. and Sethi, S. P. (2008), 'In his own words: The effectiveness of ceo as spokesperson on csr-sustainability issues—analysis of data from the sethi csr monitor', *Corporate Reputation Review* **11**(2), 116–129.
- Ferreira, F. N. H., Proença, J. F., Spencer, R. and Cova, B. (2013), 'The transition from products to solutions: External business model fit and dynamics', *Industrial Marketing Management* **42**(7), 1093–1101.
- Fichman, R. G., Dos Santos, B. L. and Zheng, Z. (2014), 'Digital innovation as a fundamental and powerful concept in the information systems curriculum', *MIS quarterly* **38**(2), 329–A15.
- Figge, F., Hahn, T., Schaltegger, S. and Wagner, M. (2002), 'The sustainability balanced scorecard—linking sustainability management to business strategy', *Business strategy and the Environment* **11**(5), 269–284.

- Fisk, G. (1974), *Marketing and the ecological crisis*, Harper and Row, New York.
- Fombrun, C. J. (1996), 'Realizing value from the corporate image', *Harvard Business School Press, Boston, MA* .
- Galarraga Gallastegui, I. (2002), 'The use of eco-labels: a review of the literature', *European Environment* **12**(6), 316–331.
- Gartner (2003). Retrieved April 18, 2020 from <http://www.gartner.com>.
- Geissdoerfer, M., Vladimirova, D. and Evans, S. (2018), 'Sustainable business model innovation: A review', *Journal of cleaner production* **198**, 401–416.
- Genç, R. (2017), 'The importance of communication in sustainability & sustainable strategies', *Procedia Manufacturing* **8**, 511–516.
- Giesen, E., Berman, S. J., Bell, R. and Blitz, A. (2007), 'Three ways to successfully innovate your business model', *Strategy & leadership* .
- Girotra, K. and Netessine, S. (2013), 'Om forum—business model innovation for sustainability', *Manufacturing & Service Operations Management* **15**(4), 537–544.
- Gladwin, T. N., Kennelly, J. J. and Krause, T.-S. (1995), 'Shifting paradigms for sustainable development: Implications for management theory and research', *Academy of management Review* **20**(4), 874–907.
- Godemann, J. and Michelsen, G. (2011), Sustainability communication: An introduction, in 'Sustainability Communication', Springer, Dordrecht, pp. 3–11.
- Golob, U., Elving, W. J., Nielsen, A. E., Thomsen, C., Schultz, F., Podnar, K. and Elving, W. J. (2013), 'Csr communication: quo vadis?', *Corporate communications: An international journal* .
- Gordijn, J. and Akkermans, H. (2001), 'Designing and evaluating e-business models', *IEEE intelligent Systems* (4), 11–17.
- Grimes, M. (2010), 'Strategic sensemaking within funding relationships: The effects of performance measurement on organizational identity in the social sector', *Entrepreneurship Theory and Practice* **34**(4), 763–783.
- Grönlund, J., Sjödin, D. R. and Frishammar, J. (2010), 'Open innovation and the stage-gate process: A revised model for new product development', *California management review* **52**(3), 106–131.
- Grönroos, C. (2006), 'Adopting a service logic for marketing', *Marketing theory* **6**(3), 317–333.
- Grönroos, C. (2012), 'Conceptualising value co-creation: A journey to the 1970s and back to the future', *Journal of Marketing Management* **28**(13-14), 1520–1534.

- Grönroos, C. and Gummerus, J. (2014), 'The service revolution and its marketing implications: service logic vs service-dominant logic', *Managing service quality* .
- Habermas, J., McCarthy, T. and McCarthy, T. (1984), *The theory of communicative action*, Vol. 1, Beacon press, Boston.
- Hamel, G. (2001), 'Leading the revolution', *Strategy & Leadership* .
- Hamilton, S. F. and Zilberman, D. (2006), 'Green markets, eco-certification, and equilibrium fraud', *Journal of Environmental Economics and Management* **52**(3), 627–644.
- Hart, S. L. (1995), 'A natural-resource-based view of the firm', *Academy of management review* **20**(4), 986–1014.
- Hart, S. L. (2005), 'Innovation, creative destruction and sustainability', *Research-Technology Management* **48**(5), 21–27.
- Hart, S. L. and Milstein, M. B. (2003), 'Creating sustainable value', *Academy of Management Perspectives* **17**(2), 56–67.
- Hawken, P., Lovins, A. B. and Lovins, L. H. (2013), *Natural capitalism: The next industrial revolution*, Little Brown & Company, Boston: MA.
- Heinonen, K., Strandvik, T., Mickelsson, K.-J., Edvardsson, B., Sundström, E. and Andersson, P. (2010), 'A customer-dominant logic of service', *Journal of Service management* **21**(4), 531–548.
- Henion, K. E. and Kinnear, T. C. (1976), 'A guide to ecological marketing', *Ecological Marketing. Columbus, Ohio: American Marketing Association* .
- Herzig, C. and Schaltegger, S. (2006), Corporate sustainability reporting: An overview, in 'Sustainability accounting and reporting', Springer, Dordrecht.
- Hiennerth, C., Keinz, P. and Lettl, C. (2011), 'Exploring the nature and implementation process of user-centric business models', *Long Range Planning* **44**(5-6), 344–374.
- Hiller, J. S. (2013), 'The benefit corporation and corporate social responsibility', *Journal of Business Ethics* **118**(2), 287–301.
- Horowitz, A. (1996), 'The real value of vars.', *MC: Marketing Computers* **16**(4), 31–35.
- Hulland, J., Wade, M. R. and Antia, K. D. (2007), 'The impact of capabilities and prior investments on online channel commitment and performance', *Journal of management information systems* **23**(4), 109–142.
- Ives, B., Rane, P. and Sainani, S. (1999), 'Customer service life cycle', *Center for Virtual Organization and Commerce, Louisiana State University*. [accessed: November, 2002] <http://isds.bus.lsu.edu/cvoc/projects/cslc/html> .

- Jackson, T. and Senker, P. (2011), 'Prosperity without growth: Economics for a finite planet', *Energy & Environment* **22**(7), 1013–1016.
- Jennings, P. D. and Zandbergen, P. A. (1995), 'Ecologically sustainable organizations: An institutional approach', *Academy of management review* **20**(4), 1015–1052.
- Johnson, M. W., Christensen, C. M. and Kagermann, H. (2008), 'Reinventing your business model', *Harvard business review* **86**(12), 57–68.
- Joyce, A. and Paquin, R. L. (2016), 'The triple layered business model canvas: A tool to design more sustainable business models', *Journal of cleaner production* **135**, 1474–1486.
- Kambil, A., Ginsberg, A. and Bloch, M. (1997), 'Rethinking value propositions', *New York, NYU Center for Research on Information Systems* .
- Kim, S., Karlesky, M. J., Myers, C. G. and Schifeling, T. (2016), 'Why companies are becoming b corporations', *Harvard Business Review* **17**.
- Kleine, A. and Von Hauff, M. (2009), 'Sustainability-driven implementation of corporate social responsibility: Application of the integrative sustainability triangle', *Journal of Business Ethics* **85**(3), 517.
- Kotler, P., Kartajaya, H. and Setiawan, I. (2016), *Marketing 4.0: Moving from traditional to digital*, John Wiley & Sons, Hoboken, New Jersey.
- Kotler, P. and Lee, N. (2008), *Corporate social responsibility: Doing the most good for your company and your cause*, John Wiley & Sons, Hoboken, NJ.
- Kotler, P. and Zaltman, G. (1971), 'Social marketing: an approach to planned social change', *Journal of marketing* **35**(3), 3–12.
- Kujala, S., Artto, K., Aaltonen, P. and Turkulainen, V. (2010), 'Business models in project-based firms—towards a typology of solution-specific business models', *International Journal of Project Management* **28**(2), 96–106.
- Kumar, V., Rahman, Z., Kazmi, A. and Goyal, P. (2012), 'Evolution of sustainability as marketing strategy: Beginning of new era', *Procedia-Social and Behavioral Sciences* **37**, 482–489.
- Lafferty, W. M. and Meadowcroft, J. R. (2000), *Implementing sustainable development: Strategies and initiatives in high consumption societies*, Oxford University Press, Oxford.
- Lambert, S. (2015), 'The importance of classification to business model research', *Journal of Business Models* **3**(1).
- Landry, R., Amara, N., Cloutier, J.-S. and Halilem, N. (2013), 'Technology transfer organizations: Services and business models', *Technovation* **33**(12), 431–449.

- Lenssen, G., Painter, M., Ionescu-Somers, A., Pickard, S., Bocken, N., Short, S., Rana, P. and Evans, S. (2013), ‘A value mapping tool for sustainable business modelling’, *Corporate Governance* .
- Lepak, D. P., Smith, K. G. and Taylor, M. S. (2007), ‘Value creation and value capture: A multilevel perspective’, *Academy of management review* **32**(1), 180–194.
- Lerro, M., Vecchio, R., Caracciolo, F., Pascucci, S. and Cembalo, L. (2018), ‘Consumers’ heterogeneous preferences for corporate social responsibility in the food industry’, *Corporate Social Responsibility and Environmental Management* **25**(6), 1050–1061.
- Lindblom, C. K. (1994), The implications of organizational legitimacy for corporate social performance and disclosure, in ‘Critical Perspectives on Accounting Conference, New York, 1994’.
- Linder, J. and Cantrell, L. (2000), ‘Changing business models: Surveying the landscape’, *Accenture Institute for Strategic Change* .
- Lüdeke-Freund, F., Carroux, S., Joyce, A., Massa, L. and Breuer, H. (2018), ‘The sustainable business model pattern taxonomy—45 patterns to support sustainability-oriented business model innovation’, *Sustainable Production and Consumption* **15**, 145–162.
- Lüdeke-Freund, F. and Dembek, K. (2017), ‘Sustainable business model research and practice: Emerging field or passing fancy?’, *Journal of Cleaner Production* **168**, 1668–1678.
- Lüdeke-Freund, F., Freudenreich, B., Schaltegger, S., Saviuc, I. and Stock, M. (2017), Sustainability-oriented business model assessment—a conceptual foundation, in ‘Analytics, innovation, and excellence-driven enterprise sustainability’, Palgrave Macmillan, New York, pp. 169–206.
- Magretta, J. (2002), ‘Why business models matter’, *Harvard Business Review* **80**, 86–92.
- Markides, C. C. (1999), ‘A dynamic view of strategy’, *Sloan Management Review* **40**(3), 55–63.
- Markides, C. C. (2013), ‘Business model innovation: what can the ambidexterity literature teach us?’, *Academy of Management Perspectives* **27**(4), 313–323.
- Mason, K. and Spring, M. (2011), ‘The sites and practices of business models’, *Industrial Marketing Management* **40**(6), 1032–1041.
- Massa, L. and Tucci, C. L. (2013), ‘Business model innovation’, *The Oxford handbook of innovation management* **20**(18), 420–441.
- Matten, D. and Moon, J. (2008), ‘“implicit” and “explicit” csr: A conceptual framework for a comparative understanding of corporate social responsibility’, *Academy of management Review* **33**(2), 404–424.

- Mayo, M. C. and Brown, G. S. (1999), 'Building a competitive business model', *Ivey Business Journal* **63**(3), 18–23.
- Menon, A. and Menon, A. (1997), 'Enviropreneurial marketing strategy: the emergence of corporate environmentalism as market strategy', *Journal of marketing* **61**(1), 51–67.
- Michelini, L. and Fiorentino, D. (2012), 'New business models for creating shared value', *Social Responsibility Journal* pp. 561–577.
- Mintu, A. T. and Lozada, H. R. (1993), 'Green marketing education: A call for action', *Marketing Education Review* **3**(3), 17–23.
- Mitchell, D. and Coles, C. (2003), 'The ultimate competitive advantage of continuing business model innovation', *Journal of Business Strategy* .
- Mitchell, M., Curtis, A. and Davidson, P. (2012), 'Can triple bottom line reporting become a cycle for “double loop” learning and radical change?', *Accounting, Auditing & Accountability Journal* .
- Montecchia, A., Giordano, F. and Grieco, C. (2016), 'Communicating csr: integrated approach or selfie? evidence from the milan stock exchange', *Journal of Cleaner Production* **136**, 42–52.
- Morris, J. (1997), *Green goods?: consumers, product labels and the environment*, IEA Environment Unit, London.
- Morris, M., Schindehutte, M. and Allen, J. (2005), 'The entrepreneur's business model: toward a unified perspective', *Journal of business research* **58**(6), 726–735.
- Morris, M., Schindehutte, M., Richardson, J. and Allen, J. (2006), 'Is the business model a useful strategic concept? conceptual, theoretical, and empirical insights', *Journal of Small Business Strategy* **17**(1), 27–50.
- Morsing, M. and Spence, L. J. (2019), 'Corporate social responsibility (csr) communication and small and medium sized enterprises: The governmentality dilemma of explicit and implicit csr communication', *human relations* **72**(12), 1920–1947.
- Nalebuff, B. J. and Brandenburger, A. M. (1997), 'Co-opetition: Competitive and cooperative business strategies for the digital economy', *Strategy & leadership* **25**(6), 28–34.
- Newig, J., Schulz, D., Fischer, D., Hetze, K., Laws, N., Lüdecke, G. and Rieckmann, M. (2013), 'Communication regarding sustainability: Conceptual perspectives and exploration of societal subsystems', *Sustainability* **5**(7), 2976–2990.
- Nidumolu, R., Prahalad, C. K. and Rangaswami, M. R. (2009), 'Why sustainability is now the key driver of innovation', *Harvard business review* **87**(9), 56–64.



- Nigri, G., Michelini, L. and Grieco, C. (2017), 'Social impact and online communication in b-corps', *Global Journal of Business Research* **11**(3), 87–104.
- Nonno Andrea (2020). Retrieved September 12, 2020 from <https://www.nonnoandrea.it>.
- Oliva, R. and Kallenberg, R. (2003), 'Managing the transition from products to services', *International journal of service industry management*.
- Orsato, R. J. (2009), When does it pay to be green?, in 'Sustainability strategies', Palgrave Macmillan, London, pp. 3–22.
- Osterwalder, A. and Pigneur, Y. (2002), Business models and their elements, in 'Position paper for the international workshop on business models', Lausanne, Switzerland.
- Osterwalder, A. and Pigneur, Y. (2004), 'An ontology for e-business models', *Value creation from e-business models* **1**, 65–97.
- Osterwalder, A. and Pigneur, Y. (2010), *Business model generation: a handbook for visionaries, game changers, and challengers*, John Wiley & Sons, Hoboken, New Jersey.
- Osterwalder, A., Pigneur, Y., Bernarda, G. and Smith, A. (2014), *Value proposition design: How to create products and services customers want*, John Wiley & Sons, Hoboken, New Jersey.
- Osterwalder, A., Pigneur, Y. and Tucci, C. L. (2005), 'Clarifying business models: Origins, present, and future of the concept', *Communications of the association for Information Systems* **16**(1), 1.
- Parnell, J. A. (2008), 'Sustainable strategic management: construct, parameters, research directions', *International Journal of Sustainable Strategic Management* **1**(1), 35–45.
- Patala, S., Jalkala, A., Keränen, J., Väisänen, S., Tuominen, V. and Soukka, R. (2016), 'Sustainable value propositions: Framework and implications for technology suppliers', *Industrial Marketing Management* **59**, 144–156.
- Peattie, K. (1995), *Environmental marketing management: Meeting the green challenge*, Pitman, London.
- Peattie, K. and Belz, F.-M. (2010), 'Sustainability marketing—an innovative conception of marketing', *Marketing Review St. Gallen* **27**(5), 8–15.
- Pellegrini, S. (2016), *Il marketing del made in Italy*, Armando Editore, Roma.
- Pelozo, J., Loock, M., Cerruti, J. and Muyot, M. (2012), 'Sustainability: How stakeholder perceptions differ from corporate reality', *California Management Review* **55**(1), 74–97.
- Perlage (2020a). Retrieved September 12, 2020 from <https://www.perlagewines.com>.

- Perlage (2020b), 'Bilancio di sostenibilità 2018'. Retrieved September 14, 2020 from <https://www.perlagewines.com/news/>.
- Perlage (2020c), 'Biologico certificato'. Retrieved September 14, 2020 from <https://www.perlagewines.com/certificazione-biologica.html>.
- Petrovic, O., Kittl, C. and Teksten, R. D. (2001), 'Developing business models for ebusiness', *Available at SSRN 1658505*.
- Phillips, W., Lee, H., Ghobadian, A., O'Regan, N. and James, P. (2015), 'Social innovation and social entrepreneurship: A systematic review', *Group & Organization Management* **40**(3), 428–461.
- Porter, M. (1985), 'Competitive advantage: Creating and sustaining superior performance. new york, ny: The free pres'.
- Porter, M. E. (2001), 'Strategy and the internet', *Harvard Business School Boston, MA* (**March-April 2001**), 63 – 78.
- Porter, M. E. and Kramer, M. R. (2019), Creating shared value, *in* 'Managing sustainable business', Springer, Dordrecht, pp. 323–346.
- Porter, M. E. and van der Linde, C. (1995), 'Green and competitive: ending the stalemate', *Harvard business review* **73**(5), 120–134.
- Prahalad, C. K. (2012), 'Bottom of the pyramid as a source of breakthrough innovations', *Journal of product innovation management* **29**(1), 6–12.
- Priem, R. L. (2007), 'A consumer perspective on value creation', *Academy of Management Review* **32**(1), 219–235.
- Priem, R. L., Butler, J. E. and Li, S. (2013), 'Toward reimagining strategy research: retrospection and prospection on the 2011 amr decade award article', *Academy of Management Review* **38**(4), 471–489.
- Pries, F. and Guild, P. (2011), 'Commercializing inventions resulting from university research: Analyzing the impact of technology characteristics on subsequent business models', *Technovation* **31**(4), 151–160.
- Pullman, M. (2012), *Sustainability delivered: Designing socially and environmentally responsible supply chains*, Business Expert Press, New York.
- Rayport, J. F. and Jaworski, B. J. (2001), *e-Commerce*, McGraw Hill/Irwin, New York.
- Rindova, V. P., Williamson, I. O., Petkova, A. P. and Sever, J. M. (2005), 'Being good or being known: An empirical examination of the dimensions, antecedents, and consequences of organizational reputation', *Academy of management journal* **48**(6), 1033–1049.

- Ritala, P., Golnam, A. and Wegmann, A. (2014), 'Coopetition-based business models: The case of amazon. com', *Industrial Marketing Management* **43**(2), 236–249.
- Robinson, J. (2004), 'Squaring the circle? some thoughts on the idea of sustainable development', *Ecological economics* **48**(4), 369–384.
- Rosenbloom, A. and Haefner, J. E. (2009), 'Country-of-origin effects and global brand trust: A first look', *Journal of Global Marketing* **22**(4), 267–278.
- Saebi, T. and Foss, N. J. (2015), 'Business models for open innovation: Matching heterogeneous open innovation strategies with business model dimensions', *European Management Journal* **33**(3), 201–213.
- Santos, F. M. (2012), 'A positive theory of social entrepreneurship', *Journal of business ethics* **111**(3), 335–351.
- Sargisian, Z. (2012), 'The good guy of corporations: B corporations and the efficiencies of an environmentally and socially conscious entity'. Retrieved August 08, 2020 from <http://dx.doi.org/10.2139/ssrn.2025232>.
- Schaltegger, S., Lüdeke-Freund, F. and Hansen, E. G. (2012), 'Business cases for sustainability: the role of business model innovation for corporate sustainability', *International journal of innovation and sustainable development* **6**(2), 95–119.
- Schaltegger, S. and Wagner, M. (2011), 'Sustainable entrepreneurship and sustainability innovation: categories and interactions', *Business strategy and the environment* **20**(4), 222–237.
- Schumpeter, J. A. (1950), *Capitalism, socialism and democracy*, Harper Collins, New York.
- Schumpeter, J. and Backhaus, U. (2003), The theory of economic development, in 'Joseph Alois Schumpeter', Springer, Boston: MA, pp. 61–116.
- Shepherd, D. A. and Patzelt, H. (2011), 'The new field of sustainable entrepreneurship: Studying entrepreneurial action linking “what is to be sustained” with “what is to be developed”', *Entrepreneurship theory and practice* **35**(1), 137–163.
- Signitzer, B. and Prexl, A. (2007), 'Corporate sustainability communications: Aspects of theory and professionalization', *Journal of Public Relations Research* **20**(1), 1–19.
- Simonis, U. E. (1994), Industrial restructuring in industrial countries, in 'Industrial metabolism: Restructuring for sustainable development', Tokyo; New York, NY; Paris: United Nations University Press, pp. 31–54.
- Skinner, J., Lewis, K., Bardon, K., Tucker, P., Catt, J. and Chambers, B. (1997), 'An overview of the environmental impact of agriculture in the uk', *Journal of environmental Management* **50**(2), 111–128.

- Slywotzky, A. J. (1997), ‘Value migration: How to think several moves ahead of the competition’, *Long Range Planning* **2**(30), 314.
- Sneddon, C., Howarth, R. B. and Norgaard, R. B. (2006), ‘Sustainable development in a post-brundtland world’, *Ecological economics* **57**(2), 253–268.
- Steurer, R., Langer, M. E., Konrad, A. and Martinuzzi, A. (2005), ‘Corporations, stakeholders and sustainable development i: a theoretical exploration of business–society relations’, *Journal of business ethics* **61**(3), 263–281.
- Stewart, D. W. and Zhao, Q. (2000), ‘Internet marketing, business models, and public policy’, *Journal of public policy & marketing* **19**(2), 287–296.
- Stiller, Y. and Daub, C.-H. (2007), ‘Paving the way for sustainability communication: evidence from a swiss study’, *Business Strategy and the Environment* **16**(7), 474–486.
- Storbacka, K., Windahl, C., Nenonen, S. and Salonen, A. (2013), ‘Solution business models: Transformation along four continua’, *Industrial Marketing Management* **42**(5), 705–716.
- Stubbs, W. (2017a), ‘Characterising b corps as a sustainable business model: An exploratory study of b corps in australia’, *Journal of Cleaner Production* **144**, 299–312.
- Stubbs, W. (2017b), ‘Sustainable entrepreneurship and b corps’, *Business Strategy and the Environment* **26**(3), 331–344.
- Stubbs, W. and Cocklin, C. (2008), ‘Conceptualizing a “sustainability business model”’, *Organization & environment* **21**(2), 103–127.
- Suchman, M. C. (1995), ‘Managing legitimacy: Strategic and institutional approaches’, *Academy of management review* **20**(3), 571–610.
- Teece, D. J. (2010), ‘Business models, business strategy and innovation’, *Long range planning* **43**(2-3), 172–194.
- Temperini, V., Gregori, G. L. and Palanga, P. (2016), ‘The brand made in italy: A critical analysis’, *Management Studies* **4**(3), 93–103.
- Thompson, J. D. and MacMillan, I. C. (2010), ‘Business models: Creating new markets and societal wealth’, *Long Range Planning* **43**(2-3), 291–307.
- Thurston, J. M., Williams, E. and Johnston, A. (1976), ‘Modern developments in an experiment on permanent grassland started in 1856: effects of fertilisers and lime on botanical composition and crop and soil analyses’, *Annales Agronomiques* (27), 1043–1082.
- Timmers, P. (1998), ‘Business models for electronic markets’, *Electronic markets* **8**(2), 3–8.

- Upward, A. and Jones, P. (2016), 'An ontology for strongly sustainable business models: Defining an enterprise framework compatible with natural and social science', *Organization & Environment* **29**(1), 97–123.
- Van Dam, Y. K. and Apeldoorn, P. A. (1996), 'Sustainable marketing', *Journal of macromarketing* **16**(2), 45–56.
- Vanhaverbeke, W. (2006), 'The interorganizational context of open innovation', *Open innovation: Researching a new paradigm* pp. 205–219.
- Vargo, S. L. and Lusch, R. F. (2004), 'Evolving to a new dominant logic for marketing', *Journal of marketing* **68**(1), 1–17.
- Viscio, A. J. and Pasternack, B. A. (1996), 'Toward a new business model', *Strategy & Business* **20**(2), 125–134.
- von Kutzschenbach, M. and Brønn, C. (2006), 'Communicating sustainable development initiatives', *Journal of Communication Management* **10**, 304–322.
- Wallin, J. (2005), 'Operationalizing competences', *Advances in Applied Business Strategy* **7**, 151–179.
- Weill, P. and Vitale, M. (2001), *Place to space: Migrating to eBusiness Models*, Harvard Business Press.
- Wilburn, K. and Wilburn, R. (2015), 'Evaluating csr accomplishments of founding certified b corps', *Journal of Global Responsibility* (6), 262–280.
- Wilson, I. (1975), 'What one company is doing about today's demands on business', *Changing business-society interrelationships. Los Angeles: Graduate School of Management, UCLA*.
- Yin, R. (1994), *Case study research: Design and methods*, Sage Publications, Newbury Park.
- Yunus, M., Moingeon, B. and Lehmann-Ortega, L. (2010), 'Building social business models: Lessons from the grameen experience', *Long range planning* **43**(2-3), 308–325.
- Zeschky, M., Widenmayer, B. and Gassmann, O. (2011), 'Frugal innovation in emerging markets', *Research-Technology Management* **54**(4), 38–45.
- Zhang, J. J., Joglekar, N. and Verma, R. (2014), 'Signaling eco-certification: Implications for service coproduction and resource efficiency', *Journal of Service Management* **25**(4), 494–511.
- Zott, C., Amit, R. and Massa, L. (2011), 'The business model: recent developments and future research', *Journal of management* **37**(4), 1019–1042.