

Investigating the relationships between business model archetypes and scaling-up success of social businesses in a developing country

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ABSTRACT,

Each social business delivers different products or services to fulfill its mission, culminating in distinctive business model archetypes. Little is yet known about how each archetype achieves the scale and whether they still maintain the social values afterward. Therefore, this paper presents multiple qualitative case studies comprising six social enterprises in Vietnam to investigate their scale-up process. Specifically, the research examines the relationships between three main social business archetypes (SBAs), the selection of scale-up strategies based on Ansoff's matrix and the level of scale-up success, evaluated based on four aspects, namely customers/members increase, service/offer expansion, revenue increase, and social values maintenance. The findings declare that the interrelations between the archetypes and the strategies are not straightforward, the post-scale social values are still well-respected, and the scale-up success can be assessed from a broadened angle. Nevertheless, future research can garner a larger group of companies with a more comparable timeline to discover patterns that better clarify the relationship between these variables.

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Keywords

Scaling up, business model archetypes, social business, business strategies, social values, Vietnam.

1. INTRODUCTION

Businesses are increasingly transitioning their focal points to developing markets to gain dominant access to the pristine areas of innovative solutions (C. K. Prahalad & Hart, 1999). However, approximately 4 billion people, equaling half of the global populations reside in this market, are struggling in basic needs of education, health, energy, sanitation and financial services and living on the income level of \$1500-\$2000 per annum (Bocken et al., 2016; Kolk et al., 2013). Most authors concur that people under such living conditions are BOP populations. One of the most prominent inferences from the BOP concept is that multinational enterprises can engage in poverty mitigation and translate it into financially profitable activities (Kolk et al., 2013). This claim gives rise to ideas that offering sustainable and affordable solutions to tapping the needs of the poor can enhance business growth (Bocken et al., 2016). However, this profit-driven approach is fraught with formidable hurdles due to the intricacy of systemic poverty for social impact maintenance and the paucity of necessary market infrastructure for economic viability (Bocken et al., 2016; Dembek et al., 2018).

In the wake of such challenges, “hybrid organizations” - the connotation for businesses that aim to achieve substantial social impact and generate profits, occur and bedim the distinction between for-profit and not-for-profit organizations (Grassl, 2012). This concept is constructed on the notion that neither conventional for-profit or non-profit entities can sufficiently or concurrently tackle social and environmental problems while pursuing viable business missions (Haigh & Hoffman, 2012). As a result, a spectrum of hybrid organizations emerges, comprising Traditional non-profit, Non-profit with income-generating activities, Social enterprise, Socially responsible business, Corporation practicing, Social responsibility, Traditional for-profit (Alter, 2006). In the paper of Bocken et al., 2016, the term “Social businesses” denotes all the diverse forms falling under this spectrum (Bocken et al., 2016). In essence, social businesses represent an instance of hybrid organizations driven by positive spill-overs while creating profits for further business reinvestments.

There are general consensuses for the significance of scaling-up towards social businesses: the large extent of to-be-addressed needs and the economies-of-scale needs (Bocken et al., 2016). To render the notion of “scaling-up” simplified and approachable, scaling up can be broken down into two realms: social impact and business. While scaling social impact refers to minimizing the gap between expected and real situations of social needs and problems, scaling business denotes the maturation phases of the business cycle (Bocken et al., 2016). Oftentimes, the spread of social impact and organizational growth are correlated and in fact, the social impact depends on the business’s adequate scaling achievement (Palomares-Aguirre et al., 2018). Therefore, scalability is a determining criterion for social business when designing sustainable business models (Palomares-Aguirre et al., 2018). At present, there are no standard formulas for scaling up social businesses. But to temporarily design appropriate business models, social businesses can be categorized into three primary archetypes based on their sustainable missions. The archetypes are “deliver

functionality rather than ownership,” “adopt a stewardship role,” and “encourage sufficiency” (Bocken et al., 2014).

There is a solid branch of literature dedicating to designing theoretical frameworks and models for scaling-up. However, despite providing overarching recommendations for social businesses (Bocken et al., 2016) and creating SBAs (Bocken et al., 2014) when considering scaling up, existing literature lacks the discussion about the connection between the archetypes of profit-making social business in relation to the scale-up potential. Currently, there is no one-size-fits-all scaling strategy for any specific model given the SBAs and there are only a few developing countries where scaling opportunities appear to be significant due to the large populations (Bocken et al., 2016). As a result, the variables for measuring the scale-up success are not yet consistently amalgamated owing to the confusion from simultaneous pursuits of scaling financial growth and social impact (Dahles et al., 2019). Another issue emanating from social businesses that succeed in scaling up is the tendency to become “conventional business” due to the increasingly robust access to venture capital and the shift of operation on profit motives (Bocken et al., 2016). Aware of the importance of scale-up and the prospect of social business in developing markets and concerning the notable matters above, this paper sets out the following research question: “*What social business archetypes can successfully scale up in developing markets and still maintain their social values?*”

Specifically, this paper intends to explore what SBAs deem scaling-up options feasible and beneficial. The main focus of this research is on profit-making social business in developing countries. By “successful,” this paper aspires to measure the business’s financial growth and evaluate the company’s commitment to social purposes and missions.

2. LITERATURE REVIEW

2.1 Social businesses in developing market

A social business borrows from both extreme business types, namely profit-maximizing and non-profit, so it must address social issues while covering operational costs and sustaining itself financially (Yunus et al., 2010). This business is established on the basis of altruism and philanthropy while alleviating the immensity of social, economic and environmental problems. The income generated from the business activities will then be used for self-reinvestment to expand value creation (Schoneveld, 2020). Developing countries, with the status ranging from low-income to middle-income, are seen as a market rifting with opportunities for companies to make profits by lifting people out of poverty (Agarwal et al., 2018). Generally, social businesses do business by appointing themselves the role of development agents who offer long-term solving options to people living in poverty and positioning sustainability objectives at the operational core (Schaltegger et al., 2012; Schoneveld, 2020). The primary transactional activities of social business are the provision of otherwise unavailable products and services to the population group whose lives are below the normal living standards (Schoneveld, 2020). Overall, social businesses are also regularly deemed as an umbrella term for multiple forms of business ranging in the “hybrid organization” spectrum, also

known as social enterprise typology, which is coined by (Alter, 2006) (See Figure 1).

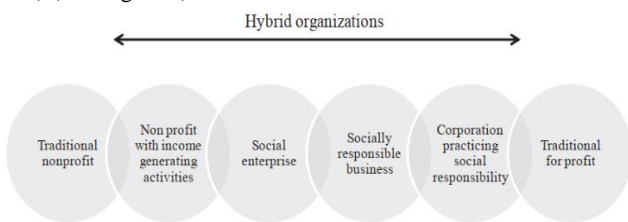


Figure 1. Hybrid organizations spectrum

To better understand the performance of sustainable organizations in general, Geissdoerfer et al., 2018 conduct a comprehensive review on sustainable business model innovations. They concluded that there are four types of business model innovations entailing nine common strategies, also known as “archetypes” (Geissdoerfer et al., 2018). Along the line, Bocken et al., 2014 pinpoint eight archetypes but differently, they categorize them into three business pillars, namely technological, social and organizational. Precisely, social businesses comprise three high-level archetypes (See Figure 2) (Bocken et al., 2014). These archetypes represent the “dominant social innovation component” and demonstrate sustainable and social development areas within social businesses. A corresponding social business model will accompany each archetype.

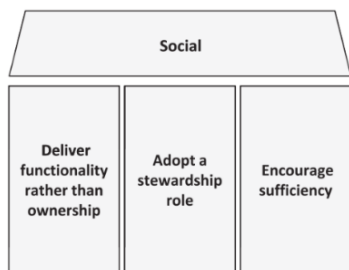


Figure 2. Social business model archetypes

A business model is a conceptual tool that provides a compact and holistic image of how a business generates profits (Yunus et al., 2010). To pair with the SBAs mentioned above, (Bocken et al., 2014) use the following business model framework (See Figure 3). The three elements, namely value proposition, value creation and delivery, and value capture, are an adaptation from the research of (Richardson, 2008) and (Osterwalder et al., 2005). This model appears in other papers for various study purposes, for instance, in studying the interactions between business modeling and networking, in identifying the activities relating to their stakeholders that social-purpose organizations employ to expand in scale and scope, or in inspecting the means that alleviate hybrid tensions in sustainable entrepreneurs for holistic value capture (Davies & Chambers, 2018; Oskam et al., 2018; Siebold, 2021). For each archetype, the business model describes each element in details to explicate the characteristics of an SBA and how each does its business. The comprehensive couplings of SBAs and the business model are exhibited in Figure A1 in Appendix A.



Figure 3. Conceptual business model framework

2.2 Definitions of scaling-up, scale-up objectives and the need to maintain social values

In the business context, scaling-up often indicates increasing the number of customers, members involved, partnering organizations, and business impacts (Bocken et al., 2016). Furthermore, there are often distinctions between “scaling up,” “scaling deep,” “scaling out,” and “scaling wide” (Paul N. Bloom & Chatterji, 2008; Westley et al., 2014). Yet, these concepts are often linked and underline five common themes: society’s positive changes, qualitative and quantitative dimensions, social impact magnitude, levels of addressing social problems and scaling process (Islam, 2020). In effect, there is no explicit distinction between scaling impact and scaling organizations discussed in existing literature (Han & Shah, 2019). Frequently, scaling up organizations is seen as a form of scaling social impact (Han & Shah, 2019), which embraces effective solutions to social issues and changes the people’s problem perception and status quo. On other occasions, it is suggested that organizational growth be treated as a separate variable since it plays a pivotal role in acquiring social impact (Han & Shah, 2019).

In the literature review of Islam, 2020, an integrative set of definitions for scaling social impact was compiled (Islam, 2020). Overall, most definitions address the changes, the magnitude, and the process of social impacts. However, their qualitative thoroughness might restrict the convenience of applying them as an empirical research measurement, and some definitions omit the business aspects. Meanwhile, Bocken et al., 2016, concretely depicts scaling as an organizational process and consists of concise and quantifiable variables, rendering its usage practical and comprehensible. This definition also synthesizes the most comprehensive set of scaling-up definitions for social organizations or NGOs, including four sub-concepts: Quantitative scaling-up, Functional scaling-up, Political scaling-up, and Organizational scaling-up (Uvin & Miller, 1996). By synthesizing those concepts through a quantitative viewpoint, Bocken et al., 2016 coined a definition for scaling up: “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 et al., 2016). For such reasons, this scale-up definition is chosen to be included in the conceptual framework of this paper. Specifically, from this definition, it can be deduced that the scale-up objectives entail three variables: **increasing the number of customers/members, expanding the offer, and maximizing revenue.**

On the other hand, social businesses and their scale-up attempts are often driven by ethical and moral values (Bacq & Eddleston, 2016). Yet, with times, like ordinary enterprises, one of the prerequisites and pursuits for scaling up is ample financial

resources (Bocken, 2015). However, if with excessive profit motives, social business would conventionalize itself and experience “mission drift.” In other words, emphasizing too much on the value capture aspects will eventually drive social businesses into a business that maximizes and prioritizes profits (Bocken, 2015). Thus, social businesses constantly battle against the imbalance between profit generation and social objectives maintenance (Schoneveld, 2020). Social businesses can only be considered pursuing their pure targets when profits are enhanced sufficiently for self-sustenance or reinvestment (Bocken et al., 2014). Ostensibly, there are some puzzling trade-offs between profitability and social impacts (Yunus et al., 2010). Yet, limited research equally views the continued commitment to social impact as a necessary outcome of scaling-up (Bocken et al., 2016). Thus, besides the quantitative variables, commitment to social values should also be considered for measuring scale-up success.

In essence, combined with the three variables mentioned above from the definition of Bocken et al., 2016, there are four variables for assessing scale-up success in this paper:

- Increasing the number of customers/members
- Expanding the service/offer
- Increasing the revenue
- Maintaining the social objectives/values

2.3 Strategies to scale up social businesses

While extensive literature specializes in scaling up NGOs, the sources for profit-affiliated social businesses are not fully tapped, so no present method can be precisely customized for social business to scale (Bocken et al., 2016). Additionally, the scaling processes are highly path-dependent, and the outcomes may vary depending on the situational contingencies and the environments in which the social business is active (Bocken et al., 2016). One renowned framework for deciding scaling strategies based on organizational capabilities is SCALERS, which stands for staffing, communications, alliance building, lobbying, earnings generation, replication, and stimulating market forces (Bloom & Chatterji, 2008). However, this requires adaptation to the BOP market since it is more pertinent to activity categorization instead of showcasing the strategic level of a social business (Bocken et al., 2016; Han & Shah, 2019; Paul N. Bloom & Chatterji, 2008; Palomares-Aguirre et al., 2018). Lyon & Fernandez, 2012 compare scaling up social businesses to a continuum ranging from organic growth to more calculated development; hence, devise three main strategies: organizational scaling, scaling through formal relationships, and scaling through open access and dissemination of ideas (Lyon & Fernandez, 2012). Nonetheless, these strategies include perhaps overly specific scaling actions that are circumscribed within social enterprises in the healthcare industry. An ideal set of scaling strategies, therefore, should be generally applicable and reflect an organization’s strategic focus.

This paper eventually uses the prevalent growth strategies matrix of Ansoff, 1988, which suggests Market penetration, Market development, Product development, and Diversification (See

Figure 4). Although this strategy is employed chiefly by for-profit organizations, it is still appropriate for two main reasons. Firstly, the key differences between social and traditional non-profit organizations are the ability to create income via their social missions, cover operational costs, and reimburse investors (Yunus et al., 2010). Even though the main focus is to still make substantial impacts by solving social issues and reducing poverty, social businesses still need to create revenue to spread the desired extent of social impacts and reinvest to sustain themselves in the future (Grassl, 2012). Therefore, when discussing financial growth strategies, social businesses can consult traditional for-profit businesses (Bocken et al., 2016). Secondly, social businesses need to take scaling initiatives; otherwise, they will fall behind, meaning they must be proactive in generating revenues and overcome dependency on charities or foundations' donations (Boons & Lüdeke-Freund, 2013). Hence, to create income, social businesses deploy growth strategies regardless of the organizational structure (Walske & Tyson, 2015).



Figure 4. Ansoff matrix (Ansoff, 1988)

2.4 Conceptual model

Figure 5 illustrates the conceptual model of this paper, which entails and depicts the relations between the prime theories of this paper in a top-down approach. This model commences with delineating the three main SBAs, namely “deliver functionality rather than ownership,” “adopt a stewardship role,” and “encourage sufficiency” (Bocken et al., 2014). Each archetype is exercised with a corresponding business model that manifests each social business’s manner of doing business. The general outline of a business model comprises three components: value proposition, value creation and delivery, and value capture. Based on the business model, the social business will decide on one of the four strategies for scaling up, namely market penetration, market development, product development or diversification. These strategies are derived from Ansoff’s matrix, which prescribes the growth methods for profit-driven enterprises. The final layer of the conceptual framework manifests the aims for scaling up through the scale-up definition of Bocken et al., 2016 and the emphasis on social values. Essentially, this paper identifies the relationship between the SBAs and the extent of scaling-up aims fulfillment. In this framework, the growth methods are in play as intermediaries for discovering the strength of this relation.

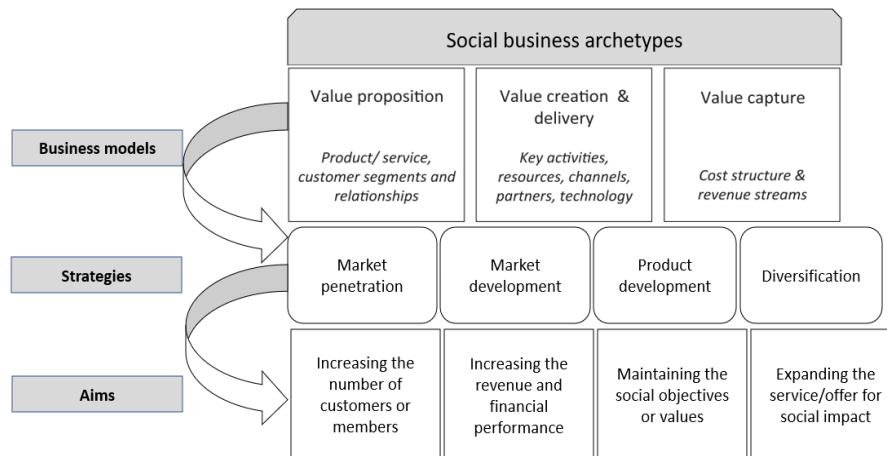


Figure 5. Conceptual model

3. METHOD

3.1 Research strategy

This paper addresses the question, “*What types of social business archetypes in developing markets can successfully scale up?*” As mentioned above, there is not yet abundant literature tapping into the links between social businesses and the degree of scaling success, and shedding light on the retainment of social values. Therefore, to tackle the research question optimally, the most fitting approach for investigation is of exploratory nature, where empirical findings are induced based on this arrangement of theories. A method of multiple case studies is employed since it is suitable to answer a broad set of questions of “what,” “how,” and “why” that investigates the research variables and their relationships (Rosca et al., 2017).

Moreover, there are a few reasons why the research must examine abundant social businesses. Firstly, one single case cannot represent the correlation between business models the success of scaling objective. As previously stated, there is no concrete and unified strategy for scaling-up given a specific business model. Secondly, the boundary between the types of businesses in the hybrid organizations is at times not intuitive. Therefore, there are not yet completely defined methods to distinguish the (social/sustainable/inclusive) business models and the social values they aspire to establish and retain (Geissdoerfer et al., 2016). By discovering various social businesses, the typical patterns of SBAs and their business model emerged and expectantly dictated the scale-up success. Finally, the literature dedicating to social values post-sale commitment is purportedly understudied (Bocken et al., 2016) or incredibly complex (Han & Shah, 2019). With a sufficient number of businesses, a holistic picture of the whole scale-up process, motives and degree of goal attainment was exhibited.

This research’s data collection phase included interviews with the executives or the scale-up decision-makers of the social businesses. This interview approach was projected to induce authentic responses and consolidate or quickly retract the theoretical concepts (Dembek et al., 2018). Besides, it validated the significance of linking the immediate responses and the company’s stories to gain insight into the real scaling-up

situations. Secondary data were also collected via corporate websites, NGO organizations, newspapers, internal databases and other media to prepare the interviews and condition the triangulation of responses afterward (Han & Shah, 2019).

3.2 Case selection

Regarding the context of developing countries in the research question, while the markets are seemingly vast and populous, in fact, there are merely a few countries where the desired scale can be achieved. Most of these countries are highly-populated, and there is a remarkable proportion of the impoverished population, for instance, China, India (Kolk et al., 2013), Brazil (Matos & Silvestre, 2013; Bittencourt Marconatto et al., 2016), Indonesia, Philippines (Dembek et al., 2018) and some African countries. Therefore, to attain the expected level of scale, innovations must be applicable and transferable to many countries. For this paper, the research is conducted on social businesses in Vietnam. Vietnam was chosen due to its considerable population (nearly 98 million) and a poverty rate of around 6%¹. Nonetheless, compared to some mentioned countries, this population and poverty rate are not as high or severe, resulting in the understudy concerning the BOP paradigm. Additionally, the understudy stems from Vietnamese social enterprises’ just recently official status as such legal provision was conditioned for the first time in Law on Enterprises 2014².

For companies to be selected, they must qualify the following requirements: 1) registering lawfully as social businesses/enterprises in Vietnam; 2) generating social impact while generating an income; 3) injecting income into future self-sustenance and reinvestment activities; 4) having exhibited attempts to scale up. All the requirements were confirmed and measured through the interview questions and secondary data.

A database of Vietnamese social businesses was gathered using corporate websites and e-commerce agencies that financially support or promote products and activities of these businesses, namely CSIP, SeedPlanter, TotMart and World Fair Trade Organization. In total, 51 companies were invited via emails and messages on their official Facebook page, of which six agreed to participate within the timeframe of the research. The overview details on the selected cases are presented in Table 1.

¹ Vietnam Overview, <https://www.worldbank.org/en/country/vietnam/overview#1>.

² Social Enterprise in Vietnam, <https://www.unescap.org/resources/social-enterprise-vietnam>.

Table 1. Sample and case description

Name of social business	Year of establishment	Location	Mission
Tòhe	2006	Ha Noi	Providing free learning and training with artistic experiences for children who are autistic, handicapped or with special needs
Mai Vietnamese Handicrafts (MVH)	1990	Ho Chi Minh City (HCMC)	Supporting poor and disadvantaged women amongst disadvantaged families and ethnic minorities in Vietnam to ensure stable income and promote self-reliance
MangLub	2019	Tra Vinh	Creating jobs for the locals through planting mangrove and forest trees and raising awareness of mangroves' importance in coastal provinces in the Mekong delta.
Sapanapro	2007	Lao Cai	Providing employment and stable income for Dao and Hmong people, ethnic groups of Vietnam in the Northwest area; and sustaining responsible production of medicinal plants.
DạtButter	2018	HCMC	Educating farmers on chemical-free nut produce to help improve their income; ensuring outputs and access to such products more available.
Thinks Playground (TPG)	2016	Ha Noi	Redeeming and raising awareness of children's right to play and participate in fun activities in the urban areas; making public spaces available to everyone.

3.3 Data collection

The interviews took place within two weeks, from 20th June to 3rd May 2021. All were conducted as video calls via Google Meet. Every interview included one interviewer and one interviewee, typically lasted for 28 to 45 minutes and was recorded under the company's permission. Previously, ethical approval was granted from the University of Twente's BMS faculty.

Before the interviews, all interviewees received a set of semi-structured questions to consider the participation invitation and prepare the answers. The interviews comprised open, yes-no and ending questions to verify the previous research outcomes of the coupling between the business archetypes and the business model. These questions clarified and identified each layer of variable in the conceptual model. For instance, the questions about business missions and key activities explore the SBAs to which each company belongs. To verify the SBAs and business models' interrelation, the questions delved into business activities, cost structure, target stakeholders and customers, material resource and technology, revenue sources, capture mechanisms, etc. (Bocken et al., 2016; Dembek et al., 2018). Since the interviewed companies' active time varies, financial performance questions were generalized by narrowing down to five recent years. The interview also questioned upfront the company's choice of strategies for scaling-up and the quantitative measurements for scale-up success.

Besides the interviews, each interviewee received a mini-survey to self-report their companies' social impacts. This paper consults the survey conducted by De Beule et al., 2020, which inquires about the company's perception of their social impacts on the communities regarding their core business activities. Precisely, this paper reuses three areas of social impact in that survey, namely employment and income, safety and security, and life necessities, to discover the level that social businesses exert their social impacts to prove that they still maintain the promised social values. The detailed set of questions and survey can be found in Appendix B.

4. RESULTS

The tables for all detailed business models, a summary of strategies execution, and scale-up outcomes of every case can be found respectively in Appendix C.

3.4 Data analysis

Due to the choice of the investigation country, the interviews occurred in the local language, Vietnamese. All the transcripts were translated to English afterward. Collected data was first transcribed using Amberscript. Since all interviews were conducted in Vietnamese, they were subsequently translated into English. Additionally, some companies provided financial reports and other documents with detailed figures for their business achievements, funds and partners. All of these were stored and coded in Atlas.ti. The description and examples of SBAs from Bocken et al., 2014 entailed relatively comprehensive keywords used as the coding schemes for the initial identifications of archetypes. The table for SBAs' keywords is presented in Table A.2, Appendix A. Codes from early transcripts and newly-added ones are constantly adjusted in parallel to ensure that there is no missing-out during the analysis. Later, codes are then grouped and networked according to the conceptual framework variables and summarized for each case. The same procedure applies to secondary data.

The following chapters' case study results and discussion were organized according to the systematic combining framework (See Figure 6) of Dubois & Gadde, 2002. Respectively, archetypes together with business models were constructed, and findings of strategies and scale-up goals were explained. In the end, there was a cross-case analysis to present the findings in a big picture. By combining the findings and reflecting on the reality, the areas for discussion emerged.

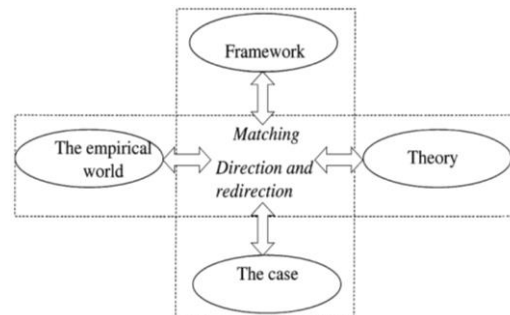


Figure 6. Systematic combining (Dubois & Gadde, 2002)

4.1 Case study Tòhe

Tòhe is classified into the archetype of “Encourage sufficiency” due to its mission of raising community awareness of autism syndrome and granting disadvantaged children adequate

opportunities for learning and developing. Such missions are supported by providing responsibly-produced products that utilize artworks created by these children during events, playgrounds, or art classes organized by Tòhe, and return 5% of sales to the children as an artist fee.

Tòhe has been active for 15 years and is a highly reputational social enterprise in Vietnam. Currently, it is offering three main activities: Tòhe Fun, Tòhe Style and Tòhe Play. For Tòhe Fun, the company creates free playgrounds and art classes of three levels (basic, advanced coaching and vocational training) for disadvantaged children. The company's production team then digitizes and scans the artworks made at these classes and applies them to fashion and lifestyle products such as to sell under Tòhe Style. Lastly, with Tòhe Play, the company organizes art events, workshops and exhibitions for both normal children and disadvantaged children. The company starts breaking even in 2016 and continue making a surplus ever since.

Throughout its run, for "market penetration," the company has replicated its models of Tòhe Fun in more than 20 centers for social protection and orphanages where children with autism or other special circumstances reside. Yet, since the revenues are from Tòhe Style and Tòhe Play, the primary actions gravitate towards "market development" and "product development." Regarding Tòhe Style products, the company has thus far collaborated with and received orders from 39 B2B partners. Many of them are well-known companies such as Coca-Cola, Starbucks, Intercontinental Hotel, ... Through these partnerships, the company expands its sales network and thus gains access to new markets. Besides, with Tòhe Play, the company cooperate with academy centers or alike business to hold events such as summer camp, art exhibitions and build more playgrounds. In 2020, because of Covid-19 and lockdown in Vietnam, the

4.2 Case study MVH

MVH is an archetype of "Adopt a stewardship role" for three prime reasons. First of all, the company is a certified and committed member of the fair-trade movement. Secondly, the company provides handicraft group training and coordinates production lines based on the orders of its partner retailers. Initially, MVH had its precursor as a social foundation to protect and support children. During that project, the social workers sold the dolls crafted by the children during playtime. Afterward, they came up with the idea of engaging women in the family into handicraft production as a means of creating income to better take care of the children. The idea of establishing a business, thus, was formed and the company is registered as a limited liability company. At the moment, the company is handling 12 production groups with various craft product types. For these groups, MVH first provides crafts skills training and then employs them in groups. In recent years, MVH acts as a marketing agent for female artisans coming from neglected families or rural areas.

MVH acquired a breakeven point in 2002 and constantly thrived until 2015. Starting from 2016, due to some external factors, the business has not turned profits. During that period, MVH

company closed its store in the center of Hanoi, but it quickly adjusted and moved the sales system online and started distributing products through order e-commerce agents. With its current products, Tòhe mostly improves them through adapting to the market demands. Currently, the company has designated teams for market research and product design and development to study market trends and consumer demands. Before mass-production, the production team slightly redesigns the chosen drawings and decides on the materials as well as the printing methods. Specifically, the current product improvement lies in the decreased amount of polyester or spandex in materials and the intensive focus on new types of products under the product lines of fashion, children's toys and smart toys. In alignment with product development, the company employs product diversification to create items that could suitably cater to the online market. In fact, with the "diversification" strategy, most actions are relatively organic and responsive to the restrictions of Covid-19. For instance, because of social-distancing regulations, the company decided to transfer its art events and courses online. Starting from that decision, the company realized that they could provide free art lessons and programs on YouTube as new service areas. Besides the purposeful scale-up decision, Tòhe's new products are a result of the company's further steps in delivering social values and avoiding "business conventionalization." Through working with the children, the company realizes that one day, they will grow up and have to acquire means of living by themselves and integrate into society. Therefore, last year, the company founded a vocational center and workshop to train embroidery skills for autistic children. Until now, the company has released two collections of handmade embroidered products by these children and is planning to incorporate more embroidered patterns into future products.

penetrated the market by replicating its production models to groups in different provinces, and at its peak, there were 20-something groups. Yet some of them are no longer active due to decreased demands of certain products or because the women retired and nobody would resume the group activities. At that time, the company introduced its products through market fairs and shopping centers to connect with NGOs and later get in touch and partner with WFTO members. Until now, the company retains long-term partnerships with these members. Due to its adherence to fair-trade guidelines and conditions, the company prioritizes trading with fair-trade businesses as 95% of their customers are these and most of its strategies concentrate on product development. With the particular orders of their customers and effects of market demands, the companies adopt the demands and market trends to improve or adjust the product's features. For instance, MVH instructs and informs the production groups of the product changes to keep up and manage to create product sub-lines. Besides, MVH pays all the production costs and warranty in advance and always collects outputs even when the products do not meet the order requirements. There is also a designated quality control team that always guarantees production support to deliver the promised quality. Due to the

ever-changing demands, the company is at all times ready to adapt and devise new products.

4.3 Case study Sapanapro

Sapanapro is considered as the “Adopt the stewardship role” archetype owing to two key reasons. First of all, the company promotes sustainable and responsible production, biodiversity, and fair payment for the participating household, representing fair trade activities. Secondly, the company plays a managerial and supervisory role in the portioned farming land and production process. To be specific, the farming land belongs to the natural protection forests and is assigned by the government to cultivate medicinal plants. At the outset, Sapanapro was formed as a co-op. Until 2006, the company officially registered to become a joint-stock company, in which the shareholders are the participating ethnic households. Currently, 115 shareholders participate in farming and production. The company’s main offerings are on-site herbal body and footbath services and packaged traditional medicine and essential oil retailed or distributed to healthcare agents. Throughout its run, Sapanapro continuously makes a profit and its margin is 5-6% per annum. However, due to Covid-19, its revenue plummeted and at present, the company cannot evaluate nor guarantee any future scenario.

Since the company is located in a remote mountainous area and the products are rather indigenous, its main strategies lay

4.4 Case study MangLub

MangLub falls under the archetype of “Adopt a stewardship role” since its activities are directly linked to biodiversity protection and resource stewardship. As explicitly stated in its mission, the company takes collective actions to preserve the landscape and living conditions of coastal area residents through mangroves and endangered trees reforestation. At present, MangLub acts as a coordinator or an intermediary between sponsors, governments and outsourcing companies to plant mangroves and forests. Besides, it organizes voluntary programs and campaigns to raise awareness of mangroves’ importance.

In effect, the mission was not as coherent at the outset. In April 2019, this social enterprise was founded solely to perform the assignments of its parent company and primary sponsor, SK innovation, which is creating jobs for the locals through environmental measures such as planting mangroves and forests. During that year, the company used sponsorships for such measures, yet the incomes mainly originated from purchasing ZIC lubricants, which are products of SK Innovation. Precisely, the company deployed wholesale to stores and prioritized distributing to youngsters who freshly graduated from vocational training to help them an open car or motorcycle repair shops. In 2020, the company was entrusted with 30-hectares of land, so its scale-up decision was officially validated.

4.5 Case study ĐátButter

emphasis on “market penetration.” Firstly, by model diffusion, it means that the company relied on the spill-over effects to engage ethnic citizens in the company’s activities and benefit from the medicinal plants. For instance, if one household participates, the others in the vicinity also observe the benefits and join. According to the CEO, farming activities constantly occur thanks to the rotational harvesting and reserve assessment to prioritize which medicinal plants need to be planted first. These actions also help stabilize the output quantity to aid the strategy of raising the sales volume with its existing customers such as spas, health and beauty clinics, etc. The company is now planning to extend the market by circulating its products in more Vietnamese provinces and even foreign countries through the networks and affiliates of its established distributors. For product development, products of Sapanapro are assessed and certified by the Hanoi University of Pharmacy. This university and Hanoi Agricultural University assist Sapanapro in quantifying active ingredients in the remedies and standardizing techniques for sustainable agricultural exploitation. At the moment, the main customer segments are pregnant women, infant children, people with rheumatic symptoms, etc. Yet by introducing the products to new markets, the company also aspires to diversify the current product lines to target more customers.

As a young business, MangLub focuses highly on “market penetration,” primarily through branding. The strategic objective is conveying a unified and convincing business story to acquire community trust and hence, partners’ reliability. Therefore, the company has abandoned the ZIC lubricant lines to render its activities, projects and mission consistent. Meanwhile, the company received specialized knowledge support from its parent company’s network or experienced businesses and organizations in the same industry. In this way, the company adopted and diffused the modules of forestation in the province and the surrounding region. By concretizing its mission, the strategic implication generates operational efficiency and motivation for the current staff to maintain the multi-tasking mechanism. For projects, the company employs volunteers, and each full-time employee supervises five volunteers at a time instead of recruiting arbitrarily. As for “market development,” the company takes advantage of its partnerships to extend its tree planting services to HCMC or other Mekong Delta provinces. Besides, it is conducting more collaborative projects such as the weather forecasting application of Rainbird Geo and is under negotiation with two more. “Product development” attempts are in cooperation with the local forest department to study and recover endangered mangrove species. In the future, the company aspires to deliver new services such as accompany the local forest department in landscape and biodiversity protection and deliver Ecotour.

ĐạtButter is connected to the archetype of “Encourage sufficiency” due to its dedication to responsible production and farmer’s income improvement. Additionally, the company commits to deliver top-quality nut products, which as a result, enhances consumer’s preference and attention to green produce. The company is now partnering with Vietnamese farmers to create farming chains where nuts are cultivated and harvested without chemicals and fertilizers. Afterward, they collect the produce and make nut products such as butter and oil of peanut, cashew and sesame. The company’s income is generated through the sales and distribution of such products.

The company was founded in 2018 with the concern that farmers cannot find ample outputs and earn deserved income when farming without using chemicals or fertilizers. As a nascent enterprise with an intensive focus on product R&D, most strategies leverage “market penetration” and “product development.” Right after establishment, the company replicates its farming models to several provinces by instructing and accompanying farmers to eliminate chemicals and replace them with microbiological ingredients. The company realizes that once one farmer joins, their neighbors will imitate, creating a spill-over effect and leaving the company’s job as connecting them into a chain. Also, to assure the farmers that there are alternative outputs even if the company is out of business,

4.6 Case study TPG

TPG is considered to belong to the archetype of “deliver functionality rather than ownership” since its services represent Product Service System. Besides, the company exhibits a business model of DBFO (Design, Build, Finance, Operate), meaning the company’s cash flow facilitates circular operation. Precisely, TPG entails all possible services related to offering playgrounds, such as design, construction, maintenance and even repair and warranty and afterward, it uses the revenues to run the business. Manifestly, for the beneficiaries, they are not in possession of these playgrounds but they benefit from the physical experience and access to public spaces. In addition to organizing playgrounds at communes in urban areas, TPG also receives orders from international schools or tourist resorts to customize playgrounds and initiate workshops and play events for children to discover their senses and hobbies, namely carpentry, farming, loose parts play.

TPG’s history dated back to 2014 when a group of volunteers was utterly worried about the issues in Hanoi that public spaces are increasingly occupied and consequently children do not have space to play. Together they aspired to invent playgrounds equipped with environmental-friendly products such as wood, ropes and used tires. Finally, in 2016, the group felt mature enough and decided to found a social enterprise and from that point, the company invariably turns profits. However, because of

4.7 Cross-case analysis

4.7.1 Perception of scale-up outcomes

When asked the question: “Do you perceive that your company has managed to expand your service/product offer?” MVH, MangLub and TPG responded with “Yes” whereas Sapanapro

ĐạtButter diffuses its business model through synergy, meaning it introduces industry allies into the chains to cooperate and exchange knowledge. Besides, the company believes that it can facilitate its entrance to the market by promoting itself with a story about solid business culture. Specifically, the company highly invests in its personnel by organizing multi-level internship and traineeship, which lasts from 2-5 months. After these periods, the company retains persons with similar visions and compatible abilities and does not recruit externally. Besides, the company’s pivot is in R&D, so there is a designated team that constantly research better ingredients and (re)formulate products based on the consumer demands, resulting in product sub-lines. Due to limited capacity, the company does not have intricate plans to expand its market yet. Still, since 70% of its customers are foreigners and the international markets for green products are potential, the company has signed and is negotiating contracts for exclusive distribution with partners in Australia and Singapore. Lastly, the company is diversifying its sales channels and promoting fashion. Initially, the staff introduced the products at market fairs and traditional supermarkets, but due to Covid-19, these activities are reduced. Instead, the company distributes products via modern trade channels such as store chains or minimarkets. Besides, because of the distinctive features of the food industry in Asian countries, the company aims to promote via KOLs and deploy word-of-mouth methods.

the Covid-19 situation, the revenue of 2021 is predicted to be halved the previous year. As a young business, the company essentially concentrates on “market penetration” and leans towards “market development.” Overall, the company expands its business by repeating the playground modules at different locations. They accord with precise planning that every month, there must be at least one playground finished. The company also resumes working with international schools or tourist resorts to increase the number of customized playgrounds. Besides, one of the preliminary plans is to open representative offices in Binh Dinh, Da Nang or HCMC since the tourist business in these provinces pays a lot of attention to TPG. However, this plan was not possible due to the drastic decline of tourists during Covid-19. The company is rekindling this idea expectantly in 2022. For the time being, the company reaches out to potential customers and makes use of existing partners’ affiliates and factories in the Southern area to become their sub-contract. Regarding “product development,” the company is very flexible in the sense that it is capable of constructing and tailoring playgrounds at an extensive price range, starting from 10 million VND to 150-200 million VND. The differing features of TPG’s playgrounds are that they are infused with cultural aspects like folk tales or traditional patterns and the majority of the facilities are produced directly in the company factories. In the future, the company is prompting plans to make the playgrounds available not only in urban areas but also in rural or mountainous areas.

and ĐạtButter do not regard that their companies are successful in scaling up. Yet, the similarities between these companies’ responses are that they are not satisfied with the company’s financial performance or growth rate.

Within the “yes-group,” even though they perceive that the company has succeeded in expanding its service/product offer, it

is just a “partial yes.” For instance, with MVH, the representative deems the company as successful since it is still in business after more than 30 years and expands services to manifold production groups. However, she admits that the financial performance is rather pessimistic as this year revenue is only 30% of the most prolific ones and the number of employees has also dropped. The company is now reliant on savings to maintain its active status. A quite similar financial situation applies to Tòhe, MangLub and TPG. For Tòhe, the interviewee replies that the company is still on the right scale-up direction and every employee is contented with the business situation, yet the growth rate is somewhat lackluster. Therefore, practically speaking, the company does not devise a long-term plan for 5 or 10 years and their sole purpose is to maintain the business as long as possible. For both MangLub and TPG, these two companies are highly dependent on either parent company, NGOs and support centers. Still, they believe that their companies are succeeding, especially in branding and raising community awareness. Especially with TPG, the company has exceeded its expectations about the reach of its playground as there are more and more playgrounds in remote areas. On the other hand, Sapanapro’s founder considers that the company “is not yet successful as expected” since he perceives that the products provided to customers are still of insignificant quantity. And for ĐatButter, the founder responds that the scale-up is not successful since the attempt is still relatively recent. Nevertheless, he is not overly bothered since the growth rate is slightly increasing every year. He accepts that since he prioritizes R&D, personnel and farming systems, he must sacrifice the financial performance. Also, with the specific attributes of the food industry and supply chain, scaling-up is utterly arduous, and the outcomes are only visible in the long term.

Despite the discontentment with the financial performance, all companies state that the revenues can sustain business activities. However, due to external factors such as Covid-19 in the case of TPG and Sapanapro or new company status like MangLub and ĐatButter, the revenue itself cannot cover operational costs. With long-standing companies like Tòhe, Sapanapro and MVH, they have adequate savings to continue the business. But for the other three, they rely on funding from external parties, sponsorships, crowdfunding and calls for investment.

4.7.2 Social values maintenance

When asked: “Do you think that your business still maintains social values and is not prone to “mission drift?” all replied that their companies still commit to their proposed social values. Moreover, all companies’ responses confirm that the scale-up decisions are made to assist the business’s mission.

For Tòhe, ĐatButter, Sapanapro and MVH, the reason for not being disposed to mission drift is that their business activities heavily revolve around their beneficiaries. For instance, ĐatButter’s founder discloses that the farmers are of utmost importance in every decision. Besides, they incur high costs and spend a long time organizing internships since they only retain people whose values align with the company’s culture under any circumstances. Along that line, MVH’s representative asserts that merely breaking even is sufficient as long as the company can still assist the women. Yet, she emphasizes that the company is not-for-profit, not non-profit, since money is still crucial to its

existence. They are fortunate that the company is still active since the office and the factories are their own property. As for Tòhe and Sapanapro, besides involving the beneficiaries in the business activities, they extract the savings into aiding projects for those people. To be specific, Sapanapro has a welfare fund to upgrade dilapidated houses caused by natural disasters and to grant scholarships for ethnic students, and Tòhe built a vocational school for autistic children reaching adolescence so that they can earn a living and ingrate to the community as adults. On the other hand, MangLub and TPG are not susceptible to mission drift due to their compact organization model. TPG revealed that since their operations are straightforward and non-cumbersome, they are not stressed out about financial matters to the extent they stray away from their mission. MangLub’s representative states that the company is aware of its limited capacity and modest employee number. Therefore, it can solely focus on services directly pertaining to the mission and candidly decline business conflicting with its mission and vision.

In addition to the question, the companies filled in a mini-survey, which uses the items of De Beule, 2020, to self-report the direct and indirect social impacts created by the business activities. Table 2 sums up the most notable social impacts of the companies or ones that the companies assess as “good impacts” or “very good impacts.”

Table 2. Areas with notable social impacts of each company

Tòhe	Physical safety, protection from discrimination, availability of life necessities, human rights and availability of good education
MVH	Overall employment, skill level, physical safety, availability of life necessities, human rights and availability of good education
Sapanapro	Overall employment, livable wages, physical safety, resistance to natural disaster, availability of good healthcare products
MangLub	Skill level, livable wages, local entrepreneurship, resistance to natural disaster/climate change, availability of life necessities and good education
ĐatButter	Skill level, livable wages, physical safety, health education
TPG	Physical safety, protection from discrimination, availability of life necessities, human rights, availability of good overall and health education, infrastructure.

5. DISCUSSION

5.1. Main findings

Table 3 exhibits the archetype classification, the primary strategies selection and the findings for perceived scale-up success and social value maintenance of all cases. The result reveals that all of them use almost all scale-up strategies during their development regardless of the SBAs. Nevertheless, each company centers on one to two key growth strategies and the discussion for the strategic focus is explained in the next section. Among the six, four perceive that the scale-up was a success and they typify all three archetypes. The two companies that are reportedly unsuccessful with the scale-up attempt belong to the

archetype of “adopt a stewardship role” and “encourage sufficiency.” However, compared to the outcomes enumerated in this paper’s scale-up definition, all are not qualified in either the field of income generation or service expansion. The detailed statements to explain failures in these aspects are summarized in Table C.19, Appendix C. Yet, essentially, all suffer from either losses or stagnant growth rates, have to close their physical stores

or have not managed to offer the expected amount of products/services. On the contrary, all six companies claim to maintain the social values and do their best to defy “mission drift. In conclusion, the archetypes may provide certain implications for the chosen strategies, but those combinations alone do not determine the scale-up success. Besides, the continued pursuit of social values is fixated in the business model of all archetypes.

Table 3. Summary of the main findings

Company	Archetype	Main strategies	Perceived success	Social values maintenance
Töhe	Encourage sufficiency	Market development & leaning towards Diversification	Yes	Yes
MVH	Adopt a stewardship role	Product development	Yes	Yes
Sapanapro	Adopt a stewardship role	Market penetration	No	Yes
MangLub	Adopt a stewardship role	Market penetration	Yes	Yes
ĐạtButter	Encourage sufficiency	Market penetration & Product development	No	Yes
TPG	Deliver functionality rather than ownership	Market penetration & Market development	Yes	Yes

5.2.SBAs and scale-up strategies

The fact that every company exercises almost all strategies infers that they play a vital role at different stages and are essential for scaling up. The company’s job is, therefore, to coordinate them sensibly. In general, there are some discernible patterns in the preference for the scale-up method as the SBAs provide certain indications on the company’s orientation towards service or products. The archetype “deliver functionality rather than ownership” implies that companies under this might be more service-oriented since their business models are often based on Product Service System (PSS) (Bocken et al., 2014). To be specific, this model “shifts the business focus from designing, producing and selling physical products, to selling a system of products and services, to fulfill specific client demands” (Bocken et al., 2013). Although PSS is still a combination of “tangible products” and “intangible service,” it is mainly characterized by positive externalities occurring at the activities internalization of the service providers during the usage and towards the product end phase (Evans et al., 2017). Conversely, the archetype “encourage sufficiency” is inclined towards product offering accompanied by a promise of high quality and responsible procedures (Bocken et al., 2014). Although it also extends to services of energy-saving companies, demand and consumption-related matters are still the focal points instead of the benefits obtained for service delivery (Bocken et al., 2014). In reality, the archetype of “adopt a stewardship role” comprises activities that can be classified into the other two; thus, this archetype’s orientation for either products or services is not as straightforward.

Besides, timelines, locations and purpose play a determining role in the strategy execution. For instance, companies at the early stage like MangLub and TPG choose “market penetration” as the primary focus. Besides, MangLub locates in a small province and TPG targets areas with more vigorous tourist activities. These findings align with results in the paper of Dobson et al., 2018 where they study the changes in scaling strategies of a social

enterprise given different timelines and continental locations (Dobson et al., 2018). These two elements’ effects can be attributed to their impacts on the development of social networks, which are termed “time-geographic realities.” In particular, they condition the chances of actors’ interaction and influence coupling or capability constraints (Smith & Stevens, 2010). Contrarily, Sapanapro, despite long active time, is also mainly deploying “market penetration” since it aims at simple goals (Bocken et al., 2016). Precisely, it is located in a remote mountainous area, and the products are relatively uncommon, which hinders its clear purpose of distributing more products and spreading the medicinal specialty’s knowledge.

Once becoming more mature, most companies employ “product development” and “market development” alongside “market penetration.” For instance, MVH and ĐạtButter, notwithstanding different archetypes and far-apart timelines, both prioritize “product development” since they bear the resemblances of directly involving the beneficiaries in the production process. This strategy, in particular, helps closely monitor the activities as well as provide tangible benefits such as skills and salaries to the female workers or the farmers, which subsequently enables productivity growth (Schoneveld, 2020). In essence, “product development” is the most suitable strategy to enhance productivity through the economic opportunities creation and expansion.

Based on the number of employees, all the cases in this research are small and medium enterprises (SMEs). As a result, the choices of scale-up strategies confirm the suggestion of Perry, 1987 that product and market development is the most suitable for SMEs (Perry, 1987). Among the six, Töhe is the most successful one and has been active for 16 years and manifests the most initiatives in “diversification,” which further consolidates this notion. This finding also aligns with the case study of Bocken et al., 2016 in which two out of three companies implemented “diversification” only at the intermediate stage, meaning that they have been in business for 10 to 20 years (Bocken et al., 2016). Moreover, the findings that the studied companies do not

opt for “diversification” verify their profitability needs since diversifying solutions often associate with companies advancing on the non-profit end (Bocken et al., 2016).

5.3.Perception of scale-up success

Although most companies perceive that the company has partially succeeded in the scale-up attempt, impartially speaking, through contrast with the provided scale-up definition of Bocken et al., 2016, the performances regarding either service expansion or income generation are not entirely satisfactory. Besides, most scale-up outcomes are only visible after a few years. For long-established companies like Töhe or MVH, they only started acquiring breakeven and obtaining surplus after almost ten years. Sapanapro has a stable growth rate and increasing revenues, the service expansion aspect does not meet the expectation and the founder does not guarantee anything financially optimistic in the future. In a more positive light, ĐatButter’s founder believed that a booming result would be visible in the next 5 or 6 years, which is the right time to exert robust scale-up strategies. Given the results, the scale-up success concept might need reviewing under a broadened angle to comprehend why some companies still claim partial success. Firstly, for young companies like MangLub, TPG, or ĐatButter, the reasons for stating that a scale-up is successful and the optimism in future scale-up scenarios coincides with the factors attributed to scaling in the paper Walske & Tyson, 2015. Specifically, financial funding, successful supply chain (manufacturing and distribution), and high profile in the media are the core elements in aiding companies’ scaling-up during the first few years after the founding (Walske & Tyson, 2015). In that sense, these companies have reasonable grounds for claiming success. Secondly, provided the hybridity attributes, the results verify the statement that social business requires a prolonged timeline for steadier and more autonomous business development (Haigh & Hoffman, 2012). Success viewed by social businesses or hybrid organizations, in general, does not solely comprise economic viability so often; they have to make concessions with financial performance to balance all aspiring aspects. Therefore, a social enterprise always breaks down the criteria and looks at the long term to assess the scale-up success fairly (Haigh & Hoffman, 2012). And lastly, as mentioned above, scalability is crucial in sustainable business model design. According to Dobson et al., 2018, scalability represents “replicability, adaptability, and transferability of the operational model” (Dobson et al., 2018). For instance, MVH deems itself successful since it has been active for a long time, constantly updated with market demands, and formed multitudinous production groups. And for ĐatButter, even though not yet successful, its business model with considerable emphasis on R&D and personnel prepares for continual adaption regardless of future uncertainty. From the perspectives of the studied companies, gauging scale-up success equates to evaluating such features and the potential of their business models, and since the features are all qualified, the scale-up is a success. Still, companies should actively observe appropriate structures to take a step forward in settling resource and capability constraints. Respectively, there are three preliminary structures which companies can consult, namely private initiative, project-based alliances and platforms (Tewes-Grادل, 2011). Although all companies already exhibit the

participation in either structure (MangLub in private, ĐatButter in platform or MVH in project-based alliances,..), they are complementary; hence, the companies can combine them to improve the capacity for revenue and service expansion maximally.

5.4.Maintenance of social values

Since all companies in the case studies are social enterprises, it is worth mentioning that some papers even go further and distinguish social enterprises as a separate entity from the social business spectrum, claiming that “social businesses are social enterprises, but not all social enterprises are social businesses” (Ahmed et al., 2021). Social enterprises, according to them, posit pursuing social values as the primary purpose and profit-generating activities as secondary so there is no identification of mission drift or social goals negligence (Ahmed et al., 2021). Nevertheless, all companies here belong to the social business category since they emphasize that they are not non-profit and their operations are similar to ordinary business yet they simultaneously tackle social problems. Hence, it is still valid to examine the promise of delivering social values. All companies exhibit solid proofs of the committed pursuit of social values and firmly opine that they are not and will not be under severe pressure to conventionalize themselves. For all cases, social values are the backbone of business activities. Consequently, despite the financial difficulties, they still demonstrate a determination to maintain the business, scale-up and achieve social impacts through the business activities. This research consolidates the idea that scaling organizations is a means for social impact obtainment and negates the thinking that social enterprises frequently incur internal conflicts of omitting social impacts while achieving financial profitability (Han & Shah, 2019). In another development, mission drift is a by-product of an institutional environment where economic value is more appreciated than social values (Dahles et al., 2019). The commitment to social values, thus, perhaps originate from the decree for social enterprises in Vietnam, which regulates that “companies must use at least 51% of the total annual profit for reinvestment to realize the social and environmental goals as registered”. If so, this paper supports the finding of De Beule et al., 2020 that a company can “do well by doing good” under the circumstances that institutional conditions positively and moderately affect the institutional environment (De Beule et al., 2020). However, it has to be admitted that the measures of social impacts in this paper are relatively naïve and perhaps overly optimistic since it let companies self-assess. In reality, there are numerous quantitative and rating-based methods like ERIS, Inonovest, ASSET 4,..(Rawhouser et al., 2017). Or for a case study, organizational exemplars and awards can also be utilized as the benchmark for evaluating social value (Rawhouser et al., 2017).

6. CONCLUSIONS

6.1.Theoretical and practical contributions

This paper introduces a vertically extensional attempt to promote the relevance of studies about social business, social business models, and their implications for scaling up. Through linking the theories, the research validates the efficacy of Bocken et al.'s

2014's SBAs concept in generalizing the myriad motives and product/service offerings of social businesses. In addition, by combining the social value maintenance as a variable for scale-up success, this paper re-tests whether scale-up is an effective way to better support social missions or makes sustainable businesses more susceptible to mission drift. This paper concurs that organizational growth can be treated as a separate variable since it is a leverage for scaling social impact. The findings of this paper suggest that the scale-up definition of Bocken et al., 2016, although very concise and quantitative, is slightly rigid and inadequate in thoroughly evaluating the scale-up success. Therefore, this paper proposes that in rendering scale-up assessment apposite, theories about scale-up or scalability with more qualitative elements might be of more advantage. Besides, this paper discovers some subdued orientations of SBAs towards either product or service offerings and the effects of other elements such as business age, locations, path dependencies, etc., in the strategies chosen. These modest explorations imply that future research could exploit more from SBAs to study social business' scalability. Lastly, this paper endorses treating social businesses as a broad spectrum and investigating the significance of social values maintenance. Expressly, this paper supposes that it is trivial to dissect sub-concepts within the social business range to study their social impacts since the overlaps are too extensive and the micro-analysis might lead to research bias. Unless explicitly claiming as non-profit, it is still important to question whether a company's social values are preserved given their business operations being similar to conventional ones. Lastly, this paper agrees that within an institutionally stable, rigorous and supportive environment, social business will not stray away from the social values and consequently, greenwash or conventionalize themselves.

By applying qualitative research methods, namely multiple case studies and abductive planning, this paper brings forth multi-dimensional narratives of scale-up and not only be constrained to ones of sizeable and prolific companies. From there, not (yet) successful social businesses can identify with one of the SBAs and learn from the successful ones in their archetypes to improve. This paper advises social businesses to attach themselves to specific SBAs to concretely design an appropriate business model, implement the right products/services, and explore and combine fitting structures to maximize resources and capacities (private, project-based alliances or platforms). Before scaling up, social businesses should carefully apprehend different nuances of this concept. This paper lends the definition of Bocken et al., 2016 to render it simple for social businesses to capture but in reality, companies should turn to more qualitative ones. Yet, for meticulous concepts, companies should break down the criteria for scale-up goals to make them attainable with the companies' capabilities and reflect on the situational contingencies. Companies should also concentrate on one to two key strategies to logically distribute the resources and be patient and prepared since the scale-up process for social business is gradual, long-term, and erratic. Moreover, by confirming that social values are both a solid springboard and the desired achievement of the scale-up process, this paper ascertains the belief and confidence in scaling up without being preoccupied about the negligence of social issues. Eventually, it is recommended that social

businesses be transparent and assess their social values delivery objectively. As suggested above, companies can utilize quantitative, rating-based methods and exemplars from reputable rankings and organizations. With more scale-up implementation, society will benefit from economic vitality, social issues lessening and social impacts enhancement.

6.2. Limitations and recommendations for future research

In Vietnam, social enterprises are not very abundant and allegedly, there are less than 200 of them that are still active. Besides, due to the challenges associated with Covid-19, many of them have to rearrange and downscale their business activities or are only in maintenance status. Hence, they refused to participate in the research. Within the timeframe, this paper only involves six companies; therefore, the findings cannot be generalized to all social businesses that contemplate scaling up. This paper's further limitations lie in an in-depth case study format instead of a quantitative or statistically extensive study. Future studies, thus, should be conducted in a more significant number to increase the validity. Additionally, the companies chosen could be more comparable concerning the active years so that a timeline for strategy execution can be outlined for more interactive and deducible cross-check analysis. If having a group of companies with a similar number of active years, future research could focus on observing scaling-up strategy at different stages of a company's life-cycle and discovering the happenings afterward once a social business has achieved scale. Or they can have a more sizeable and comparable group of all-win, all-fail, or mixed scale-up result groups to pinpoint more diverse patterns about scale-up methods. Another suggestion is to gather a remarkable social business group within the same archetypes to possibly deduce a preferred set of scale-up strategies. In addition, more quantitative methods or certified ratings could be incorporated for measuring social impacts to reduce the bias and make the results more concrete.

7. ACKNOWLEDGEMENT

Herewith I would like to express my gratitude to my supervisor Dr. Tamara Oukes, for your patience and wholehearted guidance throughout my thesis process. Thanks to your invaluable feedback, not only could I finish this dissertation but also enjoy the whole process and equip myself with more knowledge. Besides, I would like to thank the interviewees from six companies participating in this research for their precious time and genuine sharing, which immensely aid my data collection process. Many thanks to my IBA friends, Kim, Nguyet, Stan, Feng, and thesis circle 2.5 groupmate, Christoph, for your help during my study and this project duration. Lastly, I thank my family for always supporting me.

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APPENDIX A

Social	Deliver functionality rather than ownership	<p>Value proposition</p> <p>Provide services that satisfy user needs without users having to own physical products. Business focus shifts from manufacturing 'stuff' to maximising consumer use of products, so reducing production throughput of materials, and better aligning manufacturers' and consumers' interests.</p>	<p>Value creation & delivery</p> <p>Delivery through product/service offerings require significant changes within the firm to deliver this and may incentivise redesign for durability, reparability and upgradability. Potentially, more direct consumer contact and consumer education to shift away from ownership. Supply chains become more integrated.</p>	<p>Value capture</p> <p>Consumers pay for the use of the service, not for ownership of products. Cost of ownership of physical products are borne by the company and/ or partners. This can enable consumers to access previously expensive products, so expanding the market potential of new innovations.</p>
	Adopt a stewardship role	<p>Value proposition</p> <p>Manufacture and provision of products and services intended to genuinely and proactively engage with stakeholders to ensure their long-term health and well-being. Broader benefits to stakeholders often become an important aspect of the value proposition by better engaging the consumer with the full story of production and the supply chain.</p>	<p>Value creation & delivery</p> <p>Ensuring activities and partners are focused on delivering stakeholder health and well-being. Production systems and suppliers selected to deliver environmental and social benefits. Network reconfiguration may require alternative suppliers. To achieve scale, use of third-party certification may facilitate implementation and monitoring.</p>	<p>Value capture</p> <p>Stewardship strategies can generate brand value and potential for premium pricing. Stakeholder well-being and health generate long-term business benefits for the company: Healthy customers are good for the firm and for society, healthy happy workers may claim less sick days and may be more productive, and secure suppliers ensure more resilience.</p>
	Encourage sufficiency	<p>Value proposition</p> <p>Product and service solutions that seek to reduce demand-side consumption and hence reduce production (e.g. durable, modular, education about reduced consumption). The focus of such innovation is on the customer relationship and influencing consumption behaviour.</p>	<p>Value creation & delivery</p> <p>Ensuring activities, partners and customer relations are focused on consuming less, wasting less, and using products longer. This may involve product redesign for durability. It will require a fundamental shift in promotion and sales (no discounting, overselling); supplier selection based on durability; and incentive systems to discourage 'over-selling' / obsolescence.</p>	<p>Value capture</p> <p>Profitability (premium pricing), customer loyalty, and increased market share realised from provision of better products (longer lasting, durable/ not subject to short fashion-cycles). Societal and environmental benefits captured: educated society, using less product, reuse across generations.</p>

Figure A.1 The corresponding business model for each social archetype

Table A.2. Keywords of the SBAs

Deliver functionality rather than ownership	Adopt a stewardship role	Encourage sufficiency
Product-oriented PSS – maintenance, extended, warranty	Bio diversity protection	Consumer education (models), communication and awareness
Use-oriented PSS – rental, lease, share	Consumer care – promote consumer health and well being	Demand management (including cap & trade)
Result-oriented PSS – Pay per use	Ethical trade (fair trade)	Slow fashion
Private Finance Initiative	Choice editing by retailers	Product longevity
Design, Build, Finance, Operate (DBFO)	Radical transparency about environmental/societal impacts	Premium branding/limited availability
Chemical Management Services (CMS)	Resource stewardship	Frugal business
		Responsible product distribution/promotion

APPENDIX B

Question

1. What is your vision or your objective when you established the business in the first place?

2. Have your business ever planned to expand its scale and scope and what was the situation back then?
3. What are the main services/products that your business is delivering and what features of them differ your business from ordinary businesses?
4. What are the main customer segments that you are targeting with your products/services? And/or What are the main groups of people that are employed at your business?
5. Who will experience the impact created by your business activities?
6. What are the stakeholders and their roles in your business and how and to what extent are they participating in the delivery of products/services?
7. What are the key activities that your companies are carrying out to deliver the products/services and create income?
8. How does your company source the materials of your products? Or What tech
9. What are your key streams of revenue, and what is your cost structure?
10. How is the overall financial performance of your business? Is your income able to cover the operation costs and the initial investment? Is your income sufficient for your business to sustain and reinvest in itself?
11. What strategies are you using to expand your business concerning your products/services?
12. What is the number of members in your business in the beginning, and what is that number now?
13. How many people are using your products/services?
14. What are your business' revenue and return on investment?
15. Do you perceive that your company has managed to expand your service/product offer and how is the current business situation?
16. Do you think that your business still maintains social values and is not prone to "mission drift"?
17. What are the most notable social impacts that your companies have made as a result of your scale-up?

Survey

Measured on a seven-level scale: very few impacts, few impacts, below average, average, fairly good impacts, good impacts and very good impacts:

Employment and income

1. Impact on overall employment
2. Impact on overall skill level
3. Impact on livable wages
4. Impact on local entrepreneurship
5. Impact on discrimination

Safety and security

6. Impact on physical safety
7. Impact on resistance to natural disasters and climate change (e.g., hurricanes, earthquakes, floods, and the longer term impact of climate change)

Life necessities

8. Impact on the availability of primary life necessities (water, air, sanitation, utilities, nutrition, clothing, etc.)
9. Impact on human rights (respect for the dignity and worth of all human beings and freedom from fear and want)
10. Impact on the availability of qualitatively good (regular) education
11. Impact on health education
12. Impact on the availability of qualitatively good healthcare services and products
13. Impact on infrastructure (roads, bridges, etc.)

APPENDIX C

Since Vietnamese government regulates that a social enterprise must "use at least 51% of the total annual profit for reinvestment to realize the social and environmental goals as registered", all the companies' cost structure mentioned in the following business models is compared to the remaining 49%.

1. TÒHE

1.1. Business model

Table C.1. Business model of Tòhe

Archetype	Encourage sufficiency	
	Product/service	3 service areas: Tòhe Fun, Tòhe Style and Tòhe Play Tòhe Fun: free playgrounds and art classes at 3 levels; Tòhe Style: fashion and lifestyle products that are printed with artworks created from Tòhe Fun; Tòhe Play: art playgrounds, workshops and exhibitions for both normal children in urban areas, and disadvantaged children

	Customer segment	For Tòhe Style, 90% of customers are women with ages ranging from 24 to 45.
	Beneficiaries	Disadvantaged children: children with disabilities or autism, orphans and children living in rural areas.
Value creation and delivery	Activities	Selling fashion and lifestyle products printed with artworks from Tòhe Fun classes. Such artworks are scanned and redesigned to apply to bags, wallets, accessories, household decorations and toys. Organizing art playgrounds, courses, workshops and exhibitions for normal children and parents, mostly in urban areas. Providing free three-level art classes for disadvantaged children and orphans
	Material/technology	Mostly environmental-friendly materials; The design and development team digitize and redesign the artworks and then decide on the printing manners and materials.
	Partner	Business partners: 39 B2B partners and export partners: official distributor in Japan, retailer in Singapore, Australia and Malaysia; Community partners: NGOs and SB supporting or research centers.
Value capture	Income and revenue stream	Income sources are from selling products and art events for normal children (Tòhe Style and Tòhe Play). 5% of revenue goes to artworks patenting.
	Cost structure	No information disclosed

1.2. Scale-up strategies

Table C.2. Scale-up strategies of Tòhe

Strategies	Actions to achieve scale	Case example
Market penetration	Replication	Inject modules of playgrounds and art classes into social protection centers, schools, etc..
Market development	Partnerships	Partner with similar-purpose businesses to organize playgrounds and collaborate with normal businesses for contract orders.
	Activities delivery and sales method alteration	Sell products through online stores and e-commerce.
Product development	Market demand adaption	Change materials and focus on product lines such as fashion and toys,...
Diversification	New activities	New courses and programs online
	New products	Diversifying product lines

1.3. Scale-up outcomes

Table C.3. Scale-up outcomes of Tòhe

No. of customers & members	Service expansion	Income generation	Social impacts
Customers: <12000 product consumers and around 9000 event visitors; 3000 children participating in art classes. Members: 27 full-time employees; 20 part-time employees; and 400 volunteers and collaborators	>150 playgrounds at 36 locations; art curriculum at >20 centers with 110 sessions on basic arts; 2100 sessions for art experiences; 7 exhibitions and non-profit events.	Reaching a breakeven point in 2016 and gaining surplus from that point onwards.	Create playgrounds and work opportunities for autistic children, as well as raise community awareness about autism syndrome so that the children can integrate and develop and everyone better understands the syndrome.

2. MVH

2.1. Business model

Table C.4. Business model of MVH

Archetype	Adopt a stewardship role	
	Product/Service	Handicraft (houseware) products: embroidery, quilting, quilling, pottery, crochet, weaving, carpentry, cinnamon handicraft, macramé,...

	Customer segment	95% of customers are World Fair Trade Organization (WFTO) members, 5% are mainstream customers
	Beneficiaries	Poor, disadvantaged and minor ethnic women
Value creation and delivery	Activities	Training handicraft skills and providing employment in groups Producing handicraft products through partners' orders and exporting Doing marketing for female artisans with special circumstances
	Material/technology	All materials are domestically sourced Handmade procedures with the support of semi-industrial facilities and hand tools.
	Partner	Business partners: Long-established (± 20 years) relationships with exporting partners that are members of WFTO. 9 in America, 10 in Europe, 1 in Australia.
Value capture	Income and revenue stream	For the company: 99% of income is from export sales, which are revenue of orders and service contracts from foreign business partners. 1% is from retailing in the showroom. For the women in production groups: Income is per order.
	Cost structure	No specific percentage disclosed yet besides all the personnel and miscellaneous expenses in the office; all revenues are reinvested for model design, development and offtake warranty, and savings.

2.2. Scale-up strategies

Table C.5. Scale-up strategies of MVH

Strategies	Actions to achieve scale	Case example
Market penetration	Replication	Bring module of production groups to different locations
Market development	Partnerships	Affiliate with a network of NGOs and focus on partnerships with WFTO members
Product development	Incremental product improvement	Incorporate better techniques and materials into productions
	Market demand research and adaption	Adopt current market trends and customer demands (such as macramé, quilling,...)
	Product groups extension	Find new groups and create product sub-categories
Diversification	New products	Create totally new products

2.3. Scale-up outcomes

Table C.6. Scale-up outcomes of MVH

No. of customers & members	Service expansion	Income generation	Social impacts
22 full-time employees: 12 quality controllers in the warehouse, 10 office workers. 12 production groups – around 300 participants	9 exporting partners in America, 10 in Europe, 1 in Australia. Cater to infrequent mainstream customers.	Surplus during 2002-2015 yet decreased financial performance from 2016. Revenue of 2020 equals 30% of 2016.	Enhance disadvantaged women's life quality and confidence through fair payment and treatment and good working conditions.

3. SAPANAPRO

3.1. Business model

Table C.7. Business model of Sapanapro

Archetype	Adopt a stewardship role	
	Product/service	On-site herbal bath and footbath service for tourists Packaged herbal bath and footbath medicines and bottled essential oil

		2 overall product segments based on customer demand and income: mid-end segment (price range under 100,000VND) and high-end segment (price range up to 650,000VND or more). Quality is not too varied but the difference is in the specifications, labels and packaging
	Customer segment	Pregnant women, children, elderly people or people who are sick or suffer from rheumatic disorders.
	Beneficiaries	Dao and Hmong people or other ethnic minority people in the area.
Value creation and delivery	Activities	Selecting ethnic households as shareholders; organizing rotational planting of medicinal plants amongst them and purchasing from that supply; Engaging ethnic people in production, service and sales procedures. Direct retailing to the local people or regional healthcare agents (e.g., spa and clinics) and distributing wholesale of raw products to large agents for further packaging and labeling; Offering on-site herbal bath service for tourists.
	Material/technology	Medicinal plants are native to the region and herbal recipes are traditional of Red Dao people. Rotational planning and exploitation of medicinal plants in natural protection forests assigned by the governments. Each household possesses 3-5 hectares of land. Quantification of active ingredients and procedural standardization for sustainable farming and exploitation are conducted by professors at Hanoi Agricultural University and Hanoi University of Pharmacy.
	Partner	Business partners: around 100 partners of retailing agents Research supporting partners: Hanoi Agricultural University and Hanoi University of Pharmacy
Value capture	Income and revenue stream	Income for the company is from the revenue of sales and service. Income for the ethnic household: two sources. Direct payment from the company when purchasing the ingredients, and Dividend payment at the end of the year to shareholders, depending on each year.
	Cost structure	Around 39% on dividend payment to the shareholders, around 25% on production inputs, 20% on personnel and salaries, 5% on a charitable fund for the ethnic household to combat natural catastrophe, others for miscellaneous expenses.

3.2. Scale-up strategies

Table C.8. Scale-up strategies of Sapanapro

Strategies	Actions to achieve scale	Case example
Market penetration	Model diffusion	Use spill-over effects to let more households participate.
	Increase wholesale with existing customers	Increase sales for spas and healthcare agents
Market development	Partnership and geographical expansion	Use partner distributors to circulate products nation-wide and to more countries
Product development	Incremental product improvement	Incorporate technologies and mechanism provided by the universities for standardized and sustainable production
Diversification	New products	Concoct new formulas for different customer segments

3.3. Scale-up outcomes

Table C.9. Scale-up outcomes of Sapanapro

No. of customers & members	Service expansion	Income generation	Social impacts
9 full-time employees; 115 ethnic households as shareholders; 200 on-site customers; 5000-7000 retailing customers	Have distributors in three regions of Vietnam to target more customers and sell via more agents (e.g., spa, clinic)	Revenue of 10.5-11 billion VND in 2019/2020 and profit margin of 5-6%/year	Create jobs, maintain traditional and sustainable production and improve ethnic minorities' well-being and living conditions

4. MANGLUB

4.1. Business model

Table C.10. Business model of MangLub

Archetype	Adopt a stewardship role	
	Product/service	Planting mangrove and forest trees. Educational and volunteering programs, and CSR/Eco tours Biodiversity plan management and consultancy
	Customer segment	B2B service: Large and CSR-focused companies in HCMC and Tra Vinh
	Beneficiaries	Direct benefits: Farmers, fishermen and residents in the coastal areas Indirect benefits: Students and young generations in the areas
Value creation and delivery	Activities	Selling lubricants Tailoring and consulting the mangrove reforestation program for the provincial government. Playing as an intermediary manager between governmental and sponsoring agencies for biodiversity projects in preserving regional landscape and restoring endangered or extinct tree species. Organizing educational voluntary programs and CSR (Eco)tours
	Material/technology	ZIC lubricants are products of the parent company, SK innovation, a Korean energy company. Plant seeds are outsourced through a local company that has specialized in forestation.
	Partner	Business partners: SK Innovation, the parent company providing sponsorship and employment allowance; and Rainbird Geo, a project of Ehwa University developing weather forecasting applications. Community partner: local governments and communes for land-using permission and administrative management support.
Value capture	Income and revenue stream	Income sources of the first year are from the revenues of selling and distributing ZIC lubricants and the sponsorship of SK Innovation From the second year onwards, incomes are from service contracts and projects with companies and the SK Innovation funds and allowance.
	Cost structure	No information disclosed

4.2. Scale-up strategies

Table C.11. Scale up strategies of MangLub

Strategies	Actions to achieve scale	Case example
Market penetration	Branding	Concretize a business story and mission and enhance promotional campaigns
	Diffusion of model	Exchange knowledge with similar business
	Operational efficiency improvement	Recruit volunteers instead of more employees and relinquish mission-misaligned services
Market development	Geographical expansion	Expand service in other provinces
	Partnerships	Use the parent company and partners for more projects' connection and implementation
Product development	Incremental service improvement	Collaborate with forest protection department to utilize more tree species
Diversification	New services	Offer Eco-tour

4.3. Scale-up outcomes

Table C.12. Scale-up outcomes of MangLub

No. of customers & members	Service expansion	Income generation	Social impacts
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One founder (part-time basis) and 3 full-time employees; 15 volunteers and one more employee upcoming.	181,500 trees planted in 30 land hectares in 2020 and 46 hectares in 2021 Expansion to HCMC and other provinces in the Mekong delta.	Suffice to maintain business but still rely on funding or sponsorships.	Increase youngsters' volunteerism and knowledge on mangrove's importance, and help counter land erosion and its related consequences on the residents.
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5. ĐẠTBUTTER

5.1. Business model

Table C.13. Business model of ĐạtButter

Archetype	Encourage sufficiency	
	Product/service	Nut products: peanut butter, peanut oil, cashew butter, sesame oil
	Customer segment	People taking great care of health such as ones following a macrobiotic diet or practicing yoga, etc. 70% foreigners, 30% Vietnamese.
	Beneficiaries	Farmers
Value creation and delivery	Activities	Instructing and engage with farmers to cultivate nut plants without fertilizers and chemicals Producing organic and high-quality nut products Selling and exporting products through modern trade channels (business chains), stores, retailers and e-commerce agencies. No direct sales.
	Material/technology	Non-chemical seeds and ingredients throughout all procedures. The dedicating R&D team tailors a bottom-up production model for every farm household and develops the recipes for products.
	Partner	Advisory partners: Four consultancy partners for each department: agriculture, quality assurance, R&D and design. There will be a fifth one for market development. Community partners: including local communes, governments and NGOs that promote farmer's participation, permit trial production and support technical and material aspects. Business partners: including similar businesses in the same industry to expand and sustain production and avoid monopoly; retailers (e.g., stores and supermarkets); exporters (e.g., the exclusive distributor in Australia and Singapore)
Value capture	Income and revenue stream	Income sources are from the revenue of selling nut products and calling for startup investments.
	Cost structure	Collectively 50-60% on R&D, personnel and salaries; around 20% on transportation and others on miscellaneous costs.

5.2. Scale-up strategies

Table C.14. Scale-up strategies of ĐạtButter

Strategies	Actions to achieve scale	Case example
Market penetration	Model diffusion	Exchange knowledge and cooperate with industry allies to expand production and sustain farmers' outputs
	Operational efficiency	Promote business story through high investments in personnel
	Replication	Bring farming modules to different locations and use spill-over effects to engage more farmers.
Market development	Geographical expansion	Establish farming chains in provinces and distribute in more international markets
Product development	Continuous product improvement	Invest intensively in R&D for better ingredients and quality.
	Market demand adaption	Incorporate market demands for product adjustments
Diversification	New sales channels	Change from market fairs to e-commerce, modern trade,... and employ word-of-mouth or KOLs

5.3. Scale-up outcomes

Table C.15. Scale-up outcomes of DatButter

No. of customers & members	Service expansion	Income generation	Social impacts
12 employees: 4 full-time, 6 part-time and 2 interns; and 1500-2000 regular customers.	Products available in 11 stores in HCMC and at 5 official retailers; and arming chains in 7 provinces.	Still suffering from loss (-60 million VND) but steadily growing and soon breaking even.	Ensure farmer's deserve earnings and outputs of responsible production through mechanization and standardized R&D procedures.

6. TPG

6.1. Business model

Table C.16. Business model of TPG

Archetype	Deliver functionality rather than ownership	
	Product/service	Functional playground, customized playground models, play tools, and play workshops and events
	Customer segment	International schools, tourist resorts and local communes.
	Beneficiaries	Children, women, the disabled and the poor.
Value creation and delivery	Activities:	Building, renovating and repairing functional playgrounds Designing and building playground models on orders Creating customized toys and play tools Organizing workshops and play events (e.g. Carpentry, Farming, Loose Parts Play)
	Material/technology	Mostly environmental-friendly and recycled materials (e.g. Eucalyptus wood, ropes, old car tires) from domestic sources and some accessories imported from China. Direct production in their own carpentry and iron factory
	Partner	3 main partner groups: Business partners, international schools and tourist resorts, that prefer specifically-designed models; Community partners that provide communal land and advise land policies for playgrounds; and Financial partners (e.g. embassies, cultural programs and SB-supporting centers) that provide CSR funds.
Value capture	Income	CSR funds: more than 50% Income from orders and payment for playground maintenance: 30-40%. The income from playgrounds mostly range from around 5500-7000eur/per playground. The cheapest one is at around 360eur. Community partners get 5,7 or 10% depending on the values of the playgrounds. No discounts for business partners. Crowdfunding
	Cost structure	45% on wage and personnel, 37-38% on production inputs, >10% on miscellaneous costs

6.2. Scale-up strategies

Table C.17. Scale-up strategies of TPG

Strategies	Actions to achieve scale	Case example
Market penetration	Increase orders with existing customers	Receive more orders from chains of international schools and resorts
	Replication	Repeat playground modules at different locations at frequent intervals
Market development	Geographical expansion	Open representative offices in the Central and Southern regions
	Partnerships	Use partners' affiliates to become sub-contract
Product development	Flexible product adjustment	Tailor playground model design based on various budgets and purposes and incorporate cultural twists.
	Facility investments	Invest in production inputs for self-produced facilities
Diversification	New activities	Build playgrounds in rural/mountainous areas

6.3. Scale-up outcomes

Table C.18. Scale-up outcomes of TPG

No. of customers & members	Service expansion	Income generation	Social impacts
7 full-time office workers and 8 factory workers; ~26000 children participants and ~50000 children beneficiaries	200 community playgrounds and 100 business playgrounds at ~100 schools, resorts, etc.	Revenue of ~4-5 billion/year and profit margin of 10%/year from 2018/2019	Raise awareness of the “rights to play” of children and increase safe and green public spaces in urban areas

7. COMPANIES’ STATEMENTS

Table C.19. Statements for service expansion/ income generation failures.

Company	Statement
Tohe	“From 2006 to 2015, Tohe was at a loss, and in 2016 we started to reach the breakeven point and have a surplus. However, in 2020, due to the influence of the Covid epidemic, we had to close our physical stores, [...], we still gain profits but not much.”
MVH	“In the last five years, we incurred losses. From 2017 to 2018, it has been going down. Until this year, it has dropped dramatically. Now I have 30% of the sales of good years.” [...] We used to have stores on Bui Vien and Le Loi but (we closed them as) the rental and costs for staff in the center are very high.”
Sapanapro	“We are not yet successful, not yet able to achieve what we want as we only offer a small amount of product that is given to customers to be consumed.”
MangLub	“In 2019, we partially lived off funding (from the parent company); we could not maintain (the business) just by selling lubricants. [...] Only income cannot cover operating costs, but when we go into projects with partners, they will provide admin or NGO fees and allowances.
ĐạtButter	“In the first three years, we still have no return of capital, no profit yet. Currently, we still do not earn enough to cover operating costs and initial investment capital. Last year, we still lost 50-60 million VND.”
TPG	When the business started, the revenue was just enough to pay the costs; there was no profit. However, in 2018-2019, we had revenue, and the profit margin was about 10%, so we could reinvest. However, until 2020, it does not increase. In 2021, we predict that the revenue will be halved compared to 2020.