

Growth strategies for scaling up throughout the business lifecycle in the Bottom of Pyramid context

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ABSTRACT,

Over the past decade, inclusive business has become a concept which combines traditional for-profit characteristics with not-for-profit goals. The combined nature of inclusive businesses and the influences of the Bottom of the Pyramid context demand adapted business models and strategies. Furthermore, these aspects also impact the pace at which an inclusive business moves through its business lifecycle. Hence, this paper investigates different growth strategies throughout the business lifecycle in the Bottom of the Pyramid context through three case studies. These case studies analyse how the Bottom of the Pyramid context influences the companies' way of doing business and how they have adapted their business models and strategies in response.

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Keywords

Inclusive business, growth strategies, bottom of the pyramid, business lifecycle, scaling up

1. INTRODUCTION

In the current economy, a great extent of segments and markets can be found, sometimes overlapping, sometimes contrasting one another, resulting in a need for different, more specific business models.

One of these segments includes the world's poorest population, which is nowadays often referred to as the "bottom" or "base" of the economic pyramid, the BoP concept (Kolk, 2014). Although this segment presents a lack of resources, it provides a great market opportunity (Prahalad, 2002), hence, more for-profit organizations seek to tap into the BoP context. However, the resources available and needs differ from the formal economy (Mason & Chakrabarti, 2017) traditional businesses operate in. Traditional businesses mostly use profit- and customer-focused business models, but as mentioned earlier, these business models ought to be adapted to be effective in the BoP context.

From here the idea of inclusive business, or social business, arises. These types of businesses focus on activities that can contribute to the long-term goal of poverty alleviation by embedding the neglected poor parts of the world population into efficient value chains and market structures, both as consumers and as producers or distributors (Hahn, 2012). To reach this, or any long-term goal, an organization must grow and scale up. Because inclusive businesses often fail to do so, this research investigates how inclusive businesses use growth strategies to scale up their business throughout its lifecycle.

In order to do so, case studies will analyse what pressures from the BoP context inclusive businesses can expect during their lifecycle stages, how to deal with such challenges and adapt their business model to the BoP context and how this differs from traditional businesses. By analysing these pressures and challenges, and how inclusive business deal with them, the research seeks to formulate how growth strategies are adapted to BoP context.

The thesis is structured as follows. First, the problem will be analysed and the research question is formulated with its sub-questions. Then the theoretical background will be discussed, classifying the current literature on growth strategies into different business contexts. The choice of case studies to analyse the research question will then be explained and lastly, the results of the case studies will be classified and an overview of growth strategies for inclusive businesses will be presented and future research and practical implications will be discussed.

1.1 Research question

Due to the lack of resources at the BoP, a gap between the need for products and services and the willingness to pay for such exists. Because of this gap, it becomes a challenge for inclusive businesses to scale up whilst remaining profitable. Garette and Karnani (2010) suggest that whilst designing the business model, this challenge needs to be considered in the way the market is affected, and the purchasing power differs from traditional contexts, as well as how the customers' needs differ. Thus, how the different context influences the process of doing business to be translated in the business model.

Not only do all of these BoP aspects affect the initial business model, they also affect the entire lifecycle of a business, which in turn requires the business model to adapt accordingly for survival and growth. The current literature still lacks frameworks of growth strategies specifically for inclusive businesses. This is due to the nature of inclusive business being for-profit whilst adding value to a societal cause, namely poverty alienation.

Therefore, the goal of the thesis is to research and formulate how to scale up inclusive business through business model innovation, specifically focused on growth strategies throughout the business lifecycle.

Most inclusive businesses face the challenge of including the effects of the BoP context on the business lifecycle in their business model, which Garette and Karnani (2010) argue to be of great importance, and hence struggle to grow and scale up throughout their lifecycle. Therefore, the research question of this thesis is formulated as follows:

What growth strategies enable inclusive business to scale up throughout their business lifecycle?

Concept	Definition	Sources
<i>Growth strategies</i>	The development of unique skills and dynamic capabilities, allocating of resources to respond to external changes in the business environment that risk success in order to achieve the goal of business growth	(Nagaraju, 2015) (Taylor & Cosenza, 1997)
<i>Inclusive business</i>	A set of business activities that contribute to the long-term goal of poverty alleviation by embedding the BoP context into efficient value chains and market structures, both as consumers and as producers or distributors	(Hahn, 2012) (Kolk, 2014)
<i>Scale up</i>	increasing the number of customers or members of a business as well as expanding its offer and maximizing its revenues until it reaches millions of people	(Bocken, Fil, & Prabhu, 2016)
<i>Business lifecycle</i>	Also referred to as the Product lifecycle (PLC), the business lifecycle depicts several stages through which a business goes from entering the market to exiting the market, which includes the following stages: introduction and development, growth, maturity, and decline or rebirth. The business life cycle is likely a fundamental variable affecting business strategy. Major changes in business strategy are usually required during three stages of the life cycle: introduction, maturity, and decline.	(Bocken, Fil, & Prabhu, 2016) (Anderson & Zeithaml, 1984) (Hofer, 1975)
<i>Bottom of the Pyramid (BoP) Context</i>	The world's poorest population, which is nowadays often referred to as the "bottom" or "base" of the economic pyramid where resources are lacking, and poverty undermines the wellbeing of the population	(Kolk, 2014) (Bittencourt Marconatto, Barin-Cruz, Pozzebon, & Poitras, 2016)

To formulate the answer to this question and thus the add to the literature and practice of inclusive business, the following sub-questions will be investigated:

- What major difficulties do inclusive businesses experience during different stages of the lifecycle? Are these foreseeable? And how are these dealt with?

- Which aspects of the BoP context influence the business lifecycle? And how are these dealt with?

- What initial growth strategies are used in the business model to scale up an inclusive business? Why are they used? Do they work in practice?

- What growth strategies have been used? Were they effective in the opinion of the case company?

- What growth strategies are planned to be used throughout the next lifecycle stages? Why will they be used?

By answering these questions and the research question, we formulate strategies that contribute to the literature on growth strategies and can be used by inclusive businesses to formulate and improve their business model and eventually scale up.

2. THEORETICAL BACKGROUND

The current literature still lacks frameworks of growth strategies specifically for inclusive businesses. This is due to the nature of inclusive business being for-profit whilst adding value to a societal cause, namely poverty alienation. Bocken et al. (2016) notes that few authors have investigated the combination of for-profit business growth and non-profit strategies to scale up social impact while maintaining financial sustainability. Most existing research builds on frameworks for traditional businesses with the goal of becoming financially profitable.

Furthermore, the literature that has investigated social businesses, mostly investigates businesses who have failed to scale up (Garrette & Karnani, 2010; Bocken, Fil, & Prabhu, 2016). To add theoretical value, we take on the work of Bocken et al. (2016), which depicts three cases that have managed to successfully scale up. It also builds upon the Ansoff framework (Ansoff, 1988); a framework on growth strategies for for-profit businesses.

One aspect of the BoP context that prevents inclusive businesses from scaling up, is the need-willingness gap that occurs due to the lack of resources in the context (Garrette & Karnani, 2010). This aspect forms a vicious circle, preventing growth and eventually leading businesses to early entry of the decline stage, unless anticipated and acted upon.

2.1 Inclusive business and BoP context

Inclusivity is a rather broad term that is used to describe the quality of trying to include many different types of people and treat them all fairly and equally (Cambridge, 2019).

Where for-profit organizations work towards the primary goal of making money, and not-for-profit organizations exist to serve and to create changes in both society and individuals and are concerned with money only as much to keep the organization operating (Goulet & Frank, 2002) (WebFinance Inc., 2019), inclusive businesses, also referred to as social businesses in the literature, drives on the idea that business activities can contribute to the long-term goal of poverty alleviation by embedding the neglected poor parts of the world population into efficient value chains and market structures, both as consumers and as producers or distributors (Hahn, 2012). Inclusive businesses often strive to fulfill BoP-needs but struggle to alienate the need-willingness gap and scale up over time.

Hence, in this research we focus on such inclusive businesses that focuses their business activities on poverty alienation in the BoP context, that is the world's poorest population where resources are lacking, and poverty undermines the well-being of the population, and what this context means to the process of scaling up throughout the business lifecycle (BLC).

2.2 Business lifecycle

The business lifecycle, also referred to as the product lifecycle, represents the unit sales trend or curve for some product or service, extending from the first time the market is entered until the exit of the market (Rink, 1976). Brown & Eisenhardt (1995) noted that market conditions also affected product success, as the lifecycle depicts the sales trend of a product or business, we use this model to investigate how the BoP context affects different stages a business moves through between the start until the end. This stage model depicts the four stages a product, or business in our case, moves through throughout its existence. The model indicates the conception, growth, regeneration, renewal and extension of the effective and profitable life of products, services and, even, businesses (Pettinger, 2007).

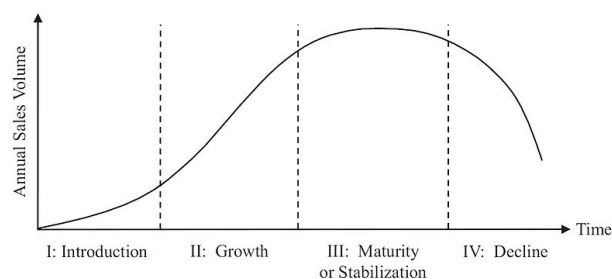


Figure 1 - The Business/Product Lifecycle

The BLC theory depicts four stages: Introduction, Growth, Maturity, and Decline. Nowadays an integral part of doing business is the development. As this part of doing business overlaps with both the introduction stage and the growth stage, the development stage is added to the cycle between introduction and growth.

2.2.1 Introduction stage

A business starts with its introduction stage. The introduction is described by “the bringing in and bringing on of the new product; this is the culmination of a period of both the [initial] product and market research, the point at which the offering in question first comes on to the market.” (Pettinger, 2007)

The introduction of a product or business often comes from market pull (Brown & Eisenhardt, 1995), where an unfulfilled need arises in an existing market or creating a new market, or technology push, where the invention of technology highlights unmet needs and creates a new market.

2.2.2 Development stage

After the initial introduction, the business will improve its course through customer feedback and first experiences in order to become more attractive to the customer by developing its product or service. The development stage overlaps with both the introduction and growth stage, as the introduction provides feedback, whereas implementing this feedback and developing the business ensures growth, as development is a potential source of competitive advantage. This is because development is a critical means by which members of organizations diversify, adapt, and even reinvent their firms to match evolving market and technical conditions (Brown & Eisenhardt, 1995).

Development is dependent on both internal aspects of a business, such as competencies, and team composition, and external aspects, such as customer input and feedback, acceptance, supplier power (Brown & Eisenhardt, 1995). The BoP context mainly influences the external aspects related to development, but can also influence the internal aspects, depending on where the BoP is situated in the value chain. Customer input and feedback is important to create acceptance,

however, the resources that enable such input and feedback, for example, communication streams and education, are scarce in the BoP context (Garrette & Karnani, 2010).

2.2.3 Growth stage

After adapting the initial product to customer feedback, the business tends to get more revenue through increased sales. Pettinger (2007) describes the growth stage as the stage “where the product takes off and its true potential (rather than that projected by research and modelling) begins to become apparent; sales and demand both rise where this is successful; unit costs decline.”

The growth stage is recognised by large increase in sales and an increase in market share. Within the BoP context, this may take longer as resources are scarce, and expansion may be obstructed by this.

2.2.4 Maturity stage

The maturity stage is reached when the product is widely accepted as “the product is now a familiar and well-loved feature on the market; people are both happy and confident with it, and unit costs are low.” (Pettinger, 2007) Hence, sales are stable and the market becomes saturated; “the company seeks to squeeze the last remaining possible commercial benefits from the item before it loses its commercial value.” (Pettinger, 2007)

2.2.5 Decline stage

A business enters the decline stage “when the product is deemed to have run its course and no more value or profit is to be gained from it, it will then be withdrawn from the market.” (Pettinger, 2007).

This may have several reasons, but the most evident are new market entrants who have innovated the product and are able to sell better products for better prices, and not being able to adapt the business model to these disruptive technologies. This is because the gross margins for the emerging one are initially far below those of the established technology (Chesbrough, 2010) or the incurred costs for the current product and its production are too high to replace with the new technologies. Furthermore, the disruption of the market might result in end customers differing, as may the necessary distribution channels. As the firm allocates its capital to the most profitable uses, the established technology will be disproportionately favored, and the disruptive technology starved of resources (Chesbrough, 2010), hence the business model needs to be adapted to avoid, or at least delay, the decline stage.

2.3 Business models

According to Osterwalder & Pigneur (2010), a business model describes the rationale of how an organization creates, delivers, and captures value. This can be done through nine building blocks, which cover four main areas of business: customer, offer, infrastructure, and financial viability. These nine blocks describe customer segments, value propositions, channels, customer relationships, revenue streams, key resources, key activities, key partnerships, and cost structures. Chesbrough (2010) also argues that companies commercialize new ideas and technologies through their business models, and that the economic value of a technology remains latent until it is commercialized in some way via a business model.

To tackle the challenges of business modelling, where the solution must be simple, relevant, and intuitively understandable, while not oversimplifying the complexities of how enterprises function, Osterwalder (2010) proposes the business model canvas. This tool fosters understanding, discussion, creativity and analysis when designing a business.

With the nine building blocks, the context of a business can be translated in the business processes, which enables a business to find fit with the market. In order to achieve the degrees of performance, stability and order essential to sustain long-term success, the turbulent and changing environment, in our case the BoP context, has to be accommodated (Pettinger, 2007).

2.4 Growth strategies

Through extensive literature research, it can be found that growth strategies mainly focus on traditional businesses, somewhat on not-for-profit businesses and barely on inclusive businesses. Bocken et al. (2016) therefore combines the traditional growth strategies with the not-for-profit growth strategies to fit the gap of growth strategies for inclusive businesses.

Rodrik (2005) argues that growth promoting policies tend to be context specific. He further points out that taking the business context into consideration and learning which externalities may affect the business during the early stages can be a deal-breaker. This context refers to the business’ nature, the economical context it operates in and in which stage of the business lifecycle the organization is in. As previously mentioned, this research focuses on inclusive businesses operating in the BoP context.

Furthermore, successful growth strategies are prone to be two-sided, where one side focuses on short-run strategy stimulating growth and the other focuses on medium- to long-run strategy aimed at sustaining growth (Rodrik, 2005). This distinction will help classify the growth strategies in relation to the stages of the business lifecycle.

Figure 1 gives an overview on how the BoP context, Business Lifecycle and Business Model of an inclusive business influence one another as mentioned earlier.

Here Path A depicts that the BoP context influences the formulation of the business model as is proposed by Garrette and Karnani (2010). Path B describes the external pressures of the BoP context which influence the business lifecycle, such as lack of resources, governmental influence, or infrastructural difficulties. Both Path A and B are influenced by the BoP context which forms operational and behavioral barriers such as location, tradition, success, failure, technology, alternatives, lack of clarity, and fear and anxiety (Pettinger, 2007). The effects of these barriers can be and ought to be anticipated (Garrette & Karnani, 2010) in the business model, to, in turn, minimize the effects on the business lifecycle through Path C. This anticipation can be done through a force field analysis where driving forces and restraining forces from the context are described, and then either reinforced and strengthened, or neutralized (Pettinger, 2007) through strategic choices. Path C depicts how the BLC is influenced by the business model as the initial plan and strategies also influence the pace in which the business moves through the lifecycle, but also how, in turn, the

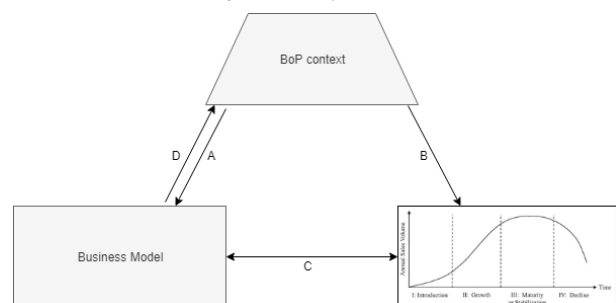


Figure 2 - schematic overview of how the BoP, BLC and BM influence each other

business lifecycle asks for an adaption of the business model caused by the BoP context. Lastly, Path D depicts the influence of the business model, and the business and its mission to alienate poverty, in its entity on the BoP context.

2.5 Theoretical framework

The basis of this research lies in Bocken et al (2016)'s research on scaling up social business. They defined the term scaling up and through case studies found that by combining different

strategies, social businesses are able to scale up. However, they also stated that a preliminary choice is ought to be made in whether to improve the product or expand geographically in order to scale up in the BoP context. This strategic choice is to be formulated in the business model. It is further argued that the choice of strategy is ought to be adapted throughout time. Because Bocken et al. (2016) just classified these stages as "early" and "later", we build on this research by classifying

Situation/lifecycle stage **Theories from literature**

	<i>For-profit</i>	<i>Hybrid</i>	<i>Not-for-profit</i>
<i>Introduction stage</i>	<p>Market penetration Get the customer to increase his level of purchase or frequency of purchase. Move the customer away from competitors. Convincing new potential clients. (Ansoff, 1988) (Bocken, Fil, & Prabhu, 2016)</p> <p>Market development Increasing sales by introducing current products to a new market (regional, national, international) or by developing new market segments with focused products, using new distribution networks or other communication channels. (Ansoff, 1988) (Bocken, Fil, & Prabhu, 2016)</p>		<p>Government-imposed influence on the market (Stern, 2001), such as labor market regulations, tax burdens, regulations, licensing regulations, and entry subsidies (Rodrik, 2005)</p>
<i>Development stage</i>	<p>Product development Increasing sales by launching new products on current markets. A company can modify a product, create several versions or develop new models and sizes. (Ansoff, 1988) (Bocken, Fil, & Prabhu, 2016)</p> <p>Customer and supplier involvement to fill the gap between needs and production possibilities (Brown & Eisenhardt, 1995)</p> <p>Adaption of existing technologies versus innovation to create new technologies (Rodrik, 2005)</p>		<p>Investment climate Growing businesses by attracting more investors and making the investment climate of an organization more attractive and decreasing investment risks. This can be done through governmental influence, improving infrastructure and ensuring stability and openness. (Stern, 2002)</p>
<i>Growth stage</i>	<p>Diversification This strategy is used when the potential market is outside the current market of the company. Diversification can be done using technology complementary to the current activity. Horizontal diversification is also possible to satisfy the same customers. It is also possible to diversify by creating a conglomerate (different activities for different markets). Diversification is the most risky strategy since both product and market development are required (Ansoff, 1988) (Bocken, Fil, & Prabhu, 2016)</p> <p>Exploiting product advantage by emphasizing benefits to customers, high quality, attractive cost, and innovative feature (Brown & Eisenhardt, 1995)</p>	<p>Empowerment Enabling more resources such as income, enhancing human and physical assets, increasing knowledge through investments in education, investment in social protection and participatory processes and social and economic inclusion (Stern, 2002)</p>	<p>Empowerment Enabling more resources such as income, enhancing human and physical assets, increasing knowledge through investments in education, investment in social protection and participatory processes and social and economic inclusion (Stern, 2002)</p>
<i>Maturity stage</i>	<p>Remaining financially viable by increasing the organization's efficiency and leveraging existing markets (Bocken, Fil, & Prabhu, 2016)</p> <p>Promotion through new media and advertising sources (Pettinger, 2007)</p>	<p>Remaining financially viable by increasing the organization's efficiency and leveraging existing markets (Bocken, Fil, & Prabhu, 2016)</p>	<p>Remaining financially viable by increasing the organization's efficiency and leveraging existing markets (Bocken, Fil, & Prabhu, 2016)</p>
<i>Decline stage</i>	<p>Rejuvenation through re-branding, re-presentation and changing the quality or value emphasis (Pettinger, 2007)</p> <p>Remaining financially viable by increasing the organization's efficiency and leveraging existing markets (Bocken, Fil, & Prabhu, 2016)</p>	<p>Remaining financially viable by increasing the organization's efficiency and leveraging existing markets (Bocken, Fil, & Prabhu, 2016)</p>	<p>Remaining financially viable by increasing the organization's efficiency and leveraging existing markets (Bocken, Fil, & Prabhu, 2016)</p>

Table 2 - Theoretical framework overview

such strategies in the business lifecycle, as this stage model depicts various, clear cut stages as described in the section 2.2.

To classify the growth strategies, Table 2 depicts different growth strategies from the literature and categorize them into the different lifecycle stages as described in section 2.2. These are then classified into three business contexts: “For-profit”, “Hybrid”, and “Not-for-profit”, depending on how the literature classifies the growth theories into the business context of the business lifecycle. This overview will enable us to see where the gap in the literature lies concerning the type of business context and lifecycle stage.

The classification of strategies between the lifecycle stages is also made with the consideration of whether the strategy is aimed at stimulating or sustaining growth. Stimulating strategies are often used in the early stages of the lifecycle, whereas sustainable strategies must be used to avoid early exit, so during the maturity and decline stage.

As the theoretical framework shows, there is still a lack in the existing literature for hybrid, or inclusive, businesses. This lack mainly exists in the first stages of the BLC. In the later stages we can see that some strategies overlap the way they are classified in the literature. This is because those strategies, such as remaining financially viable in the later stages, are universally important for survival when entering these stages.

3. METHODOLOGY

Besides extensive literature study focusing on existing growth strategies and how these apply to different lifecycle stages, three case studies are done to gather in-depth understanding on how real-life business deal with adapting to their lifecycle in the BoP context, giving us the opportunity to investigate not only what growth strategies are used throughout the lifecycle, but also how and why they are used and if they are or are not effective.

Multiple case studies enable within-case analysis and a cross-case analysis of findings, combining these allows us to use a pattern-matching logic, that is, the evaluation (within-case analysis) and comparison (cross-case analysis) of patterns of events that are found, for explanation building (Yin, 2013). Multiple cases also enable us to depict companies operating in different stages of the lifecycle.

The reason why we chose the business lifecycle, a stage model, instead of a development model, is because stage models captures the concept of transformation much more vividly than a general development. Hence stage models describe discontinuous change much better as they are more clear-cut and explanatory (Stubbart & Smalley, 1999). One of the pitfalls we need to be aware of, is that the real-life cases may not obviously show characteristics of different stages. To eliminate the risk of skipping a stage when analysing the case studies, we will use the parameters based on the characteristics of the different stages in the business lifecycle as mentioned earlier.

In this section the selection of the cases will be justified, and an analysis of which lifecycle stage each case company is in at the moment of writing. This latter analysis is done by comparing the company’s history and interview responses.

3.1 Research design

The research through case studies will be conducted through investigation of the case companies’ history and business model as well as in-depth interviews.

The case companies were found via social-enterprise.nl. This is the website of Social Enterprise NL, which is a national membership body representing, connecting and supporting the growing community of social enterprises in the Netherlands

(Social Enterprise NL, 2019). These social enterprises conform to the European definition of social entrepreneurship, where they act as operators in the social economy whose main objective is to have a social impact rather than to make a profit for their owners or shareholders, which is done by providing goods and services for the market in an entrepreneurial and innovative fashion and by using its profits primarily to achieve social objectives. The social enterprises are managed in an open and responsible manner and, in particular, involves employees, consumers and stakeholders affected by its commercial activities (Social Business Initiative, European Commission). Furthermore, the enterprises in the community of Social Enterprise NL are qualified as social enterprises when enterprises are for a minimum of 50% financially dependent on trade or other forms of value exchange that are not donations or subsidies (Social Enterprise NL, 2019).

Even though the criteria set by Social Enterprise NL are great guidelines regarding the definition used in this research, it was found that many of the member-enterprises still differed from what we envision to be useful for this research, as they do not all focus on including the Bottom of the Pyramid, but include other social stakeholder groups in their enterprise, for example, disabled people, illiterate people, or thrift stores.

Hence, we had to define what type of cases we were looking for, and from this definition the following criteria for case selection were set:

- The business not just strives to make a profit, but uses this profit to improve the lives of those at the bottom of the pyramid (Prahalad, 2002)
- The business has already or strives to scale up according to the definition of Bocken et al. (2016): increasing the number of customers or members of a business as well as expanding its offer and maximizing its revenues until it reaches millions of people.
- The business focuses its activities on alienating poverty (Prahalad, 2002)
- The business operates in the BoP context, meaning that the Bottom of the Pyramid is included in the business model either as entrepreneurs, producers, employees, suppliers or customers.
- The business has at least moved into the development stage of the business lifecycle, as this proves the business to be (potentially) profitable (Brown & Eisenhardt, 1995).

The history will give an indication when the company moved through the lifecycle stages by looking at the revenue streams and numbers of sales, employees, customers and market share, and what has affected them.

The business model will indicate the goal of the company and how this will be achieved. Also, by comparing initial business models with the current, we can analyse whether the company has moved through different BLC stages and whether the company has purposefully adapted the model throughout these stages and what the reasons for these adaptations were.

The interviews with company representatives are conducted to answer remaining questions and to assess the awareness of the impact the BLC and external factors have had on the social business this far. The initial interview framework can be found in Appendix B, the companies contacted for this research can be found in Appendix A. This framework is extended with extra parameters that can be used to get clear indications to the answers if the case company is unfamiliar with any of the terms used in the interview. These parameters will characterize the difference between subsequent stages. Furthermore, the

interview is structured in a way that the questions lead to follow-up questions, which are already formulated, but if necessary, altered at the moment of the interview to gather more in-depth understanding of the company.

From the set criteria, nine companies in the Social Enterprise NL community suited best. These were then contacted via email, from which seven responded, including three which were able to do an interview, DADTCO Philafrica, Clean Cooking Revolution, and Tunga. Besides the interviews, the websites, blogposts, and even research done by the companies were investigated to answer the research question and its sub-questions. The results of these case studies will be (are) classified in Table 3. This table gives a systematic overview enabling cross-case comparison.

3.2 Case company Tunga

Since 2015, Tunga enables the deployment of workers from low-employment areas into the processes of businesses worldwide either through outsourcing or by setting up remote or virtual teams using digital technology. It aims to provide higher-income employment and access to new income opportunities to workers that otherwise might not be employed in that particular sector (Tunga BV, 2018). The workers Tunga employs are especially African youths, to give them an opportunity to rise out of poverty and establish themselves as software developers.

By training the youths to become software developers and then linking them to for-profit organizations, Tunga gives the African youths a place within the value chain of commercial organizations. By doing so, they serve their goal of broadening the limited access to resources and opportunities and aid the development of the youths in the BoP context.

Even though Tunga is headquartered in Amsterdam, the operational offices are located in Kampala, Uganda and Lagos, Nigeria, where they select, and train the youths applicable for the program, and later on link them to businesses and job opportunities in the field of software development in projects all around the globe.

Tunga first started as a marketplace where businesses could find their software developers, but soon found out that this is not a durable way of doing business. Hence, they moved in a different direction where they now mediate between their developers and clients, in order to assure high quality and better communication.

3.3 Case company Dadtco Philafrica

DADTCO Philafrica is a manufacturer of cassava-based products, where they bridge the gap between small-holder farmers and food companies throughout Africa. By innovating mobile processing technologies, the commercialization of Cassava in Africa is realized.

Cassava is the major starchy food crop in Sub Saharan Africa and can only be grown efficiently by small-holder farmers. DADTCO's mobile plants are adapted to the African rural circumstances and facilitate same-day processing, enabling production and creating a market for these farmers.

DADTCO strives towards becoming a leader in the cassava processing market in Africa, whilst alleviating small-holder farmers from poverty and turning them into emerging commercial farmers (Dadtco Philafrica B.V., 2018). This is done by implementing the BoP context at the beginning of their value chain and making the farmers their suppliers. The cassava is then transformed into three products; natural cassava fibres, cassava starch flour, and cassava starch paste, which are then sold to other businesses, usually in the food industry. So

DADTCO works in a business to business environment with the opportunity to expand their markets globally.

3.4 Case company Clean Cooking Revolution

Clean Cooking Revolution aims to improve the lives and health at the bottom of the pyramid by selling affordable, sustainable and, most importantly, safe stoves since 2016.

Clean Cooking Revolution mainly focuses its activities on buying the stoves and then distributing them to those at the BoP. For distribution they employ local entrepreneurs as "Clean Cooking Angels".

Clean Cooking Revolution is currently in its third year of operating and has moved through the introduction stage with the introduction of their stoves in South Africa. This introduction was done at the lowest possible price of 33\$ instead of the actual cost price of 100\$. This was possible through funding and donations.

CCR is now going through the development stage, as they already familiarized their target group and are looking at ways to expand their market geographically. They are also focused on expanding their channels with local entrepreneurs, tuck shops and Spaza's. Currently, CCR is still looking at the best ways to sell the stoves to the customers and investigating where to expand to over the next years.

4. RESULTS

In this section, each case company is analysed individually and the strategies used are summarized. Then the cases are compared in Table 3.

4.1 Tunga

In the case of Tunga, the business is operating in their growth stage. With an estimated yearly growth of 300% in developers and revenues in the millions, Tunga has passed its introduction and development and is now looking at expanding their client portfolio.

Because of the great demand for software developers and the number of aspiring developers in Africa, Tunga has moved to the growth stage quite rapidly, however, their first business model, did not fit with this because of the pressures from operating in a BoP context combined with western customs.

Prior to their introduction, Tunga researched why startups often fail to scale up and found that the number one reason for startups not becoming scaleups is premature scaling (Spruyt & Leijssenaar, From startup to scaleup: How to use remote workers for scaling your software development team, 2019). Hence, Tunga decided to start small and worked their business model towards becoming a marketplace, which was not an immediate success as they faced difficulties with cultural differences. Despite starting from Uganda, where the common language is English, there was still a gap between cultural customs of the software developers and clients. The solution to bridge this gap took a lot of time and effort but resulted in a slow introduction and in a different business model. Because of the initial small scale and relatively small investments, Tunga was able to test different business models and experiment with ways to bridge the gap between developer and client. This development stage was very fruitful for the company, as Tunga believes that "scaling can only be successful if the model has proven itself to be scalable" (Spruyt, 2019).

Because of this, Tunga is currently working with, what they describe as, Impact Sourcing: the deployment of workers from low-employment areas into the processes of businesses worldwide either through outsourcing or by setting up remote

or virtual teams using digital technology. By not just linking their developers to clients, but by managing the process of the developers being outsourced to the client, they eliminate the cultural differences, their biggest pressure from the BoP context, and enable transparency. This transparency goes both ways; by defining measurable project outcomes at the client side, the objectives are clear to the developers and evaluation of the progress and quality of the project becomes easier. Then, by agreeing on a clear process, the planning and process are clear to both sides and quality control can be done throughout the process, giving the client the opportunity to check whether the process is being followed. From the developer side, proactive expectation management is done to align the client and eliminate any obstacles early on. By enabling transparency, cultural differences will not be an obstacle. Also, Tunga is very aware of the cultural differences between the developers and clients, which enables them to train their developers' soft skills more effectively.

Once the BM was adapted to bridge the cultural gap, Tunga started to move quicker through the BLC. They were able to employ and take on more developers, once they learned how to manage the BoP constraints. Hence, Tunga is planning to expand their client portfolio and increase the number of developers they employ.

In Tunga's story we can see the evident struggle cultural differences caused by the BoP, but also the fact that the BoP context offers many motivated to become software developers, enabling Tunga to grow.

The table below gives an overview of the strategies planned and used by Tunga, by categorizing them into the different lifecycle stages when the strategies were initially planned and used.

Stage	Planned	Used
Introduction	Start small	Start small Experimenting Ensuring flexibility
Development		Improving quality and transparency
Growth	Expanding client portfolio	Expanding client portfolio increasing the number of developers
Maturity		
Decline		

4.2 DADTCO Philafrica

As DADTCO Philafrica has passed its introduction stage and developed their mobile processing factory and is currently looking at ways to expand and grow.

In DADTCO's case the main pressures from the BoP are the lack of infrastructure and the cautiousness of the farmers with selling their crops.

The first pressure is solved by mobilizing the processing factory in such a way that it can be moved over difficult terrains, but also that the sites are built in three locations, from where the farmers can quickly be reached to process the cassava in a timely manner (Vlakveld, 2019). Furthermore, the crops take a year to grow, so by moving from one site to another every four months, the farmers have enough time grow their crops with the three sites (Dadtco Philafrica B.V., 2018).

The issue of the farmers' cautiousness is solved by guaranteeing that DADTCO will buy the crops, but the farmers are not obligated to sell the crops to DADTCO, with a signed warrantee from both sides. Part of ensuring that DADTCO can buy the farmers' crops, was educating the farmers on agricultural management during the introduction stage. By doing so, the farmers would not just try to live off the crops over the short-term but became aware of how effective management could provide them with extra income over the long-term (Vlakveld, 2019).

The expansion DADTCO wishes to realise in the future works on two sides of the value chain: by looking at other regions for suppliers, they expand their supply channels. However, because of the lack in infrastructure and the high costs of processing sites, this expansion will take some time. Meanwhile, DADTCO is looking at new products and markets where the cassava starch can be used. To do so they exploit their unique value proposition; being that the cassava starch is gluten free, unlike regularly used potato starch, which opens up new markets in the food industry: "Because of the gluten free starch, we can create new products aimed at the niche market of customers allergic to gluten, so we are looking at expanding our customer portfolio for this market" (Vlakveld, 2019).

Furthermore, DADTCO is looking at ways that the government can influence the food industry within Africa in the future. By limiting import in the African food industry, the government can give small-holder farmers, and thus companies like DADTCO, the opportunity to grow.

Again, the table below gives summarizes the strategies planned and used by DADTCO during their business lifecycle.

Stage	Planned strategy	Used strategy
Introduction	Start small Technology push	Testing and experimenting Educating farmers on agriculture and management
Development	Process development	Process development and product development
Growth	Expanding market	Expanding market by creating more products Exploiting value proposition of being gluten-free
Maturity	Expanding processing geographically	Growing market by governmental influence on import
Decline		

4.3 Clean Cooking Revolution

As Clean Cooking Revolution is still in the development stage looking for ways to reach their customers, they have acknowledged that the business lifecycle and business model has been influenced by the BoP.

Where they anticipated faster pace through the early stages, they are currently still testing and experimenting with ways to

educate and reach the target customer, and therefore are still in the development stage (Zwieten, 2019).

In the case of Clean Cooking Revolution, two main aspects of the BoP influenced the business model and business lifecycle at most.

The first is the lack of resources, where customers are not looking at long-term benefits and more focused on the cheapest solution: “The customers are looking at making it through the week, rather than the long-term benefits and cost-savings the stoves will bring them” (Zwieten, 2019). The solution to this is either selling the stoves for a much cheaper price than their actual worth or educating the targeted customers on the benefits, which is what CCR is doing right now. Another aspect the lack of resources bring with them is the fact that the benefits other than cost-saving and health, such as environmental sustainability, are not cared for by those at the BoP, and therefore cannot be exploited as a selling point. The second aspect that influenced the BM and BLC are the alternatives present in the market. As the stoves do not require electricity, those who have access to electricity are much more interest on electrical stoves, rather than the CCR stoves, which run on fuels from wood pallets, not releasing toxic smoke and are better for the environment. The next step to deal with the alternatives is to expand the market to places where the access to alternatives is smaller than in South Africa. This will lead to better market opportunities and more sales.

At the moment, CCR has not yet planned any strategies for the maturity and decline stage, as they are still experimenting with the best ways to sell the stoves and laying a foundation. Once this is done, CCR will move onto the growth stage by expanding to markets with more opportunities and less alternatives, so they can educate the target customer more easily and simultaneously start raising the price of the stoves.

The table below gives an overview on the planned and used strategies in the relation to the lifecycle stages. CCR mentioned that, because of their recent entry, they are still figuring out which strategies to use and are mainly focused on experimenting and testing as they go.

Stage	Planned strategy	Used strategy
Introduction	Testing and experimenting	Cost leadership through funding Education
Development		Cost leadership through funding Education Partnerships with local entrepreneurs as CCA's
Growth	Striving towards healthy market by selling at cost price Moving on to new markets geographically to avoid alternatives	
Maturity		
Decline		

4.4 Cross-case comparison and analysis

Table 3 gives an overview of the planned and used strategies for the three case companies, Tunga, DADTCO Philafrica and Clean Cooking Revolution.

Through this we observe several similarities, but also some differences.

The first thing we notice, is that the case companies do not extensively plan ahead in terms of the lifecycle stages. The main reason for this is that they are still looking for best practices and are still in the earlier stages or just starting the growth stage, as the full potential is still far ahead of where they are now. Also, by expanding their suppliers and customers geographically, the case companies face new uncertainties and not planning ahead too far gives them the opportunities to adapt their business model if and when necessary, and to keep an open mind.

Similarities can mostly be found in the introduction stage of the business lifecycle. All cases here acknowledge the importance of starting small and reserving space and funds for testing and experimenting, and hence planned this beforehand. This is due to the uncertainties the BoP context gives. These uncertainties range from the amount of education necessary for those in the BoP, to uncertainties in cultural differences and how these impact the way of doing business, to uncertainties with market structures and competitors, and to infrastructure and environmental challenges (Zwieten, 2019) (Vlakveld, 2019) (Spruyt, 2019). By testing and experimenting during the introduction stage, inclusive businesses are able to find their best practices and adapt their initial business models to the context and market needs, and by doing so laying the foundation for later scaling up.

When comparing the cases in their later lifecycle stages, it becomes evident that the nature of the business and the role of the BoP in the value chain influence the strategies used in the development and growth stages. Where the BoP is incorporated early in the value chain, the strategies focus more on developing the process and final product to the needs of the customers.

For example, with DADTCO incorporating the BoP as suppliers for their crops, they focus their development stage on improving the process and product to fit the customers' needs, rather than mainly focusing their development stage on educating the BoP. Which is the case with Clean cooking Revolution as they incorporated the BoP as final customers in their value chain. Tunga also developed their process by improving its quality and transparency, which was partly done by educating their developers (the BoP) and training their soft skills. Hence, using education as a growth strategy is a necessity in the early stages of the business lifecycle (Spruyt, 2019) (Zwieten, 2019). However, when this growth strategy is applied, in the introduction stage or development stage, depends on the nature of the business and the role of the BoP in the value chain.

During the development stage, the focus lies mostly on process and product development. This makes sense as the feedback gained, and lessons learned from the introduction stage can then be implanted. Again, this is dependent on the nature of the business, which can be service or product oriented. Whether the nature is service or product oriented, the strategy used in the development stage serves the goal of closing the gap between demand and offering. Tunga, which is service oriented, closed the gap between developers and clients by improving quality and transparency (Spruyt & Leijssenaar, From startup to scaleup: How to use remote workers for scaling your software

<i>Situation/stage</i>	<i>Company Tunga</i>		<i>Company DADTCO Philafrica</i>		<i>Company Clean Cooking Revolution</i>	
Introduction	Planned Start small	Used Start small Experimenting Ensuring flexibility	Planned Start small Technology push	Used Testing and experimenting Educating farmers on agriculture and management	Planned Testing and experimenting	Used Cost leadership through funding Education
Development	Planned	Used Improving quality and transparency	Planned Process development	Used Process and product development and innovation	Planned	Used Cost leadership through funding Education Partnerships with local entrepreneurs as CCA's
Growth	Planned Expanding client portfolio	Used Expanding client portfolio Increasing the number of developers	Planned Expanding market Expanding processing geographically	Used Expanding market by creating more products Exploiting value proposition of being gluten-free	Planned Striving towards healthy market by selling at cost price Moving on to new markets geographically to avoid alternatives	Used
Maturity	Planned	Used	Planned Growing market by governmental influence on import Increase export	Used	Planned	Used
Decline	Planned	Used	Planned	Used	Planned	Used

Table 3 - Cross-case comparison

development team, 2019), being product oriented, focuses its development strategies on process and product development and innovation (Vlakveld, 2019). CCR is product oriented but focuses their development strategies on closing the resource and knowledge gap (Zwieten, 2019).

Lastly, all companies are looking at ways to expand geographically. This is done on both ends of the value chain. DADTCO is looking at expanding their farmers geographically and at serving more markets globally. Tunga is looking at expanding their client portfolio, but also wants to employ more software developers. CCR is mostly looking to expand to regions where there are less alternatives for their stoves and the need is greater.

When comparing the results of the cross-case analysis to the literature study done in section 2.5, we find that the strategies of process and product development in the development stage of the case studies overlap with the strategies for traditional businesses. However, during the introduction stage, inclusive businesses focus more on finding the right fit to close the resource gap of the BoP by experimenting and testing their products, services and markets, instead of developing the market. Furthermore, education as a growth strategy is specific for hybrid or inclusive businesses as it is a necessity to close the knowledge gap caused by the BoP context. The stage in which this strategy is implemented is dependent on the role of the BoP in the value chain of inclusive businesses. Expanding geographically can be seen as similar to diversification if the product is adapted to the new geographic area. Both these

strategies are applied in the growth stage of the BLC. And where not-for-profit organizations

use governmental influence in the introduction stage, inclusive businesses can use the government as part of their strategy during the growth stage. So, some of the strategies used and planned by inclusive businesses are similar to those of for-profit and not-for-profit organizations, even though these similar strategies may not be used during the same BLC stage.

5. DISCUSSION

In this study we found that the BoP context greatly influences business models and strategies, as it caters several difficulties, all stemming from the lack of resources the BoP presents. The case companies all foresaw this lack of resources and adapted their business and growth strategies accordingly, as Garette and Karnani (2010) argued. However, some difficulties were not foreseen, such as greater cultural differences than expected (Tunga), alternative products (Clean Cooking Revolution), or natural disasters (DADTCO Philafrica). It then showed that when the BoP pressures were foreseen and dealt with by adapting the business model and strategies, the company was able to move through the first business lifecycle stages normally, or even quicker than expected. The same happened with the unforeseen pressures once the model and strategies were adapted, but if they were not, then the movement through the lifecycle would be slower than expected.

The main distinction in the three cases is where the BoP context is placed in the value chain; the role of the BoP. Because the case companies differed, they also experienced the pressures

from the BoP context at different times throughout their business lifecycle. As a response, the three most common strategies, experimenting and testing, educating, and expanding geographically, were also used differently and at different stages of the lifecycle. Where the BoP is part of the value chain, as suppliers (DADTCO) or employees (Tunga), education has to be done early in the process of establishing the inclusive business, whereas with the BoP at the end of the value chain, as customers (CCR), education is done after the foundation is laid as first-user experiences have then provided feedback, hence, education is done as part of the development stage.

6. CONCLUSION

In this research a cross-case comparison was done to answer the research question *What growth strategies enable inclusive business to scale up throughout their business lifecycle?*

The focus was on the early lifecycle stages; introduction, development and growth. We found that during the

introduction, starting small and reserving space and funds for testing and experimenting is a decisive factor for scaling up later in the business lifecycle.

Furthermore, the strategy of educating of the BoP came up in each case, mainly in the introduction and development stage, hence, we value educating as a necessary strategy in the BoP context, depending on where the BoP is situated in the value chain.

The last strategy to be found of importance in this research, expanding geographically, is yet to be done by all case companies, but is still on the companies' agenda for later lifecycle stages, preferably the growth stage to scale up.

To summarize, the growth strategies that enable inclusive business to scale up throughout their business lifecycle include starting small and allocating space and funds for testing and experimenting, educating to fill the knowledge gap present in the BoP, and expanding geographically to broaden the supplier and/or customer portfolio.

We further conclude that the growth strategies throughout the business highly depend on the nature of the business and the role of the BoP in the value chain. However, testing and experimenting, educating and expanding geographically are all strategies used by inclusive businesses in the early lifecycle stages due to the BoP context.

6.1 Practical contribution

By answering the research question *What growth strategies enable inclusive business to scale up throughout their business lifecycle?* through case studies on real life companies, we set an example for other inclusive start-ups how to incorporate the risks and difficulties of the BoP context in their business model and provide management with growth strategies that enable companies to move through the first lifecycle stages.

Furthermore, the research sheds light on the relations between a company's business model, its business lifecycle and the BoP context, which enables critical thinking on the influence of each on one another to be translated in the business model.

From a managerial perspective, we can conclude that laying a strong foundation is of the essence in the BoP context. This foundation is mainly established after testing and experimenting for the best practices and by educating those at the Bottom of the Pyramid, whichever place they hold in the value chain.

6.2 Theoretical contribution

As previously mentioned, and as noted by Bocken et al. (2016), the theories on (successful) inclusive business and growth strategies for hybrid businesses were lacking.

Besides the theoretical contribution of formulating context-specific growth strategies, this research also used a stage model to classify them, which enables more exploratory research and clear distinctions in change. By classifying strategies into a stage model, it became evident that in the early lifecycle stages, there is a need for more specific growth strategies. This is because the BoP context lacks resources, which becomes an obstacle when using traditional growth strategies.

Furthermore, the influence of the BoP context on the business model and lifecycle, and vice versa, is investigated and the pressures from the context are explored.

6.3 Limitations

The first limitation of the research is its scale. Due to the short timeframe and the dependency on externalities, just three case companies were investigated through interviews and research into their business model. This also resulted in the investigating of relatively young companies who have just moved through the first lifecycle stages. And even though these were the lifecycle stages that were not included in the literature, more mature companies could have provided a greater perspective on the strategies that were used and their alternatives. And although the literature does give generally acceptable strategies for the maturity and decline stage, they are not specifically for hybrid or inclusive businesses.

Furthermore, the nature of the businesses, all being Dutch start-ups operating in Africa, ensures for better comparison on the grounds of resources available, there may be other BoP pressures influencing such businesses in other parts of the world, which were not taken into account, hence, a more geographically dispersed research may provide different results.

Also, the research provides strategies, but did not analyse their risks as Rodrik (2005) proposes in his work, even though the early strategies in this research has proven to be favorable for the three case companies. There may still be risks attached to the proposed strategies, such as wasting resources on education, or experimenting too long and too much.

Lastly, it was concluded that young businesses often do not look too far ahead and do not plan strategies for the maturity or decline stage, as they are still working on their current business models becoming profitable and reaching their true potential. Hence, the research into growth strategies in later BLC stages is still to be done.

6.4 Future research

Even though this research contributes to the literature on inclusive businesses and growth strategies and formulates growth strategies which can be used in practice to scale up, further research can be done to increase response rates and test the findings of this research to increase its validity. The strategies found in this research currently work for the case companies but have not been tested further in practice. This is where further research can contribute to the literature through case studies with inclusive start-ups where the strategies proposed are tested in practice.

Future research on the topic of inclusive business and growth strategies can cover the investigation of best practices to organize for such growth strategies and managing change throughout the business lifecycle. Also, more in-depth research can be done on how the role of the BoP in the value chain

influences the strategies used. This can be researched through interviews and case studies, but also through surveys, as this method has several advantages, such as higher response rates, reduced response time, and ease of data entry (Granello & Wheaton, 2004), which may be more suitable for value chain and change management

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8. APPENDIX

8.1 Appendix A – Case Companies

Company	Contact	Way of contact	of Contacted?	Web page	Answered?	Interested?	Date
Dadtco Philafrica	Suzanne VlakVeld	Email	Yes	www.dadtco-philafrika.com	Yes	Yes	5-6-2019 13:00
Timi		Email	Yes	www.timi-shop.com			
Amref		Email	Yes	www.amref.org			
ShelterSuit	Youp Meek	Email	Yes	www.sheltersuit.com	Yes	No	
Waka Waka	Info / Emma from Customer services	Email	Yes	www.waka-waka.com	Yes	No	
Clean Cooking Revolution	Huib van Zwieten	Email	Yes	www.cleancookingrevolution.com	Yes	Yes, short interview	4-6-2019 15:15
MYOMY do goods	Marja Baas	Email	Yes	www.myomydogoods.com	Yes	No	
Discovered	Gijsbert van der Sleen	Email	Yes	www.discovered.us			
Tunga	Ernesto Spruyt	Email	Yes	www.tunga.io	Yes	Yes	6-5-2019 8:30
De Mobiele Fabriek			(back up)	www.themobilefactory.org			
Inuka			(back up)	www.inuka.io			
Sococo			(back up)	www.sococo.coffee			
Ecomondo			(back up)	www.ecomondo.nl			
Kinti			(back up)	www.kinticoffee.nl			
Social Medwork			(back up)	www.thesocialmedwork.com			
Philafrica			(back up)	www.philafrikafoods.com			

8.2 Appendix B – Interview framework

Below the interview framework for the case studies is given. It is divided into four categories: business, business model and BoP context, business lifecycle, and growth strategies. Where the “business” category aims to get better understanding of the general business and its background. The “business model and BoP context” category investigates how the BoP is taking into consideration. The “business lifecycle” category investigates how the BLC was translated in the BM and how the BoP affects the BLC. And the last category, “growth strategies”, investigates which growth strategies were planned, and how the BoP and BLC affected them.

Company name:

Company representative:

Product/service:

Type of business:

1. Business
 - a. Activities
 - i. What activities does your company cover?
 - ii. Will these activities differ in the future?
 - iii. What do you aim to achieve with these activities?
 - b. Geographic
 - i. Where does your business operate?
 1. Where are the customers located?
 2. Where is the production located?
 3. Do you plan to expand geographically?
 - a. When do you plan to expand?
 - b. Where do you plan to expand to?
 - c. Maturity
 - i. How long has the company been operating?
 - ii. What is the scale of your company?
 1. How big is the company at the moment?
 - a. How many employees?

- b. How many customers?
 - c. How many sales?
- 2. Business model and BoP context
 - i. How did you translate the BoP context in your business model?
 - 1. What is the role of the BoP in your company?
 - a. What are the advantages of this role?
 - b. What are the disadvantages of this role?
 - 2. In which aspect of the business model
 - ii. What pressures did your company experience from the BoP?
 - 1. Were they foreseen?
 - a. How were they anticipated?
 - b. How was the business model adapted to these foreseen pressures?
 - 2. Were they unforeseen?
 - a. How did this affect the business model?
 - i. Which changes had to be made?
- 3. Business lifecycle
 - a. Have you considered the business lifecycle when starting the company?
 - i. How did you translate the BLC in your business model?
 - b. Which stage do you consider your company to be in at the moment?
 - i. Why?
 - c. Did the company experience pressures from the BLC?
 - i. What were these pressures?
 - 1. Were they foreseen?
 - 2. How were they dealt with?
 - ii. How did they affect the business?
 - 1. What aspects felt these pressures? (customers behavior/production)
 - iii. How did the company respond to these pressures?
 - iv. Was it necessary to adapt the business model to these pressures?
 - v. What lessons were learned?
- 4. Growth strategies
 - a. What was the initial goal in terms of growth? (number of customers/employees/revenue/social impact)
 - i. How was this goal translated in the business model?
 - ii. Were initial growth strategies planned?
 - 1. Which strategies?
 - 2. Why these strategies?
 - 3. Where did you find these strategies?
 - 4. Did they work?
 - a. Why/why not?
 - iii. If initial growth strategies were adapted, why? (external pressures/unforeseeable risks/unexpected success/failure)
 - iv. Which influences did the BoP have on growth strategies planned and used?
 - 1. Were they positive or negative effects?
 - 2. Were the effects foreseen?
 - 3. How were the growth strategies adapted to these pressures?
 - v. Did the BLC have impact on the initial growth strategies?
 - 1. How did the BLF impact the growth strategies? (moving too fast/moving slower than anticipated/external pressures related to the BLC)

The following parameters would be used if the interviewee would not be familiar with the different terms of the research:

BLC stages:

- Introduction stage:
 - o Company entered the market less than a year ago
 - o Company has yet to receive first-user feedback
 - o Company has yet to bypass the first 50 customers
- Development stage:
 - o Customer or first-user feedback has been received
 - o The product or service is being altered to the results of received feedback
 - o The product or service gains competitive advantage
- Growth stage:
 - o Sales and demand start to increase
 - o Costs decline
- Maturity stage:
 - o Product or service has reached its full potential

- Product or service is widely accepted
- Costs are low
- Sales are stable
- The market becomes saturated as alternatives and substitutions have entered the market
- Decline stage:
 - Alternatives and substitutions take over the market
 - Market share decreases

Business model aspects from the business model canvas as proposed by Osterwalder & Pigneur (2010):

- Key partnerships
 - Important suppliers, distributors and/or investors
- Key activities
 - Activities that add to the value proposition
 - Activities that differentiates your company
 - Activities that enable competitive advantage
- Key resources
 - Capital or human resources
 - Resources that enable competitive advantage
 - Resources that add to the value proposition
- Value propositions
 - Core value for customers
 - What differentiates your product or service
 - Competitive advantage
 - What satisfies the demand
- Cost structures
 - Key costs
 - Cost drivers
 - Fixed and variable costs
 - Cost optimization
- Customer relationships
 - Type of customer
 - Cultural background of customer
 - Customer interaction
 - Customer support
- Channels
 - Distribution channels
 - Supply channels
 - Marketing channels
 - Communication channels
- Customer segments
 - Target customer
 - What the market looks like
 - Market needs
 - Geography
- Revenue streams
 - Generating revenue
 - Pricing strategy
 - Payment channels