

Managing Value Creation Paradoxes in Social Business: The Role of the Digital Platform Business Model

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ABSTRACT

Objective: this paper examines how business model design influences value creation paradoxes in social businesses, with a focus on DPBMs (digital platform-based models).

Methods: case studies in the Brazilian education and employability sector are analyzed using the activity system perspective of business model design. **Results:** the findings show that DPBM-based social businesses exhibit a mix of traditional business model value drivers (complementarity, lock-in, and novelty) and social business value drivers (impact complementarity, shared values, and integration novelty). DPBMs can help social organizations address the learning paradox and improve activity efficiency for business scalability. However, challenges in implementing DPBMs, such as user group selection, revenue models, and platform access regulation, can amplify performance and learning paradoxes. **Conclusions:** the study provides empirical evidence supporting specific drivers of social business value while highlighting a coexistence with traditional business model drivers. DPBM can aid scalability but presents challenges impacting performance and learning paradoxes. Insights for managers include the significance of business model design and the need to consider social and traditional value drivers in DPBM decisions.



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INTRODUCTION

Despite technological and economic progress, ongoing ecological and societal challenges, including climate change, poverty, and hunger, persist, necessitating collaborative solutions from governments, individuals, and corporations. In this context, social businesses, especially those digital platform-based, aim to address or enhance solutions for these challenges (Vrontis et al., 2021). Social businesses primarily serve society but engage in commercial activities for sustainability (Yunus et al., 2010). Although various terms describe these organizations, such as fourth sector, social enterprise, or mission-driven, we use 'social business.'

Because social businesses want to address social purposes (like charity organizations) while striving for commercial performance (as a business), they are "an ideal type of hybrid organizations" (Battilana & Lee, 2014, p. 399). These hybrid organizations face paradoxical tensions due to their dual nature, needing to create both social and economic value simultaneously (Battilana & Dorado, 2010). Failing to integrate these paradigms can jeopardize their sustainability (Battilana & Lee, 2014).

Managing these tensions and achieving multiple sustainability forms remain critical questions (Battilana & Lee, 2014). While literature explores various aspects, limited research explores the business models of social businesses. This research gap becomes more pressing when considering Global South countries facing numerous social challenges. Most studies focus on developed countries (Reuter, 2021), necessitating further research to address this disparity.

Business models (BM) act as tools for organizations to align their goals, strategies, and value creation with different institutional logics (Reuter, 2021; Rozentale & van Baalen, 2021). BMs offer a framework for understanding how an organization creates, delivers, and captures value (Teece, 2010; Zott & Amit, 2010), making them essential for managing value creation paradoxes in social business digital platform-based models.

In the digital economy, entrepreneurs use digital platform-based business models to connect and coordinate stakeholders, creating network effects and generating value (Cusumano et al., 2019). This trend extends to social businesses, which use digital technology to create social value (Vrontis et al., 2021). As a result, most social enterprises present a significant number of digital platform business models (DPBM) for social challenges. While digital platform business models (DPBM) facilitate interaction and scaling (Cusumano et al., 2019), they can intensify tensions (Mini & Widjaja, 2019). Due to the

hybrid nature of social business, these tensions need to be managed as value creation paradoxes, that is, they need to be addressed by recognizing and balancing the apparent contradictions between social and economic objectives (Smith et al., 2010).

These findings in the literature lead us to goals of the study: (1) to understand the role of business model design to manage value creation paradoxes in digital platform-based social business, and (2) to identify how the DPBM increase or reduce the value creation paradox in social business. This study yields several contributions. We introduce the concept of value creation paradox, which is suitable for use in the literature related to the topic. We demonstrate that responsible efficiency, shared values, impact complementarities, and integration novelties are social business value drivers. Moreover, we confirm Reuter's (2021) conclusions by demonstrating that business models' design themes contribute to the management of paradoxes in social business models. Regarding DPBM, we demonstrate that they can help social organizations to deal with the learning paradox. On the other hand, this business model can exacerbate challenges related to the performance paradox. Finally, we present some managerial recommendations.

THEORETICAL BACKGROUND

This section delineates the principal topics of the scholarly discourse surrounding social business and hybrid organizations, paradox theory, business model, and digital platforms. We have incorporated these concepts to strengthen the underpinnings of our research model.

Social business, paradox theory perspective, and the role of the business model

Social business are typical hybrid organizations because their primary purpose is to serve society, but they engage in commercial activities to sustain their operations. Thus, they operate between different institutional logics: charity logics (no profit) and commercial logics (for-profit) (Battilana & Lee, 2014; Yunus et al., 2010).

When multiple forms are combined, they often diverge from each other, creating both internal and external tensions. Studies indicate that in such instances, conflicts and tensions among different logics may dissipate as one gains dominance over the others. Social business must manage these tensions for sustainable outcomes (Epstein et al., 2015). Managers understand tensions as trade-offs or synergistic paradoxes, with the former prevailing in social and financial goal decisions

(Haffar & Searcy, 2019). The paradox perspective, less explored, is crucial for social businesses dealing simultaneously with dual goals (Smith & Lewis, 2011).

Paradox theory categorizes tensions in organizations into learning, organizing, belonging, and performing. Learning paradox involves continuous adaptation for social and economic objectives, creating uncertainty and hindering progress. Social businesses must navigate short-term financial outcomes and long-term social mission outcomes, balancing growth, and scalability challenges (Smith et al., 2013; Smith & Lewis, 2011).

Belonging paradoxes arise from managing relationships with diverse stakeholders supporting social and business missions (Smith et al., 2013). Organizing para-

doxes stem from conflicting organizational structures, cultures, and legal forms (Smith & Lewis, 2011). Social enterprises face uncertainty in hiring, employee socialization, and deciding whether to integrate social and business missions (Smith et al., 2013; Smith & Lewis, 2011).

Performing paradoxes result from conflicting demands of stakeholders with distinct goals and metrics in social businesses. Success evaluation is challenging due to non-standardized, qualitative metrics. Quantifiable metrics may dominate, emphasizing short-term goals, while social mission goals may be overshadowed (Smith et al., 2013; Smith & Lewis, 2011). Table 1 summarizes paradoxical tensions in social businesses.

Table 1. Social-business tensions within social enterprise.

Type of tensions	Dimensions of social mission	Dimensions of business ventures	Emergent tensions between social missions and business ventures
Performing tensions Tensions that emerge from divergent outcomes — such as goals, metrics, and stakeholders	<ul style="list-style-type: none"> Goals address concerns across a broad ecosystem of stakeholders Metrics are more subjective, qualitative, and difficult to standardize and compare across organizations 	<ul style="list-style-type: none"> Goals address concerns of a narrow group of shareholders Metrics are more objective, quantitative, and easier to standardize and compare across organizations 	<ul style="list-style-type: none"> How do organizations and leaders define success across divergent goals, particularly as the same event can simultaneously be a success in one domain and failure in the other? How can organizations sustain support for both social and financial metrics?
Organizing tensions Tensions that emerge from divergent internal dynamics — such as structures, cultures, practices, and processes	<ul style="list-style-type: none"> Organizations hire for skills that enable the social mission or hire disadvantaged employees as a means of achieving the social mission Organizations usually adopt a non-profit legal form 	<ul style="list-style-type: none"> Organizations hire for skills that enable efficiency and profitability Organizations usually adopt for-profit legal form 	<ul style="list-style-type: none"> Who should organizations hire, and how can they socialize employees? How much should organizations differentiate vs. integrate the social mission and the business venture? What legal designation should organizations adopt?
Belonging tensions Tensions that emerge from divergent identities among subgroups, and between subgroups and the organization	<ul style="list-style-type: none"> Employees and stakeholders predominantly identify with the social mission 	<ul style="list-style-type: none"> Employees and stakeholders predominantly identify with the business venture 	<ul style="list-style-type: none"> How can organizations manage divergent identity expectations among subgroups of employees? How can organizations manage divergent identity expectations among stakeholder groups? How can organizations present their hybrid social-business identity to external audiences?
Learning tensions Tensions of growth, scale, and change that emerge from divergent time horizons	<ul style="list-style-type: none"> Social mission success requires a long-term horizon Growth can increase but also threaten social mission impact 	<ul style="list-style-type: none"> Business venture success can come from short-term gains Social mission can constrain growth 	<ul style="list-style-type: none"> How can organizations attend to both the short term and long term? How can organizations manage increased short-term costs to achieve long-term social expansion?

Note. Based on Smith, W. K., Gonin, M., & Besharov, M. L. (2013). Managing social-business tensions: A review and research agenda for social enterprise. *Business Ethics Quarterly*, 23(3), 407–442. <https://doi.org/10.5840/beq201323327>

Based on the literature, this study argues that the first paradox inherent in social businesses is the need to simultaneously generate social and economic value. We define this paradox as the value creation paradox. Moreover, it is argued that, in social businesses, the learning, belonging, performing, and organizing identify by Smith et al. (2013) derive from the paradox of value creation.

Researchers have been highlighting the role of the business model in combining institutional logics and supporting sustainable business from inception (Bocken et al., 2014; Hahn et al., 2014). A business model serves as a bridge between strategic planning and

implementation, enabling stakeholders to analyze and manage choices (Teece, 2010). Business models structure organizations, incorporating design elements and themes (Saebi & Foss, 2015; Zott & Amit, 2010). Design elements involve content, structure, and governance of the activities system. Design themes represent dominant value creation drivers, with commercial models focusing on novelty, lock-in, complementarities, and efficiency (Amit & Zott, 2001; Zott & Amit, 2010). In social business literature, value drivers differ, replacing commercial themes with responsible efficiency, impact complementarities, shared values, and integration novelties, as shows Table 2.

Table 2. Traditional value drivers versus social value drivers.

Zott and Amit (2010)	Spieth et al. (2019)
Efficiency: efficiency is understood as a value driver aligned with transaction cost theory.	Responsible efficiency: seeks to reduce waste and resource consumption while prioritizing social value.
Complementarities: refer to the creation of value through the combination of packages of goods or activities, therefore consistent with resource-based and network theories.	Impact complementarities: refers to the interdependence between social and economic benefits.
Lock-in: the focus is on retaining customers or partners through business model mechanisms.	Shared value: refers to the appreciation of community development of social value. The shared set of values is the source of loyalty, long-term collaboration, and positive multiplication.
Novelty: refers to the innovation of activities, ways of structuring them or governance mechanisms, according to the Schumpeterian vision of innovation.	Integration novelties: refers to the integration of social value into the company's economic value offering. Novelty arises from the combination of satisfying an existing demand and achieving a social value.

Note. Based on Spieth, P., Schneider, S., Clauß, T., & Eichenberg, D. (2019). Value drivers of social businesses: A business model perspective. *Long Range Planning*, 52(3), 427-444. <https://doi.org/10.1016/j.lrp.2018.04.004>

Responsible efficiency involves operational efficiency with social and environmental responsibility. Impact complementarities leverage social and economic benefits, building a community of social value. Shared values foster loyalty, and integration novelties integrate social value into economic supply, satisfying existing demands (Spieth et al., 2019).

Digital platforms business model (DPBM)

Digital technology enables social value through innovative business models (Vrontis et al., 2021). Many social enterprises, particularly in developing countries like Brazil, adopt digital platform business models (DPBMs) to address social challenges (Barki et al., 2017). DPBMs use digital technology to connect stakeholders, creating a network effect for value creation, delivery, and capture.

Research suggests that new business models can enhance economic prosperity by reducing negative external effects or creating positive ones (Schaltegger et al., 2016). DPBMs offer sustainable outcomes in various contexts, such as regional development, solutions for disabled transportation, and sustainability in the food sector (Michellini et al., 2020; Okano et al., 2018; Yun et al., 2017; Wu et al., 2020). However, they are not inherently sustainable, requiring attention to potential negative impacts on ecosystems and society, particularly in developing countries (Long & van Waes, 2021; Velter et al., 2020).

Therefore, understanding value creation paradox on DPBM is important, especially in developing countries, as DPBM potentially amplify inequalities (Bonina et al., 2021).

DPBM: main traits and their relationship with social business paradoxes

Designing DPBMs is challenging due to conflicting elements creating tensions in organizing, performing, learning, and belonging (Mini & Widjaja, 2019). While

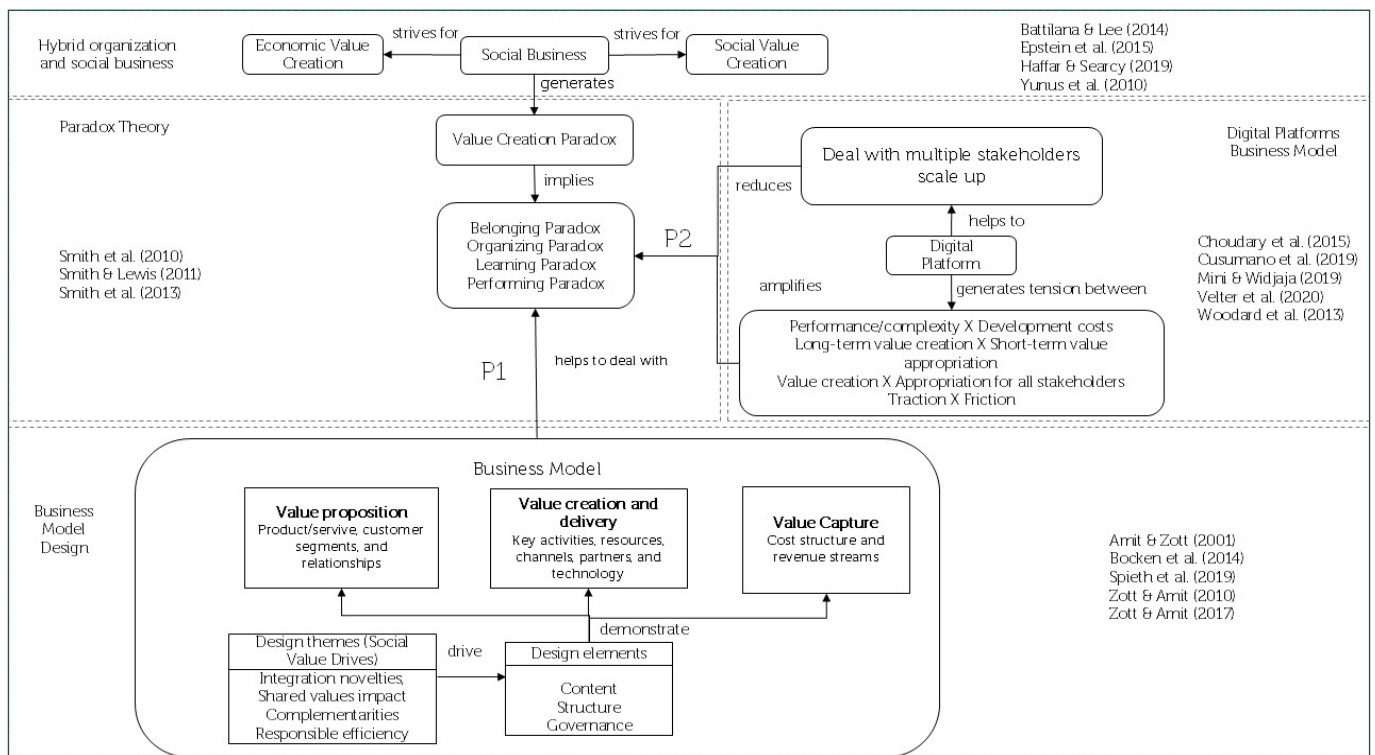
DPBMs can create positive social impact, they may intensify paradoxical tensions in social enterprises, particularly increasing learning and performance tensions. Choosing participants in a DPBM poses challenges, as connecting too many sides early can lead to a complicated platform (Cusumano et al., 2019). Decision-makers must analyze tensions between performance/complexity and development costs (Mini & Widjaja, 2019). Starting with two sides and incorporating more over time requires consideration of long-term value creation versus short-term value appropriation (Woodard et al., 2013). Solving the 'chicken-or-egg' problem and choosing which side to prioritize also involves balancing these tensions (Cusumano et al., 2019).

Identifying a profitable business model for DPBM companies can be difficult, requiring a careful analysis of value creation versus appropriation for learning, especially when solving the 'chicken-or-egg' problem involves heavy subsidization, potentially leading to an 'infinite launching loop' (Cusumano et al., 2019). Subsidies at the beginning may impact those impacted by the social mission, hindering access to products and services when payment becomes necessary.

Establishing and enforcing ecosystem rules, regulating access to the digital platform, is crucial to avoid reverse network effects that reduce platform usefulness (Cusumano et al., 2019). Managers must balance traction and friction, considering intentional or unintentional barriers to participation. Tensions in designing a DPBM can be classified into two main categories: performing and learning tensions (Smith et al., 2013).

Theoretical model

The theoretical model (Figure 1) employed in our research integrates insights from four distinct bodies of literature: hybrid organizations and social business, paradox theory, business models, and digital platforms. These bodies of literature are visually represented in Figure 1 with dotted lines.



Source: Developed by the authors.

Figure 1. Theoretical model.

Drawing from the literature on hybrid organizations (top block in Figure 1), we emphasize the dual mission of social businesses to achieve both social and economic objectives. We highlight the inherent tensions faced by these organizations in balancing their social and commercial goals, framing them as paradoxes to be addressed in this study.

Based on paradox theory (Smith et al., 2010; Smith & Lewis, 2011), we suggest that social businesses need to deal with the value creation paradox: create both social and economic value simultaneously (the left middle block in Figure 1). The value creation paradox can lead to four different groups of paradoxes, namely belonging paradox, organizing paradox, learning paradox, and performing paradox (Smith et al., 2013). Different theoretical perspectives have been used to investigate how organizations manage paradoxes in social business. This study proposes to use the business model lens.

Paradox theory (Smith et al., 2010; Smith & Lewis, 2011) informs our approach to understanding the value creation paradox within social businesses (left middle block in Figure 1). This paradox, involving simultaneous creation of social and economic value, is categorized into four groups: belonging, organizing, learning, and performing paradoxes (Smith et al., 2013). We explore how the lens of business models contributes to managing these paradoxes.

The business model literature suggests that effective design enables organizations to align their goals and strategies with different institutional logics (Reuter, 2021; Rozentale & van Baalen, 2021). We argue that a well-de-

signed business model can reconcile the value creation paradox, facilitating alignment between social missions and business performance.

Proposition 1 (P1 in Figure 1) posits that business model design plays a crucial role in helping social businesses navigate the value creation paradox.

To analyze the business models of social businesses, we adopt the activity system perspective recommended by Zott and Amit (2010). This perspective focuses on two parameters: design elements (content, structure, governance) and design themes (primary value creation drivers). Our review identifies integration novelties, shared values, impact complementarities, and responsible efficiency as generic drivers for social business models (base block in Figure 1), aligning with discussions by Spieth et al. (2019).

From the literature on digital platforms (right middle block in Figure 1), we explore how these platforms enable social businesses to engage with diverse stakeholders and scale operations rapidly. While advantageous, digital platforms also present challenges, such as managing performance versus complexity, long-term versus short-term value creation, and balancing interests among stakeholders.

Proposition 2 (P2 in Figure 1) suggests that digital platform-based models (DPBMs) can both alleviate and exacerbate the value creation paradox in social enterprises.

METHOD

Our study explores how social businesses design their business models to manage the value creation paradox, particularly examining the effectiveness of digital platform-based models (DPBMs) compared to traditional models. We adopt an activity system perspective (Zott & Amit, 2010) and conduct an inductive analysis of multiple case studies in Brazil (Langley, 1999; Yin, 2018). This approach is apt for theory building when constructs are challenging to measure, as in strategic paradoxes, and when the phenomena are less understood (Eisenhardt et al., 2016; Gehman et al., 2018).

Cases selection

Using theoretical sampling (Eisenhardt et al., 2016), we initially aimed for two replicated DPBM cases and one traditional business model case. Criteria included the organization being a social business, operating in the Brazilian educational market, and having at least five years of operation. Six potential cases were identified on the Crunchbase platform, and after online investigation, the Empathy Enterprise and MOOC Enterprise were recruited. The study expanded to include organizations related to employability, using snowball sampling to include Internship Enterprise and Scholarship Enterprise. The sample, displayed in Table 3, comprises four companies.

Table 3. Case studies selected.

Cases (fictitious names)	Description	Founded	Company size (employees)	Is DPBM?
MOOC Enterprise (ME)	Offers free access to quality education	2012	2-10	Yes
Internship Enterprise (IE)	Helps disadvantaged students get internship	2015	2-10	Yes
Scholarship Enterprise (SE)	Helps disadvantaged students get scholarship	2015	11-20	Yes
Empathy Enterprise (EE)	Offers free training on social and emotional skills in public schools	2011	2-10	No

Note. Developed by the authors.

Analyzing the Brazilian employability and educational sector is appropriate to this study for several reasons. First, this sector has all kinds of organizational forms, including public, for-profit, and non-profit organizations, and more recently hybrid organizations (i.e., organizations with social and economic goals). However, in Brazil, there is no legal form for social businesses. Therefore, with the aim of generate profits, they must be classified as for-profit entities, which results in a lack of tax incentives. Thus, to compete in this market, hybrid organizations need successfully manage their business models to lead with paradoxical strategies to achieve legitimacy (Battilana & Lee, 2014). Furthermore, this variety of organizational forms generates debates about the efficiency and efficacy of these different designs. Second, employability and education are important challenge for Brazil's development and the investment of entre-

preneurs in this market is growing. Third, most of the solutions proposed for these organizations are based on DPBM or applications.

Data collection

We gathered data through videoconference interviews, internal and external archives, and more than 20 written documents about the organizations. Interviews, lasting an average of 1 hour and 16 minutes, covered social business paradoxes, business model components, and the role of digital platforms. The interviews were conducted in Portuguese and translated into English for relevant evidence. Multiple sources, including transcripts and external files, were used to validate the data and reduce single-source bias (Eisenhardt, 1989). Table 4 provides information on data sources.

Table 4. Data sources information.

Case	Interviewee	Code	Time	Archival data
ME	CEO	I1, MOOC, 2022	0:50	Company website, news, podcasts, social media, YouTube videos produced by students, and consumer complaint website
	Director	I2, MOOC, 2023	0:40	
IE	Founder	I1, Internship, 2022	1:22	Company website
	Founder	I2, Internship, 2023	1:38	
SE	Founder	I1, Scholarship, 2023	2:05	Company website, news, and social media
	Founder	I2, Scholarship, 2023	0:36	
EE	Founder	I1, Empathy, 2022	1:11	Company website, annual reports, and YouTube videos
	Partner (x2)	I2, Empathy, 2022	1:48	
		I3, Empathy, 2023		

Note. Developed by the authors. 1. We held two meetings with the partner of Empathy Enterprise (EE). The first meeting lasted 0:49 and the second meeting lasted 0:59. 2. During the 1st meeting with Scholarship, in addition to the founder, one of the partners joined the meeting approximately 1 hour after the meeting started. We identified the information presented by the partner as follows: I1, Scholarship — partner, 2023.

Data analysis

We conducted both within-case and cross-case analyses (Eisenhardt, 1989; Gehman et al., 2018). Data analysis was facilitated using Atlas.ti, where paragraphs from interviews were analyzed and coded according to our predetermined list of codes derived from our theoretical model (Saldaña, 2021). Table 5 presents our comprehensive code list, encompassing key theoretical elements and empirical findings.

Throughout the analysis and theory development process, we employed a systematic approach, iterating between empirical data and theoretical constructs. During the within-case analysis, we rigorously described the components of our research model within each case, adhering to Yin's (2018) framework. This method allowed for a detailed exploration and understanding of the unique attributes within each case study.

Through cross-case analysis, emergent patterns were identified, uncovering commonalities, variations, and fresh insights (Eisenhardt et al., 2016; Eisenhardt & Graebner, 2007) into how business model design influences the management of value creation paradoxes in social business contexts. Furthermore, our inquiry delved into whether digital platform business models exacerbate or alleviate these paradoxes.

Table 5. Code list.

Theoretical model elements	Codes
Business model	BM design/redesign
Social value drive	Impact complementarities Integration novelties Responsible efficiency Shared values
Value proposition	Customer relationship Customer segment Product/service
Value creation and delivery	Channels Key activities Partners Resources Technology
Value capture	Cost structure Revenue streams
Digital platform business model	Long-term value creation vs. short-term value appropriation Multiple stakeholders Performance/complexity vs. development costs Scale up Traction vs. friction Value creation X appropriation for all stakeholders
Paradoxes	Value creation paradox Belonging paradox Learning paradox Organizing paradox Performing Paradox

Note. Developed by the authors.

FINDINGS

Cases overview

MOOC Enterprise, a Brazilian edtech founded in 2012, offers online courses across various subjects. With over 3 million users, it utilizes DPBM to provide value to students, educational institutions, and advertising companies. Free content, partnerships with educational organizations, and advertising spaces contribute to its value proposition. Digital marketing, partnerships, and platform management are key activities, facilitated by a team of 10 and various digital tools. Revenue streams involve student certification fees and advertising remuneration, with a focus on cost control for sustainability. The company was purchased by Innovation Enterprise (owner of Internship Enterprise) in May 2021.

Founded in 2015, Internship Enterprise connects students with internship opportunities, emphasizing DPBM. Its platform, with over 1 million users, offers free internship publicity, content, and recruitment services. Business simulations enhance candidate selection. The company, part of Innovation Enterprise, shares resource and relies on technology for value delivery. The main revenue sources include recruitment services, scholarship commissions, and advertisements through its blog.

Scholarship Enterprise connects schools with spare capacity to low-income students. With over 800 partner schools, it provides up to 70% scholarships, benefiting over 12,000 families. DPBM facilitates value creation for students and schools. Digital platform improvement, partnerships, and prospecting are key activities. The main revenue sources include enrollment fees and partnerships with educational service providers.

Founded in 2011, Empathy Enterprise uses art to promote diversity and empathy in schools. DPBM aids in delivering value to enterprises, public schools, and other educational institutions. Training programs, content generation, and social responsibility consulting are key activities. Revenue is primarily from corporate training services, with additional income from selling books, educational games, and online courses related to its social mission.

This summary is based on the provided information. For further details, refer to Table 6 for a concise overview of each case study's main business model features.

Table 6. Case business models.

Case	MOOC Enterprise	Internship Enterprise	Scholarship Enterprise	Empathy Enterprise
Social mission/purpose	Democratizing the access to high quality education	Revolutionizing the way companies and young people communicate with each other	Helping students who are unable to pay the full amount of tuition, at a quality educational institution	Developing social and emotional learning through art, dialogue, and playful activities. This is done via an educational approach to soft skills that sparks transformations in human relationships in students, teachers, and corporations
Value proposition				
Customer/beneficiary segments	(1) University students (beneficiaries) (2) Education companies and educational institutions (beneficiaries) (3) Advertising companies (clients)	(1) Young people who are students and recent graduates (beneficiaries) (2) Large companies that offer internship and trainee programs (clients) (3) Columnists (beneficiaries/partners) (4) advertising companies (clients)	(1) Low-income students (beneficiaries) (2) Private schools and universities (beneficiaries)	(1) Public schools and assistance institutions (beneficiaries) (2) Enterprises (clients)
Product/Service	Free online courses with renowned professors from major institutions and organizations (Students) Free offer of the digital platform (education companies and educational institutions) Mobilize a base with many users (advertising companies)	Free publicity of internship and trainee positions (Students) Publicizing vacancies and brand employer, recruiting and selection services (Companies) Promoting professional brand (Columnists) Mobilize a base with many users (advertising companies)	Scholarships at educational institutions (low-income students) Filling vacancies, advertisements, and dashboard to follow up with scholarship students (private schools and universities)	Teaching and content generation on social and emotional skills to educators, children and families (public schools and assistance institutions) Teaching, content generation, and social responsibility consulting (Enterprises)
Customer/beneficiary relationships	Personal assistance and self-service	Personal assistance and self-service	Personal assistance	Personal assistance, co-creation, and self-service.
Value creation and delivery				
Key activities	Digital marketing Search for partnerships to produce content. Management of the digital platform.	Digital platform management Content production digital marketing	Prospecting schools to offer scholarships and candidates for scholarships Digital marketing Legal support Improving its digital platform Developing new products	Courses and didactic materials development Content generation
Resources	Team; software, and digital platforms	Team; software, and digital platforms	Team, headquarters, and different digital technologies	Team and different digital technologies
Channels	Digital Platform; email; social medias	Digital platform; email; social medias	Digital platform, email, and social media	Face-to-face meetings, digital platform, email, and social media
Partners	Education companies and educational institutions	Scholarships organization Competitors	Educational institutions and providers of education solutions	Multiple partnerships that sharing a common interest with the Empathy Enterprise's core areas of operation.
Technology	Digital platforms and software	Digital platforms and software	Digital platforms and software	
Value capture				
Cost structure	People, technology, and taxes	People, technology, and taxes	People, technology, and taxes	People, technology, and taxes
Revenue streams	Certificates Advertisements	Services sales to companies Commissions on scholarships Advertisements	Enrollment and re-enrollment fees	Selling services to companies

Note. Developed by the authors.

DPBM design and value creation paradoxes

This topic presents results on the role of business model design in managing value creation paradoxes in social businesses, organized according to the business model design themes. We identified the relevance of social value drivers in making decisions related to business model design and redesign, aiming to deal with the challenges presented by value creation paradoxes. In the context of DPBM-based businesses, we observe the coexistence of complementarity, lock-in and novelty drivers (Zott & Amit, 2010), commonly found in for-profit businesses, along

with complementarity drivers of impact, shared values, and novelty of integration (Spieth et al., 2019), specific characteristics of social businesses.

Responsible efficiency

All cases prioritize cost control and resource efficiency, leveraging technology for optimal activities and social impact. Despite emphasizing efficiency for competitiveness, organizations prioritize social impact, ensuring service quality, fair pricing, and sustainable growth. This pursuit

aligns with 'responsible efficiency' as proposed by Spieth et al. (2019).

Upon enrollment, the Scholarship receives the full amount. In re-enrollments, although families pay the full amount, internally we share the amount with the school. Because in the first year, we capture the student, but from the second year on, there was also the work of the school. That's how we help everyone (I1, Scholarship, 2023).

[We tried] charged people with the symbolic value and helped them to build a better CV, to prepare for interviews, to know how to send an email with the CV (I3, Internship, 2023).

We managed to grow as we realized that we could sustain growth for some time (I1, Empathy, 2022).

The challenge lies in maintaining competitiveness while adhering to the social mission in a market lacking specific legal classifications for social businesses.

... the competition can even be considered unfair. [Internship Competitor], for example, charge absurdly unfeasible amounts, just to win the competition ... because they are a non-profit company, so it is difficult to compete (I2, Internship, 2022).

We need to be very efficient, in addition to other educational institutions, other companies that are in the market (I1, MOOC, 2022).

DPBM have a significant advantage to achieve responsible efficiency, maximizing the resources invested and the social impact generated. The three cases based on DPBM highlight the importance of digital technology for the scalability and efficiency of their models. Even Empathy Enterprise, which is not based on a digital platform, recognizes the importance of technology in increasing the social impact generated by the organization. The following excerpt demonstrate these findings.

We are going to continue with distance learning, but, in general, we feel resistance [from the educators], but on the other hand, we are clear that we want to give access to as many people as possible (I1, Empathy, 2022).

In addition to the evidence that demonstrates responsible efficiency as a driver of decisions related to the business model, results suggest that when efficient

responsibility does not guide decision-making in relation to the design of the business model, the organization may have difficulties in dealing with the value creation paradoxes. These findings were observed in MOOC Enterprise and Empathy Enterprise.

In MOOC Enterprise's case, despite substantial investments, decisions favoring fast growth over responsible efficiency may have hindered sustainable growth.

They (MOOC founders) used this money from the investment fund seeking to grow, seeking to generate results. My analysis is that too much money is also bad, because if your hypothesis about the business is wrong, you accelerate the business, but it's not always a rocket going up, it could be accelerating for the business to crash too. I believe that's what happened (I2, MOOC, 2022).

Empathy Enterprise faced financial challenges due to inadequate responsible efficiency, prompting a shift in its business model to allocate a portion of revenues to social activities. Responsible efficiency emerges as pivotal for social businesses, ensuring both competitiveness and effective handling of value creation paradoxes.

We had revenue, but we didn't have financial control. Today, the business model does not conflict, because part of the revenue goes directly to social actions. ... We learned that we must make this [social] growth as we have resources (I1, Empathy, 2022).

Impact complementarities

Research underscores the interdependence of financial and social results, emphasizing the complementarity of impact as a value driver.

Social and financial must grow in parallel, because otherwise we won't be able to support ourselves. If we don't scale, we won't be able to benefit more families (I1, Sponsorship — partner, 2023).

The social entrepreneur is 50% social and 50% entrepreneur, balance is needed (I2, Sponsorship, 2023).

There is no way to say that we are making decisions for the social or we are making decisions for the financial. ... The social and financial are linked, ... because if you improve the social, you will improve the financial (I1, MOOC, 2023).

Although organizations recognize the importance of complementarity of impact in social businesses, we identified that when this complementarity does not guide the design or redesign of the business model, and the organization prioritizes financial gain, profitability can decrease and, ultimately, undermine the business model. MOOC Enterprise's shift to a paid model led to decreased user engagement and revenue, necessitating a return to a free-access model with advertising. Internship Enterprise faced similar challenges, with attempts to charge candidates for access proving financially unviable.

The number of users and accesses decreased, and revenue dropped further, instead of increasing. From the moment it started to be paid, it practically broke the business model. The company in pursuit of profit ended up getting lost in practice (I1, MOOC, 2022).

In the online internship, we tried the idea of charging the candidate. We thought, if we have 1 million registered candidates, we will charge 10 reais per month for each one. We are going to transform the business into a multinational, a large company. We tested it and it didn't work (I2, Internship, 2023).

In addition to the possibility that users did not have the resources to pay for services, the founder of Internship Enterprise and current owner of MOOC Enterprise also attributed this issue to the perception that customers interpreted the charge as a lack of genuine commitment by the organization to contribute to the society, but rather as a pursuit of profit.

We've seen how expensive it is to change the business model, even returning to how it was before, you lose that audience ... The business model is essential, if you change the model, it's not just go back to how it was before. Once this is done, people lose sight of the original purpose (I1, MOOC, 2022).

Another relevant factor that we identified as a characteristic of social businesses that use the DPBM is that it is not only about the complementarity between the social and the financial, but also the attention to the existence of a set of services offered by the organization that increases the generated value. That is, the business model of these organizations is influenced not only by the complementarity of impact, but also by the complementarity of services. Managers recognize the importance of this complementarity between the ser-

vices provided as a relevant factor to generate revenue and ensure the sustainability of the business.

It is necessary to diversify. We started in the education area with our business game. ... After we started the Internship Enterprise. Later we made our first acquisition, which was Engineering Enterprise. Our second acquisition was MOOC Enterprise ... in the education area as well (I2, Internship, 2023).

When we made the acquisition [of MOOC Enterprise], the company was even losing money. With our experience with the Internship Enterprise, we identified that joining the business of courses with the offer of vacancies will not only be able to recover the MOOC Enterprise, but create an ecosystem, where the result is greater than the sum of the parts, it is a synergy ... (I1, MOOC, 2022).

We will seek solutions to increasingly meet other demands. ... We are adding these new products to increase revenue ... (I1, Scholarship, 2023).

Our new platform is a hub of educational solutions in which we bring other startups to solve the problems of the educational institution, and, with that, we also generate revenue (I2, Scholarship, 2023).

Shared values

Shared values emerge as crucial drivers in business model design, particularly in forming strategic partnerships. These partnerships, aligning with complementary skills and responsible efficiency, contribute to organizational success.

We usually work with educational institutions that want to support the democratization of education and strengthen the brand as a brand that has social strength, that supports society. Basically, it's a free partnership (I1, MOOC, 2022).

We have partners, such as offering scholarships, for example. They are partners that offer services and products that are related to the education part (I1, Internship, 2022).

However, disregarding shared values in business model redesign decisions can exacerbate belonging paradoxes, as seen in MOOC Enterprise's case. MOOC Enterprise's shift to national partnerships, driven by shared values and economic considerations, elicited negative user perceptions.

I come to express all my dissatisfaction ... The MOOC Enterprise project, which offered courses from countless colleges around the world, is now nothing more than a platform that gives space to teachers and people full of vanity who put themselves ahead of the real interest of teaching (consumer complaint website, 2017).

As for the business model, it needed to be reviewed for our services to be sustainable and for us to continue producing content. We even continue to offer all content for free, charging only for certification, when requested. The certification that, on the old platform, cost more than R\$ 1000, today costs R\$ 49 (consumer complaint website — MOOC answer, 2017).

Another relevant factor identified as a characteristic of social businesses that use DPBM is the search for 'lock-in' (Spieth et al., 2019), especially by organizations that depend on advertising revenue. For advertising to be profitable, the platform needs to have many hits. Therefore, these organizations offer complementary services to keep users engaged and continuously accessing the platform. This strategy was observed mainly in the MOOC Enterprise and Internship Enterprise, as evidenced in the following information:

... today we are an ecosystem of education and employability. We have a user on the employability side [Internship Enterprise], we send the user to the education area [MOOC Enterprise]. Try to insert this person in the job market, show new opportunities that have to do with her profile, with what she studied on the platform, then refer her to some news on the website ... We make the user transit between our platforms (I2, Internship, 2023).

I just received in my email that, with the purpose of increasing employability and helping students, MOOC Enterprise has partnered with Internship Enterprise, a job site, and through this partnership, students who are registered with MOOC Enterprise, they will receive information [about job openings], just like the one I received (ST13, MOOC, 2022).

Although Scholarship Enterprise does not depend on advertising as a source of revenue, we have also identified that it seeks complementary services to retain its customers, which can be considered a form of 'lock-in.' The organization's proposal is to offer an educational system together with a website for the school, as discussed by the partners.

Educational institutions pay one company for the website and another for the system. Let's put the two together, offering the services in aggregate form for the school. Let's make this director pay only one slip with a website and system (I1, Scholarship, 2023).

Integration novelties

Novelty of integration is one of the value drivers of the analyzed business models. Scholarship Enterprise stands out by emphasizing the relevance of offering a service with social value in the face of competition. The organization believes that the transformation of families through access to quality education is the differential that distinguishes it from competitors.

We are transforming families and lives ... But our competitors don't sell that social impact. They can't present it. ... We emphasize this, this is our differential (I1, Scholarship, 2023).

On the other hand, Empathy Enterprise recognizes its social work, but does not consider it a decisive factor for its competitiveness.

But over time we realized that we are different because of this social experience ... I think this brings much more value to them than the feeling of collaborating for a differentiated delivery at the end (I2, Empathy, 2022).

Furthermore, innovation plays an important role in DPBM-based social businesses. Internship Enterprise uses a business game as part of its selection processes, which provides candidates with real-life situations faced by the company. This innovative approach adds more value to the recruitment and selection process compared to traditional CV review.

We've created a scenario, a case, within a game that challenges candidates with real-life situations faced by the company, its products, and the market. For example, the game can simulate events like a pandemic or a strike within the company, providing a 360-degree view of the organization and helping to train candidates. This approach brings much more value to the recruitment and selection process compared to traditional CV reviews. Among the various initiatives we have undertaken, this game is the most innovative one (I1, Internship, 2022).

In the case of Scholarship Enterprise, in addition to integrating financial return and social purpose, the organization highlights the dashboard provided to schools as a competitive advantage. This panel allows the monitoring of grades, evaluations, and family participation, providing valuable information for school management.

Our competitive advantage is that we deliver a dashboard to monitor the grade, evaluation, family participation (IN6, Scholarship, 2023).

DPBM traits and social business paradoxes

The cases show that DPBM can enable social businesses to scale efficiently by helping to reduce costs and extending the reach of social actions, serving a larger audience. Furthermore, social businesses leveraging DPBMs can help social businesses navigate belonging paradoxes. Small, lean teams led by partners/founders of DPBMs haven't shown tensions among employees dealing with diverse groups.

Our structure could improve, but the 10 people working with us are reliable (I2, Internship, 2023).

When we hire employees, we look for people who have a target for the profile we are looking for. We tried to understand what he thinks about education in Brazil, how much he thinks education is transformative, and about what we do. We also work on these issues in everyday life (I1, Scholarship, 2023).

[Working on the organization's purpose with employees] is important while we are smaller, because it allows the culture to be transmitted when we grow up, because perhaps we [partners] will no longer be able to do all the management as we do today. We will have to delegate this function to other people (I1, Scholarship — partner, 2023).

However, Empathy Enterprise needs more time to expand its social action, to find people aligned with the organization's values, capable of working both with clients and in schools impacting the organization's growth (learning paradox).

It's difficult to train people to discuss sensitive topics. Themes aren't new, but our philosophy is hybrid, with knowledge of psychology, pedagogy, and diversity (I2, Empathy, 2022).

Although the ability to deal with multiple stakeholders at the same time and quickly scales a business, the literature identifies challenges in relation to the success of DPBM. Specifically, our findings suggest that selecting sides to be part of the digital platform, determining which side to go first, finding the revenue model, and regulating access to the platform are issues that can amplify the performance and learning paradox.

Our findings are in line with the perceptions in the literature. The analyzed cases initially invested time and resources to attract one of the interested parties to their business and, later, dedicated efforts to bring other participants to the digital platform.

In the beginning, it was just an advertisement portal for internship and job opportunities, but mainly internships. We [partners] took vacancies from companies on the internet and publicized it. Mainly we publicized vacancies in the biggest cities, those that we knew had the most access, we started to have access very quickly. Growing up was very easy (I2, Internship, 2023).

We are adding these new products to billing ... Previously it was complicated, because we didn't have a technology team, so we couldn't do it. It was too expensive for us to pay for the development (I1, Scholarship — Partner, 2023).

When looking specifically at the case of MOOC Enterprise, the evidence suggests that the organization did not incorporate other stakeholders into its digital platform. This fact may have made it difficult to identify a revenue model that would guarantee the financial sustainability of the organization, such as the inclusion of advertisements carried out by the new owners. Our findings suggest that the organization entered the so-called 'infinite launch loop,' in which it is difficult to identify a viable revenue source, even when it has many users (Cusumano et al., 2019).

Suddenly you look and think, 'We don't have anything.' We have a lot of users, a lot of students. We have a website that generates 40, 50 thousand registrations every month, but from a business point of view, there was nothing. Nothing was sustainable (Founder Video 4, 2016).

Regarding the regulation of access to the digital platform, we identified different patterns among the cases analyzed. Internship Enterprise uses editorial

control (Choudary, 2015) for companies that advertise vacancies on its platform and for columnists, that is, the organization controls who will have access to the platform to make its vacancies and content available.

People who want to write for free and have their content published sign up and send the content to us for an internal analysis. We have a person on the team who assesses whether the content is written correctly or has any issues. If we are right, we share (I2, Internship, 2023).

Scholarship Enterprise also utilizes editorial control for both partner organizations and families/students. The organization assesses whether the school is accredited by the MEC and checks the family's financial condition, among other aspects, such as whether the student has been or is enrolled in the school paying full tuition.

Initially, we identified whether the school is registered with the Ministry of Education (MEC), as it already demonstrates credibility ... One of our criteria is that the student cannot have studied at the educational institution ... (I1, Scholarship, 2023).

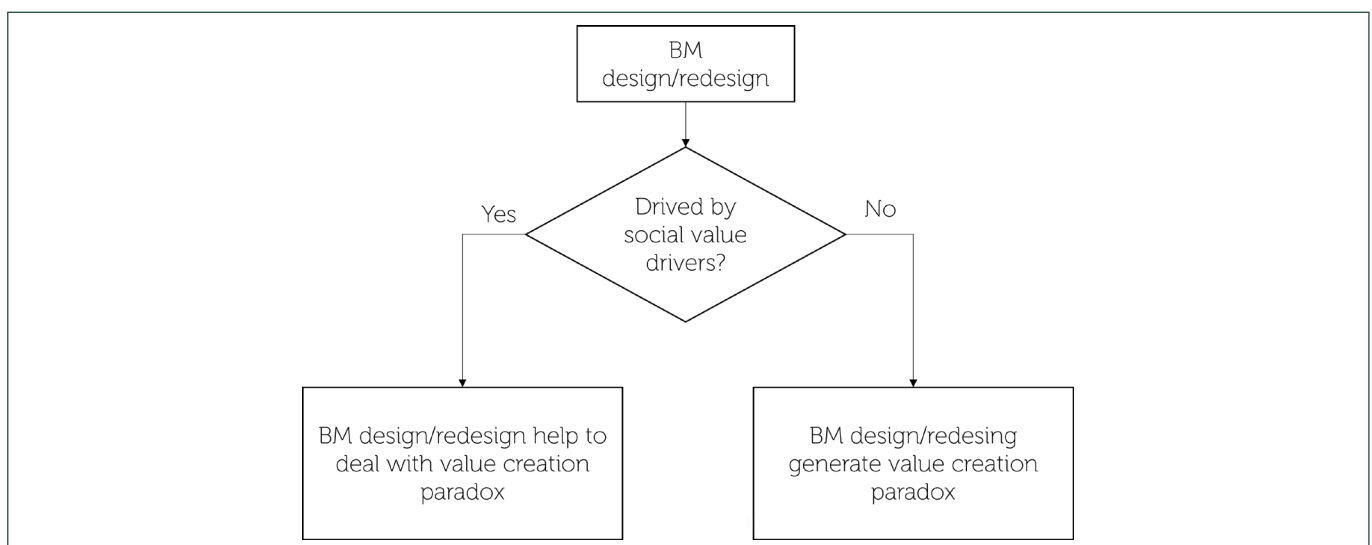
MOOC Enterprise uses the editorial control mechanism for the entry of partners (institutions that produce the courses), that is, the organization controls which partners can make the courses available. However, when the organization modifies the selection criteria to expand the offer, we identified that problems with the belonging paradox may arise, in addition to the learning/performance problem reported in the literature. As

discussed, by expanding the group of partner institutions not recognized by users as the best universities in the country and abroad, the perception of quality service delivery can be reduced.

DISCUSSION

The first objective of our study was to understand the role of business model design in managing value creation paradoxes in social businesses. We argue that business model design plays a critical role in helping social businesses address value creation paradoxes (Proposition 1), supporting Reuter's (2021) insights and highlighting the importance of social value drivers in decision-making processes related to the design or redesign of business models. Specifically, our research demonstrates that when business model design or redesign is guided by social value drivers, organizations are better equipped to handle the challenges posed by value creation paradoxes. Conversely, the absence of social value drivers in business model design or redesign can exacerbate value creation paradoxes (Figure 2).

Our findings align with existing literature that indicates a significant correlation between social value (as a proxy for social impact) and economic value (as a proxy for financial returns) (Cabral et al., 2019). Integrating social value drivers in business model design thus facilitates a dual focus on social impact and financial sustainability without leading to mission drift (Schneider & Clauß, 2020). Consequently, social values emerge as the most critical decision criteria for both strategic and tactical decisions (Klein et al., 2021), with social welfare logic predominating (Bellostas et al., 2016; Schneider & Clauß, 2020).



Source: Developed by the authors.

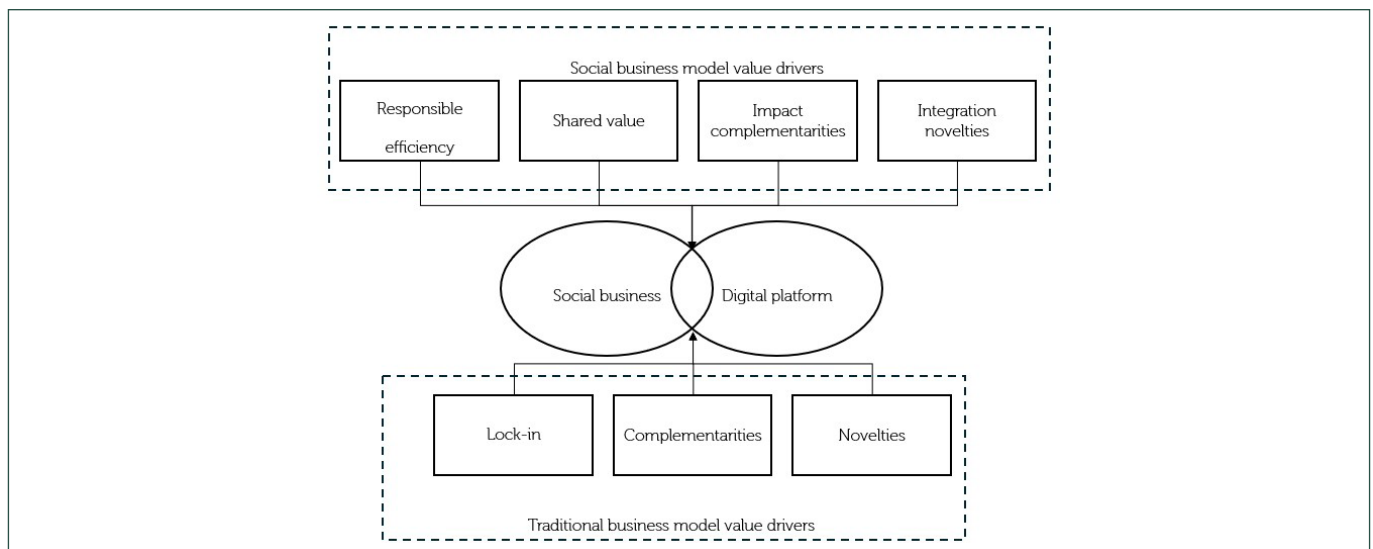
Figure 2. Role of social value drivers in the design/redesign of the DPBM.

Our results also indicate that DPBM-based social businesses do not replace the value drivers of traditional for-profit business models, in favor of social value drivers, as proposed by [Spieth et al. \(2019\)](#). Instead, we observe that different value drivers are considered in decisions related to business model design or redesign. In addition to identifying the efforts of these businesses to seek responsible efficiency rather than pure efficiency, we found the coexistence of drivers of complementarity, lock-in, and novelty ([Zott & Amit, 2010](#)) along with drivers of impact complementarity, shared values, and novelty of integration ([Spieth et al., 2019](#)), as shown in Figure 3.

Based on the analysis of cases, we evidenced that the adoption of DPBM requires not only the consideration of specific value drivers for social businesses but

also the incorporation of traditional business models' value drivers. In other words, both sets of value drivers play an important role in the context of social business DPBM-based to guarantee social value creation and maintain competitiveness to economic value creation.

These findings demonstrate that although social businesses prioritize social values over economic ones, they still strive to achieve economic viability as a necessary enabler of their ecological and/or social mission. This conclusion aligns with previous studies that argue sustainable business models must integrate these three interrelated objectives and define a more holistic value creation logic to achieve sustainable, social, and/or ecological value ([Biloslavo et al., 2018](#); [Schneider & Clauß, 2020](#)).



Source: Developed by the authors.

Figure 3. Value drivers in social businesses based on DPBM.

Furthermore, in the context of digital platforms, although the interdependence between social and economic benefits (impact complementarity) is critical for social business, they also must develop network effects (complementarity) through the strategies to retain customers or partners, commonly referred to as lock-in mechanisms. The role of network effects and strategic complementarities in digital platforms has been extensively discussed in the literature, underscoring their importance in achieving sustainable competitive advantage ([Parker et al., 2016](#); [Tiwana, 2014](#)).

Our second objective was to identify how the DPBM increases or reduces the paradox of value creation in social businesses. We argue that the designation of two DPBMs can both alleviate and aggravate or amplify the creation of value in social businesses (Proposition 2). The results of the study also support this proposition. We analyzed the specific characteristics of the three

platform-based cases (MOOC Enterprise, Internship Enterprise, and Sponsorship Enterprise) and we verified that this business model is an importantly for their scalability. Thus, in the context of social businesses, DPBM can contribute to scalability by reducing costs and expanding the reach of social actions ([Choudary, 2015](#); [Evans & Schmalensee, 2016](#)).

Furthermore, we identify that the DPBM enables organizations to engage with diverse stakeholder groups ([Cusumano et al., 2019](#); [Gawer & Cusumano, 2014](#)), thereby facilitating the management of learning and performance paradoxes. However, there are challenges in achieving success with DPBM, including selecting and attracting the right user groups, determining the revenue model, and regulating platform access ([Cusumano et al., 2019](#); [Parker et al., 2016](#)), which can amplify performance and learning paradoxes.

The cases analyzed demonstrate the initial efforts of attracting one group to the digital platform and subsequently expanding to include other participants. For example, Internship Enterprise started by manually registering internship vacancies and later developed additional features to enable companies to register vacancies themselves. Scholarship Enterprise focused on schools offering scholarships and was planning to become a hub for connecting service providers to schools. However, the previous implementation of this plan was hindered by the lack of a specialized technology team. This demonstrates that efforts to attract additional groups can lead to increased business model complexity. In contrast, MOOC Enterprise did not incorporate additional side into their digital platform, which posed challenges in identifying a sustainable revenue model. The organization faced difficulties in monetizing its large user base and fell into the 'infinite launch loop' where a viable revenue source was not found (Cusumano et al., 2019).

Regarding platform access regulation, the cases employed different approaches. Internship Enterprise and Scholarship Enterprise utilized editorial control to manage access for companies, content creators, and partner organizations. MOOC Enterprise used editorial control to select partner institutions but faced difficulties in maintaining user perception of service quality when expanding to include lesser-known universities. The literature has indicated that ensuring value appropriation for all stakeholders is a significant challenge for platform-based business models (Rong et al., 2018). This issue is particularly crucial in social enterprises, as decisions regarding business model elements must not only be guided by social value drivers but also be perceived as such by the various stakeholders (Schneider & Clauß, 2020).

The cases also highlighted the importance of aligning investor values with the social purpose of the organization. The involvement of investors can bring conflicts, as some may prioritize profits over the social mission. However, having investors who share the organization's social values can provide valuable support (Battilana & Dorado, 2010; Battilana & Lee, 2014).

CONCLUSION

This study has achieved its goals by elucidating the role of business model design in managing value creation paradoxes within digital platform-based social businesses and identifying how the DPBM either amplifies or mitigates these paradoxes. The findings contribute significantly to our understanding of the dynamic interplay between business model design and value creation in the context of social enterprises. These insights pave the way for more

effective strategies to optimize value creation in social businesses, offering practical implications for practitioners and researchers alike. These contributions are discussed in detail in the following subsections. We also discuss the study's limitations and suggest future research directions.

Theoretical contributions

The study enhances literature on managing paradoxes in social business through DPBM models. First, it introduces the value creation paradox, capturing the challenge of balancing social and financial value. The business model can be understood as a system of activities used by the organization to create, deliver, and capture value. Therefore, the term 'value creation paradox' is suitable for use in the literature related to the topic.

Secondly, supporting Reuter's (2021) insights, our findings emphasize the role of value drivers in digital platform-based business models for social businesses.

Thirdly, we present empirical evidence supporting the role of responsible efficiency, shared values, impact complementarities, and integration novelties as drivers of social business value, addressing Spieth et al.'s (2019) call to validate their findings in a non-German context.

However, although we confirm responsible efficiency, shared values, impact complementarities, and integration novelties as social business value drivers (Spieth et al., 2019), our study demonstrates that exists a coexistence of drivers characteristic of traditional business models, such as complementarity, lock-in, and novelty (Zott & Amit, 2010).

Finally, we demonstrate that the digital platforms model can help social organizations deal with the learning paradox, increasing the efficiency of activities to support business scalability. But, on the other hand, there are challenges to succeeding with DPBM, including selecting and attracting the right user groups, determining the revenue model, and regulating access to the platform, which can magnify performance and learning paradoxes.

Insights for social business managers

The study also provides valuable insights for social business managers, particularly those utilizing DPBM. For social business managers, understanding the critical role of business model design in managing value creation paradoxes is essential. Our study highlights that incorporating social value drivers into the design or redesign of a business model can significantly enhance the organization's ability to tackle these paradoxes effectively. When social value drivers are at the core of decision-making processes, social businesses can maintain a dual focus on achieving both social impact and financial sustainability. This approach ensures that decisions regarding business model

design or redesign not only support social missions but also align perceptions across diverse stakeholder groups (Schneider & Clauß, 2020).

Our findings underscore a significant correlation between social and economic value, highlighting the necessity for social businesses to integrate both dimensions (social drivers and traditional drivers) within their business models (Cabral et al., 2019). By maintaining a dual focus on social impact and economic viability, organizations can mitigate mission drift and sustain competitive advantage (Bellostas et al., 2016; Schneider & Clauß, 2020).

In the realm of digital platform business models (DPBMs), our research identifies opportunities and challenges for social businesses. DPBMs offer scalability advantages by expanding reach and reducing operational costs, thereby enhancing social impact (Evans & Schmalensee, 2016). However, effective management of diverse stakeholder engagement, revenue model refinement, and platform access regulation are critical for sustaining performance and learning capabilities (Cusumano et al., 2019; Parker et al., 2016).

The experiences of enterprises such as Internship Enterprise and MOOC Enterprise illustrate common challenges in platform development, including initial user acquisition hurdles and revenue model complexities (Cusumano et al., 2019). Strategic technological investment and meticulous planning are essential to overcoming these obstacles and achieving sustainable growth (Parker et al., 2016).

Furthermore, aligning investor values with the social mission of the organization emerges as a strategic imperative. While investor engagement can provide financial support, ensuring alignment of values mitigates potential conflicts and fosters a supportive environment conducive to long-term sustainability (Battilana & Lee, 2014).

Limitations and future studies

Although our study made valuable contributions to the literature and practitioners, it is important to recognize its limitations. Despite careful data collection and analysis, the study is retrospective in nature and may contain information biases. In addition, little external data was identified on the Internship Enterprise case, which limited the possibility of data triangulation. Therefore, we suggest that future studies adopt a longitudinal approach to understand how social value drivers were considered in the design of the business model. We also recommend that future studies focus on demonstrating how managers can implement the suggestions arising from our study, offering more guidelines to social business managers on business model design.

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