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Transcending the pyramid: opportunity co-creation for social innovation

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Highlights:

- Opportunity co-creation by social enterprises and their BOP and TOP partners generates social and economic value
- Opportunity co-creation comprises commercialising the social opportunity characteristics of prevalence, relevance, and accessibility
- Supply side opportunity co-creation involves fulfilling institutional voids, developing relational capital with the BOP, and meeting the needs of the BOP.
- Demand side opportunity co-creation involves generating market access to the TOP, raising awareness of value generated by TPSEs, and fulfilling the needs of TOP customers.

Transcending the pyramid: opportunity co-creation for social innovation**Abstract**

There is a lack of understanding of how social enterprises with their partners co-create opportunities to concurrently generate both social and economic value across the pyramid. Drawing on evidence from multiple case-studies, this paper addresses this gap to further our understanding of opportunity co-creation by social enterprises. We find that social enterprises co-create opportunities to simultaneously generate social and economic value with both the top of the pyramid (TOP) and bottom of the pyramid (BOP) partners; we thus call them Transcending Pyramid Social Enterprises (TPSEs). Opportunity co-creation comprises commercialising the social opportunity characteristics of prevalence, relevance, and accessibility to create both the demand and supply sides of a market. Supply side opportunity co-creation involves fulfilling institutional voids, developing relational capital with the BOP, and meeting the needs of the BOP. Demand side opportunity co-creation involves generating market access to the TOP, raising awareness of value generated by TPSEs, and fulfilling the needs of TOP customers. Opportunity co-creation with BOP and TOP partners not only enables social enterprises to overcome their resource barriers, but also enables them to generate dual value across the pyramid, thus benefiting multiple stakeholders. Co-created opportunities are thus capable of both addressing the economic and social and/or environmental issues of the BOP and meeting the altruistic and consumption needs of the TOP. The implications for social enterprises, their partners, and policy makers are discussed.

Keywords: social enterprises; opportunity co-creation; relationships; bottom of the pyramid; emerging economies; case study

1. Introduction

In recent years, the development of social enterprises that simultaneously generate both social and economic value has caused fundamental shifts to occur in the dichotomy between the social innovation enacted by for-profit (Saeidi et al., 2015; Ozdemir, Kandemir, and Eng, 2017) and not-for-profit sectors (Berger, Cunningham, and Drumwright, 2004). The generation of self-sustaining economic value, rather than solely relying on donor funding, has enabled social enterprises to generate greater social value (Pache and Santos, 2013; Battilana and Lee, 2014; Santos, 2012; Ebrahim, Battilana, and Mair, 2014). In order to generate both forms of value, social enterprises seem to have become increasingly reliant on mutually beneficial and interdependent strategic alliances across the pyramid (Drumwright, 2014; De Silva and Wright 2018). In these alliances, social enterprises and their strategic partners engage in the co-creation of opportunities, which is defined as a “*process in which multiple stakeholders jointly define and solve social problems by mutually selecting and constructing resources to generate both social and economic values*” (Sun and Im 2015, p. 103). While a few studies have discussed the involvement of social enterprises in these alliances (Holmes and Smart, 2009; Pache and Santos, 2013; Battilana and Lee, 2014; Santos, 2012; Ebrahim, Battilana, and Mair, 2014), there is relatively limited knowledge of how social enterprises and their partners co-create opportunities to generate social and economic value (McMullen 2018; Suddaby et al., 2015; Branzei et al., 2018)—the topic on which this study intends to shed light. Accordingly, the main objectives of this study are: first, to investigate *the characteristics* of opportunities co-created by social enterprises with their partners; and, second, to investigate *how* social enterprises and their strategic partners co-create opportunities to simultaneously generate social and economic value across the pyramid.

This study is original in two key aspects. First, the opportunity co-creation perspective extends the current understanding of opportunities pursued by social enterprises; especially because of the involvement of multiple stakeholders in the co-creation of opportunity expands the scope, scale, and variety of the value generated by social enterprises (Sun and Im 2015). Recently, the prominence of opportunity co-creation has increased, with the discussion shifting from the “*individual-venture nexus*” of opportunity towards “*the involvement of multiple stakeholders from both outside and inside the venture to reveal how ‘the many’ [...] pursue opportunities within varied types of collectives and communities*”, especially in order to generate dual value (Branzei et al., 2018: p. 551). The simultaneous creation of social and business value requires social enterprises and their partners to co-create opportunities geared to innovatively combine

social and business missions with market and social mechanisms (Pache and Santos, 2013; Battilana and Lee, 2014; Santos, 2012; Ebrahim, Battilana, and Mair, 2014; McMullen, 2018), thus underscoring the importance of understanding how the collective formation of opportunity occurs (Branzei et al., 2018). Therefore, by advancing a conceptual framework as to how social enterprises and their strategic partners co-create opportunities to generate social and economic value, this study provides important theoretical and practical insights for the managers of social enterprises, their partners, and policy makers.

Second, this study's focus on an emerging form of social enterprises—those that operate in developing and emerging economies, produce products, services, bonds, or shares at the Bottom of Pyramid (BOP) to sell to the Top of the Pyramid (TOP) consumers—adds another layer of originality. Unlike those studied in past research (see Jenner, 2016; Kistruck et al., 2013; Prahalad and Hammond, 2002; Webb et al., 2010), these social enterprises—which we name Transcending Pyramid Social Enterprises (TPSE)—are looking to create and scale social and economic value, which involves not only connecting but also working closely with partners across different institutional contexts. Thus, such enterprises provide a good empirical base for the examination of the co-creation of opportunity, especially in relation to understanding how social enterprises co-create opportunities with partners across the pyramid, an aspect of which we lack a clear understanding (Sutter et al., 2018; Branzei et al., 2018; Mair et al., 2012). The significance of fulfilling this knowledge gap could further be highlighted by the size of the BOP market and its untapped potential to contribute to the global economy. The BOP, which is often located in the more rural regions of developing and emerging countries and comprises 70% of the world's population, is recognised as a significant source of entrepreneurial opportunity (Hart, 2005; Prahalad and Hart, 2002; Webb et al., 2010).

By adopting a multiple case study methodology, we find that, when socially and commercially intertwined opportunities are co-created, the social opportunity characteristics of prevalence, relevance, and accessibility are strategically combined with market mechanisms to form a commercial venture. A key contribution is rooted in how the generation of dual value across the pyramid involves the co-creation of both the supply and demand sides of a market in the BOP and TOP, respectively. In the BOP, social enterprises co-create opportunities with BOP producers, suppliers, research centres, not-for-profit organizations and governments—especially by filling institutional voids, building relational capital with stakeholders, and fulfilling the needs of the BOP. Recently, scholars have called for more research on understanding the role played by alliances and networks in enabling social enterprises to

develop capabilities for social innovation (cf. Philips et al., 2015; Littlewood and Khan, 2018; De Silva and Wright 2018); thus, this study not only highlights the supply-side opportunity co-creation with strategic partners, but also sheds important light onto the specific role of such opportunities in the development of capabilities to co-create value. Social enterprises—together with international distributors, large companies, charities, governments, and retailers—also co-create demand side opportunities to access the TOP market, raise awareness, and fulfil the needs of TOP customers. Both supply and demand side opportunity co-creations together form the TPSEs and enable them to generate social and business value across the pyramid. As such, this paper responds to calls for research aimed at furthering our understanding of the co-creation of opportunity by social enterprises and their partners to generate social and economic value across the pyramid (Branzei et al., 2018; McMullen 2018; Suddaby et al., 2015; Battilana and Lee, 2014).

The remainder of this paper is structured in five sections. Section 2 defines the theoretical background by considering the nature of entrepreneurial opportunity for social enterprises from both a supply and demand perspective. Section 3 sets out how the research questions were addressed through a series of qualitative case studies examining ten social enterprises. Section 4 then presents the findings and analysis by first discussing the social and commercial characteristics of opportunities, and then reflecting on how social enterprises and their partners co-create them. The paper then concludes by considering the implications for social enterprises and their BOP and TOP stakeholders and policy makers in relation to how best to use the co-creation of opportunity in order to concurrently generate social and economic value across the pyramid.

2. Conceptual Background

2.1. The Co-creation of Opportunity and Transcending Pyramid Social Enterprises

Moving on from dyadic supplier-user relationships, the industrial marketing literature has focussed on the relationships that exist between several actors in a network in relation to the production and sales of products and services (Henneberg et al. 2013; Saarijarvi et al., 2013). Similarly, recent discussions in the entrepreneurship literature on the co-creation of opportunity has argued that, besides the entrepreneurs, others inform what an opportunity is (Garud and Giuliani, 2013; Suddaby et al., 2015; Branzei et al., 2018). Thus, the co-creation of opportunity involves multiple stakeholders who jointly define opportunities geared to concurrently generate economic and social value (Sun and Im, 2015; De Silva and Wright 2018). This perspective on

the co-creation of opportunity extends the concept of co-creation, originally developed by Prahalad and Ramaswamy (2004), to reflect the joint creation of value between firms and customers, towards the involvement of diverse stakeholders to generate dual value (Miller, Grimes, McMullen, and Vogus, 2012; Sun and Im, 2015). Accordingly, opportunities do not exist independently of their creators, nor are they evident prior to the creation of value (Alvarez et al., 2015; Suddaby et al., 2015; Wright and Zammuto, 2013); rather, they are co-created by entrepreneurs and their partners through close working relationships geared to generate dual value (Sarasvathy, 2010; Alvarez and Barney, 2007). As no single organization could create value, multi-sector partnerships and alliances have recently emerged as important vehicles of value co-creation (Al-Tabbaa et al., 2019; De Silva and Wright 2018).

While working with other partners provides social enterprises with the resources and learning opportunities necessary for the development of social innovation (e.g., Berger et al., 2004; Phillips et al., 2015; Zadek, Hojensgard, and Raynard, 2001; Philips et al., 2015; Littlewood and Khan, 2018), it has been argued that, as multiple stakeholders may have competing interests, an iterative process of opportunity co-creation enables actors to generate new benefits through the fulfilment of their specific needs (e.g., Al-Tabbaa et al., 2019). During the opportunity co-creation process, new markets, knowledge bases, and networks can be developed (Zahra et al., 2014). While, to some extent, the literature has discussed the economic and behavioural factors that influence the success of the relationships that exist within a network of actors (Hadjikhani and LaPlaca 2013), there is a lack of emphasis on how these actors and alliance partners jointly co-create opportunities for the simultaneous generation of social and economic value across the pyramid (Littlewood and Khan, 2018; Philips et al., 2015). The intertwined nature of social and economic value is distinct from the more traditional ways in which social enterprises have created value: a key difference being that social enterprises are in close working relationships with different actors who have different objectives (Zahra et al., 2008; McMullen and Bergman, 2017; McMullen and Warnick, 2016).

In order to generate dual value, co-created opportunities should share the characteristics of social and commercial ones. Zahra et al. (2008) and Zahra, Newey, and Li (2014) argued that social opportunities are distinct from economic ones. Hence, Zahra et al. (2008) conceptually identified five characteristics specific to social opportunities: prevalence (i.e., the pervasiveness of a need in human society), relevance (i.e., the convergence between an entrepreneur's capabilities and resources, and the salience of an opportunity), urgency (i.e., the need/urgency to respond to unforeseen events such as hurricanes, tsunamis, or genocides),

accessibility (i.e., the perceived difficulty of addressing a need by formal welfare mechanisms), and radicalness (i.e., the need to introduce major social change or innovation to address a social issue). They further argued that the opportunities pursued by a social enterprise may have any or all these characteristics. As the opportunities co-created by TPSEs and their partners involve market mechanisms (i.e., the production and selling of goods for profit), it is important to understand how the commercial and social characteristics of opportunities are integrated by firms working with diverse partners. With regard to the commercial nature of such opportunities, Sarasvathy et al. (2003, 2010) argued that, in situations in which neither supply nor demand exist, entrepreneurs need to create new markets. Hence, in order to provide a theoretical underpinning for this study, the following sections review the literature on the supply side conditions that are prevailing in the BOP, with whom TPSEs produce products and services, and the demand conditions found in the TOP, to whom TPSEs sell goods. Such understanding is expected to be important in relation to investigating how social and commercial characteristics are integrated by social enterprises and their partners when co-creating opportunities.

2.2. The Co-creation of Supply Side Opportunities: the BOP and Transcending Pyramid Social Enterprises

The emerging and developing countries in which the TPSEs' production function is located are often characterised by a lack of formal institutions supporting entrepreneurial activities (Khanna and Palepu, 1997; Webb et al., 2009; Mair et al., 2012) and by “*institutionally complex context[s]*” (Mair et al., 2012, p. 842), which have often been referred to as institutional voids. These comprise the absence of regulatory systems, efficient government ministries and bureaucrats, intellectual property rights, specialized intermediaries, and strong contract-enforcing mechanisms (Golenkova and Igitkhanian, 2008; Puffer and McCarthy, 2007). Thus, the institutional economics literature has argued that institutional voids negatively influence market development (Chan, 2002; Rodrik, 2007), and pose greater challenges for firms operating in emerging economies (Khanna, Palepu, and Sinha, 2005; Khanna and Rivkin, 2006).

In opposition to the negative influence of institutional voids, the work of sociologists highlights how, in environments with weak institutional frameworks, social movements give rise to market formation and harness institutional resources (Bourdieu, 2005; Anteby, 2010). In coining the term ‘inhabited institutions’, Hallett and Ventresca, (2006) argued that “*on the one hand, institutions provide the raw materials and guidelines for social interactions (‘construct*

interactions'), and on the other hand, the meanings of institutions are constructed and propelled forward by social interactions" (p. 213). Hence, institutional infrastructure and market formation seem to present context-dependent, dynamic interactions (Mair et al. 2012). While, on the one hand, institutional voids may negatively influence market formation, as institutions are formed by social interactions, on the other hand, the voids may open entrepreneurial opportunities for market creation. It has been argued that, in institutional voids, entrepreneurs reduce the uncertainty caused by weak institutional environments by relying on their relationships and trust with BOP partners. Specifically, social entrepreneurs and local commercial businesses are found to form cross-sector alliances aimed at overcoming the "hurdles of implementing BOP models" (Seelos and Mair, 2007: p. 49; Battilana and Lee, 2014; Doherty, Haugh, and Lyon, 2014). The establishment of alliances between social enterprises and other BOP partners is an important mechanism in regard to gaining access to resources and capabilities that are conducive to the development of social innovation in resource-constrained environments (cf. Rao-Nicholson et al., 2017; Philips et al., 2015); through such relationships, social enterprises can provide novel solutions to social problems (Matthyssens and Vandembemt, 2008; Littlewood and Khan, 2018). Mair et al. (2012) discussed how, in institutional voids, intermediaries build inclusive markets through micro-processes that involve bringing together local actors, leveraging local support structures, legitimizing new actors, and creating spaces for interactions. What these past studies suggest is that, in institutional voids, new markets are built by specifically leveraging local networks, structures, and knowledge.

It is reasonable to suggest that TPSEs, that emerge from—and work with—BOP partners, may have the advantage of knowledge, network, and embeddedness in specific local contexts, which would enable them to co-create opportunities to produce goods suited to generate both social and financial value in BOP markets with significant institutional voids. Therefore, it is possible that such voids present a significant potential for social enterprises to form relationships and develop novel capabilities for the enactment of social innovation, which, in turn, enables social enterprises to address voids. Thus, it would be of value to understand how social enterprises and their BOP strategic partners co-create opportunities to develop the supply side of markets in BOPs characterised by institutional voids. This paper aims to provide key insights on these aspects.

2.3. The Co-creation of Demand Side Opportunities: the TOP and Transcending Pyramid Social Enterprises

Those studies that have specifically focussed on social enterprises—and on the internationalisation of social enterprises in particular—have highlighted pro-social behaviours as a major source of the income that determines the survival of these enterprises (e.g., Mair and Marti, 2006; Mair et al., 2012; Pache and Santos, 2013; Zahra et al., 2009). Pro-social behaviours involve the willingness to sacrifice personal gain for the benefit of society (Griskevicius, Van den Bergh, and Tybur, 2010) and future generations (Peattie and Crane, 2005). It is argued that social enterprises strive to address the challenges faced by affected people even in the presence of uncertain or negative returns, and that the internationalization of these ventures is facilitated by the altruistic behaviours of people who are keen to help others in need, and by the commonness of social challenges, which provides opportunities for social enterprise models to be applied in multiple countries (Zahra et al., 2008; Gupta 2017).

However, recent research has criticised the heavy reliance of social enterprises on the use of donation-based funding as a mechanism to capitalise on pro-social behaviours and has argued that these ventures should be financially self-sufficient (Pache and Santos, 2013; Ebrahim, Battilana, and Mair, 2014). Yet, these past studies have also highlighted the difficulties inherent in the simultaneous achievement of both social and commercial values, as entrepreneurs have to bridge potentially conflicting goals and divergent stakeholder interests (Santos, 2012; Pache and Santos, 2013; Ebrahim et al., 2014). Within the industrial marketing literature, relational selling strategies have been noted to play a vital role in deepening the interactions with customers (Dwyer et al., 1987; Morgan and Hunt, 1994; Jap and Ganesan, 2000; Zhang et al., 2016). As social enterprises lack key relational strategies when engaging with the provision of commercial value, the establishment of alliances with the TOP can be an important mechanism in relation to the development of such capabilities for selling products and services to TOP customers. As developing good connections with TOP customers requires the establishment of long-term trustworthy relationships, TOP alliances will enable social enterprises to develop long-term orientations with TOP customers, with a focus on both building and maintaining customer relationships (cf. Weitz and Bradford, 1999). Whereas comparatively more is understood about the need for the entrepreneurialism of actors for the concurrent generation of economic and social value and relationship building with those who provide access to customers (Pache and Santos, 2013; Battilana and Lee, 2014; Santos, 2012; Ebrahim, Battilana,

and Mair, 2014), less is understood about how social enterprises, with their TOP strategic partners, co-create opportunities to sell goods to TOP customers.

In summary, this article investigates the characteristics of the opportunities co-created by social enterprises with their BOP and TOP partners, and how social enterprises and their strategic partners co-create demand and supply side opportunities aimed at simultaneously generating social and economic value across the pyramid.

3. Context and Methods

This study adopted an exploratory inductive approach, examining multiple case studies of social enterprises that are working closely with BOP and TOP partners (Eisenhardt, 1989; Eisenhardt and Graebner, 2007; Yin, 2013) with the aim of generating key insights from contextually rich qualitative data (Lincoln and Guba, 1985). The cases were focussed on the co-creation of opportunity by TPSEs and their strategic partners to create social and financial value. The adoption of the inductive multiple case study method was important due to the limited theoretical underpinning and the context-bound nature of opportunity co-creation (Eisenhardt and Martin, 2000; Eisenhardt and Graebner, 2007). In addition, this approach was suited to the how and why questions (Yin, 2003) that this study aims to answer. Furthermore, the literature argues that opportunity creation can only be observed once such creation has occurred (Dimove 2011), thus further supporting our use of case studies of TPSEs that, with their partners, had already established their businesses and generated social and business value across the pyramid.

The data collection involved two stages in 2018. First, we conducted in-depth semi-structured qualitative interviews with ten TPSEs originating from a number of emerging economies (i.e., Cambodia, Ghana, India, Jordan, Kenya, Malawi, Mexico, Pakistan, Palestine, Philippines, Vietnam, and Zambia). In total, we conducted ten interviews with key informants such as Founders and Directors from each case study. Each interview lasted 60 to 90 minutes. Due to their specific roles in the initiatives, Founders/Directors are considered to have a comprehensive understanding of the work relationship with strategic partners, opportunities, and operations (Dexter, 1970). All interviews were transcribed, reviewed, and, if necessary, corrected by the interviewees to improve accuracy (Huber and Power, 1985). During the second stage, the data from the interviews were supplemented with several other sources of data, particularly to develop a sound understanding of the TPSEs' close interactions with their strategic partners and for triangulation purposes. The sources of the data gathered during the

second stage included email exchanges with the TPSE’s strategic partners, the websites of the case firms and their strategic partners, published case studies of these companies, relevant magazines, newspapers articles and reports that provided information on the opportunity co-creation processes of TPSEs.

The adoption of these comprehensive data gathering stages and the use of both primary and secondary data enabled us to form a detailed understanding of each case and facilitated triangulation, thus increasing reliability and validity—a practice often adopted in qualitative research (Fernandez et al., 2014; Anand and Watson, 2004; Carroll and Swaminathan, 2000; Phillips, 1994; Beverland, 2005). This was especially important in consideration of the iterative and simultaneous process of going back and forth between the data and the literature on opportunity co-creation, social enterprises, and strategic alliances in order to yield theoretical replication (Suddaby, 2006). A number of topics were explored during the two data gathering stages; these included the social innovation enacted by TPSEs, how these enterprises co-create opportunities, the characteristics of such co-created opportunities, internalization approaches, value creation strategies, the production process in the BOP, the marketing process in the TOP, their target markets, and the key capabilities and strategies needed for the creation of social and commercial value. Table 1 provides details of the TPSEs along with their activities, BOP countries of operation, international TOP customer bases and the titles of the interviewees.

Table 1: Description of TPSEs

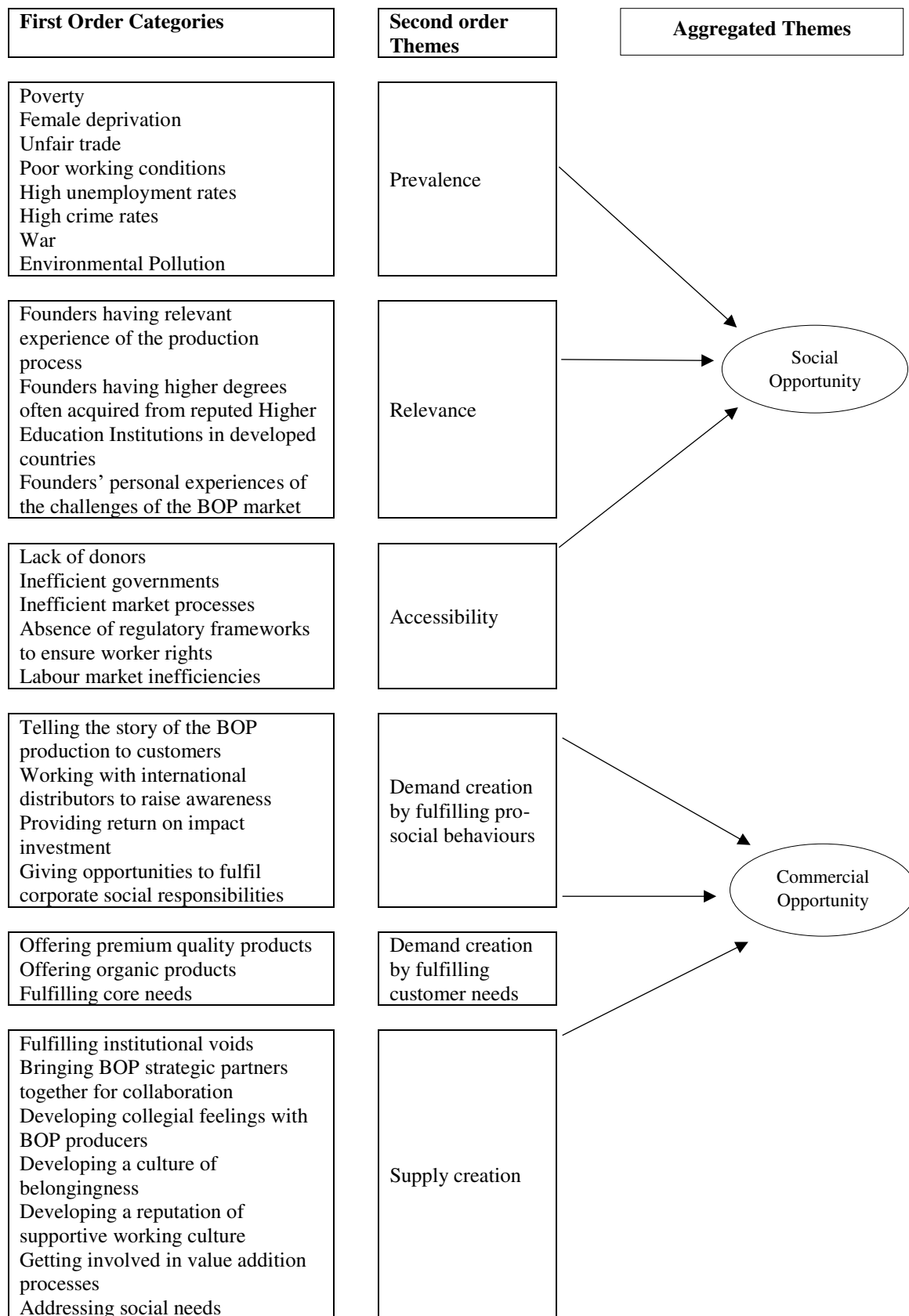
| Case No. | Key Activity | Title of the interviewee | BOP country of operation | International TOP customer base |
|----------|-------------------------------------------------------------------------------------------------------|-------------------------------|-----------------------------------|--------------------------------------------------------------------------------------------------|
| C 1 | Working with waste pickers to convert plastic waste to ethical filament for 3D printers | Founder | India | Small- and medium-sized distributors based in the US, UK, and Germany |
| C 2 | Working with refugee women to develop embroidered products | Founder | Jordan | TOP buyers and investors |
| C 3 | Working with prisoners to produce tattooed bags, wallets, belts and other accessories | Founder | Mexico | TOP customers via 11 shops around Mexico as well as internationally via online sales |
| C 4 | Working with garment workers to produce fairly traded and ethically sourced clothing | Founder | Malawi | UK buyers |
| C 5 | Working with disadvantaged refugee women to provide remote creative technology and business solutions | Founder | Palestine | Companies and start-ups in the US and Switzerland—e.g., Google, Service Alliances, US |
| C 6 | Issuing shares to invest in businesses started by poor young entrepreneurs | Executive Director | Pakistan | Investors mainly from developed countries |
| C 7 | Issuing bonds to provide loans to disadvantaged women to start businesses | Founder/ Managing Director | Cambodia, Philippines and Vietnam | Developed country investors including Singapore, the US and the UK |
| C 8 | Working with cocoa farmers to produce premium quality fair-trade chocolate | Director | Ghana | TOP buyers across the US, the UK, Scandinavia, the Netherlands, the Czech Republic, South Korea, |

| | | | | |
|-----|--------------------------------------------------------------------------------------------------------------------------------------|----------|--------------------------|--------------------------------------------------------------------------------------------------|
| | | | | Hong Kong, Japan, and Australia |
| C 9 | Working with poor communities to manufacture hand-stitched sports balls from local leather | Director | Kenya, Zambia, and Ghana | Organizations such as UNICEF, UEFA, Arsenal and Coca-Cola as well as TOP customers buying online |
| C10 | Working with farming families to produce organic, premium quality fairly-traded produce such as olive oil, almonds, spices and dates | Founder | Palestine | TOP customers in the UK and Ireland |

We adopted the standard approaches for qualitative data analysis (Eisenhardt and Graebner, 2007; Sinkovics, Penz, and Ghauri, 2005; Yin, 2013). Within and cross-case comparative analyses (Eisenhardt and Graebner, 2007) were performed to understand the characteristics of the opportunities co-created by TPSEs and how these co-created opportunities with their strategic partners in the TOP and BOP. We first transcribed the interviews and developed brief case studies by triangulating and integrating these with secondary data.

During the data analysis process, we constantly engaged with the key themes emerging from the data and the existing literature in order to establish theoretical connections (Gioia et al., 2013). Two researchers independently engaged in the coding process, which was then reviewed and agreed upon by the two researchers after also cross-checking with the literature on the characteristics of social and commercial opportunities, strategic alliances, and social enterprises, which was important for valid theory building purposes (Miles and Huberman, 1994; Strauss and Corbin, 2008). As co-created opportunities seem to involve both social and commercial objectives, we utilized the frameworks put forward by Zahra et al. (2008) and Sarasvathy et al. (2010) to evaluate the social and commercial sides of the opportunity, respectively. Of the five characteristics of social entrepreneurial opportunities conceptually presented by Zehra (2008), only three—namely, prevalence, relevance, and accessibility—were found to be present in relation to our TPSE cases. During the data analysis process, we constantly engaged with the key themes emerging from the data and the existing literature in order to establish theoretical connections (Gioia et al., 2013). The resulting data structure, consisting of first-order categories and second-order themes, along with their corresponding aggregate dimensions, is depicted in Figure 1.

Figure 1: Data analysis structure



4. Analysis and Findings

In this findings section, we initially discuss the strategic partnerships formed by our sample TPSEs in the BOP and TOP to co-create opportunities. We follow this with an illustration of the characteristics of co-created opportunities. We then discuss how the TPSEs and their strategic partners co-created supply- and demand-side opportunities at the BOP and TOP, respectively. Finally, in the findings section, we demonstrate how the co-created opportunities had generated both social and economic value across the pyramid.

4.1. Strategic Alliances Formed by Transcending Pyramid Social Enterprises

This section unpacks the strategic alliances formed by our sample TPSEs to co-create opportunities suited to simultaneously generate both social and business value across the pyramid. The BOP production functions had mostly been set up in emerging and developing markets and most TOP customers were from developed countries; thus, these social enterprises seemed to have internationalised during the early stages of their formation. Due to the intertwined commercial and social arms of social innovation (Doherty, Haugh, and Lyon 2014), which include a production process and social impact generation route, our sample TPSEs had created social and financial value simultaneously. Interestingly—as indicated in Table 2 with representative quotations in relation to each case—in pursuing opportunities, our sample TPSEs had developed strategic relationships with BOP producers, suppliers, local governments, and other relevant stakeholders to produce products and services, which they sold to TOP customers. TPSEs were also collaborating with several organizations to sell their goods to TOP, including large companies, charities, governments, and retailers (Table 2). Without such strategic alliances, our sample TPSEs would have been unable to generate and scale up their social and economic value concurrently. Strategic alliances on the production side (i.e., at the BOP) had been of paramount importance to co-create opportunities to solve social challenges through commercial operations. Strategic alliances on the demand side had enabled our sample TPSEs to co-create opportunities to access the market, bridge the TOP and BOP, secure financing, and overcome resource barriers. Here, co-creation means that the supply- and demand-side of our sample TPSEs' operations were being decided and carried out in close working relationships with their strategic partners; thus, all of them were involved in creating opportunities to generate dual value, as such opportunities co-created with strategic partners had been the key for these social enterprises to generate social and business value.

Table 2: Strategic partners of the sample TPSEs in the BOP and TOP

| Case No. | TPSEs' partners at the TOP | TPSEs' partners at the BOP |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| C 1 | <p>SME buyers of ethical filaments - "Our buyers are mostly SMEs based in the US, UK, and Germany ... customers find our story of ethical and sustainable production of ethical filaments attractive ... it differentiates our filaments from other types of filaments available in the market"</p> <p>Charities – "They helped us with market entry and promoted and standardised an ethical way for filament to be made from the plastic collected by waste collectors"</p> | <p>Cooperative wholly owned by waste pickers – "in collaboration with corporative S, which is fully owned by plastic pickers, we set up a production facility closer to the dump yard in order to convert plastic waste to 3D printing filaments ... Everything we have achieved has been possible through collaboration with local organisations. Partnership with 'S' has been particularly useful and has enabled us to tackle this important social issue in an organised and professional manner" National R&D companies – "We also have a partnership with National Chemical Lab. Their help has been invaluable in the development of the additive that prevents filament warping. We've also received a government grant in collaboration with NCL" Local suppliers – all our equipment is produced locally"</p> |
| C 2 | <p>UK government: "Another collaboration is with the UK Gov (the DFID—the Department of Foreign Investment and Development). Together with the DFID, we are working on the development of our venture's international distribution expansion. Here again, if our brand goes international, we will be able to work with more and more refugees and this is the area in which the UK government is interested in collaborating"</p> <p>Collaboration with hotels – "We also have a collaboration in place with a landmark hotel. Within their corporate social responsibility policy, they wanted to help refugees. A space has been provided to us (for setting up our shop) at the hotel's lobby "</p> | <p>Refugee camps – "We started really small, with only 20 girls producing just 1 product. Slowly, the number has grown to 300 embroiderers and now, after four years, we have 280 SKUs (stock keeping units—i.e., different products). The vast majority of our colleagues in the camps are refugees."</p> |
| C 3 | <p>International buyers via their own shops - "Our strategy is to develop our business in Europe as well as continue to grow sustainably in Mexico. Every time we open a store, it helps us to expand our reach to more jails while also giving us a chance to do more for the prisoners within our existing jails."</p> | <p>Prisons – "We are working with eight Mexican jails and the people that are within them. This collaboration is hugely important for us. The founder's knowledge of being in jail helps. We have looked at prisons with high female populations to grow the number of women in our workforce. This collaboration works effectively like a network—i.e., the prisoners recommend other talented artists (prisoners) to us. As we pay the artists, it is a win-win situation for all. Hence, the 'recommendations' and 'word of mouth' from these informal networks help our business.</p> <p>Local suppliers – "We also work with suppliers in order to source material of good quality for our products"</p> |
| C 4 | <p>Large charities/organizations – "Partnering with larger organisations that have more resources than us has been key to our survival. For example, we have been able to tap into the resources of large charities and to use their relatively wider</p> | <p>Accomplished designers – "Also, collaborating with an accomplished designer to do the artwork has helped us enhance our communications. It helps us tell our</p> |

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| | <p>networks. On the other hand, we have provided them with a platform to achieve their objectives ... We run a variety of agreements with different charities. For example, some charities will have a link to our product on their website, and they get a small percentage of our sales if people click on the link on their website and make a purchase ... At the same time, another charity with which we collaborate has a strong presence in Malawi. They help us with on-the-ground support and as our business mentors"</p> | <p>story and demonstrates our distinctiveness. We use relatively simple materials, but the designs that we create from them are unique."</p> <p>Local suppliers – “All the materials are sourced locally.”</p> |
| C 5 | <p>International start-ups/companies who source low cost services and avenues for their corporate social responsibility – "For the customers, we generate value by charging <i>reasonable prices</i>. We also act as a one stop shop ... some customers, like Google, hire us as part of their corporate social responsibility activities ... We have access to qualified talent, so our clients can be sure that we have sourced the best people. We do thorough checks of the talent's capability and qualifications ... We also work with various start-ups who are looking to hire freelancers for various business purposes."</p> | <p>Disadvantaged freelancers – “For the freelancers/contractors, we generate value by offering them training. We also provide them with job opportunities and guarantee that they get paid for their work. We give them the flexibility to choose their own work hours. Furthermore, through effective quality assurance, we are able to provide constructive feedback to freelancers on the quality of their work. Finally, we are also able to provide them with access to the global market. This means that they are always up to date with the latest technologies."</p> |
| C 6 | <p>International investors who invest on not only for return on impact investment but also for generosity – “We would like to introduce Company K to a wider audience of development professionals, microfinance experts, international investors ... We share stories about the borrowers in our crowdfunding platform. The money raised is used to fund the borrowers’ needs/requirements. E.g., X comes to us with her need, We share the story with care and, when the money is raised, we provide X with the money raised.”</p> <p>Government – "Through a 'Public Private Partnership' model, we work with the relevant government department to create a fund, which we manage as a trusted partner. We, in turn, charge a service fee, in the range of around 7-10%."</p> | <p>Marginalised start-ups or those who would like to start companies – “Our mission is to alleviate poverty. We are empowering socially and economically marginalised families by providing them with interest free microfinance. We also provide them with training to develop their entrepreneurial potential, capacity building, and social guidance’</p> |
| C 7 | <p>International investors who are seeking to combine social and financial returns – “They create a liquid market for public investments that generate social and environmental value. It's a bit like large scale ‘crowdfunding’ as an investment, and not a donation, and can catalyse the democratisation of social capital markets, shifting their impact from niche to mass” [secondary data].</p> <p>Stock exchange and banks in the investor country – “Externally, we collaborate by tapping into the investment network. We also look to educate people through our knowledge management team and our research advisory team. Two large banks (DBS and ANZ) have helped us with the women's livelihood fund. We try to use a) a strategic approach and b) our philanthropic appeal to collaborate with many different organizations/ governments. Our priority is to make the best use of any grant capital and use our leverage for subsequent bonds ... We bring innovative</p> | <p>Social enterprises – “We sell shares and bonds of social enterprises, and the funds raised are reinvested on them.”</p> |

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| | <p>financial instruments to investors who are seeking to combine social and financial returns.”</p> <p>Developed country governments and other organizations – “We collaborate by tapping into the investment network ... we use our philanthropic appeal to collaborate with many other organizations/governments.”</p> | |
| C8 | <p>Charities – “They help in the process of establishing the company and marketing”</p> <p>Trading organizations – “X, a not-for-profit trading company, provides cocoa farmers with access to the market”</p> <p>The UK Department for International Development – “their help was very important at the initial stages to bring together different companies and to pass a loan to set up the company”</p> | <p>A corporative jointly owned by Cocoa farmers – “Our company is jointly owned by a cooperative with approximately 85,000 cocoa farmers in Ghana. They receive a share of the profit, power, and global recognition. One out of four Board Meetings every year is held in Ghana”</p> |
| C 9 | <p>Retail or corporate channels – “Our balls are individually screen-printed by hand, which enables them to be customised and used as educational tools by delivering health messages to players [secondary data] ... we partner with a range of organisations, including Arsenal in the Community, Tackle Africa and the Marketing Academy, and have delivered large orders for clients such as Nestlé, Coca Cola, and UNICEF [primary data]”</p> <p>NGOs – “We work with a lot of big NGOs (e.g., Plan International) ... Our expertise lies in delivering education through sport. NGOs (e.g., Star Lizard) will contact us to help deliver courses and roadshows around HIV and sexual health education.”</p> | <p>Supplier and buyer relationships – “We also collaborate with the likes of Gulf stream. Our collaboration works like this ... they donate their leather seats. We use the leather to make the balls. They then buy the balls at a discounted rate and sell them in their retail stores.”</p> |
| C10 | <p>A Private network of Fair trade Enthusiasts in the UK: “The company’s range includes Medjoul dates, almonds, herbs, maftoul, and freekeh, as well as olive oil soap, and is sold throughout the UK in shops and through a private network of Fairtrade enthusiasts and supporters of justice for Palestine”</p> <p>NGOs – “Oxfam are effectively our nationwide shop. They have made our products accessible to people across the UK. It would be difficult to replace our major customer base should Oxfam decide to discontinue our products. Luckily, Oxfam are keen to support farmers and help them access a customer base here in the UK. Oxfam also advises us over any supply chain challenges.</p> | <p>Family owned olive farming businesses – “We source olive oil and dates from Palestinian farmers.”</p> <p>Fairtrade organizations – “The fair trade market had to understand that there was an opportunity in their market for fair trade oils. We worked with various fair trade companies to understand how we could ethically source our product. The olive oil farms in Palestine are family-owned, and so they are quite different from the industrial style farms found in other areas.”</p> <p>Other companies involved in Fairtrade – “We found the fair trade world to be quite inclusive. We work with other fair trade companies such as Divine Chocolate and Café Direct.</p> |

4.2. The Characteristics of Opportunities Co-created by Transcending Pyramid Social Enterprises and their Partners

We discuss the characteristics of co-created opportunities with a special focus on highlighting how TPSEs engage in commercialising social opportunities to generate both social and financial value. As presented in Tables 3-5, the analysis reveals that three of the five characteristics of social opportunity presented by Zahra et al. (2008) are demonstrated by the TPSEs—i.e., prevalence, relevance, and accessibility. First, the social opportunities pursued by TPSEs were aimed at addressing the social needs *prevalent* in emerging economies, such as poverty, female deprivation, unfair trade, high unemployment rates, poor working conditions, high crime rates, war, and environmental pollution (Table 1). For instance, it was stated that: “*Social enterprises are well positioned to bring growth and equity in the Asia and Pacific region, where about 700 million people are living on less than one dollar a day*” [C7]

Our sample TPSEs, through their enterprises, aimed to address these challenges:

“Our company addresses the twin issues of poor conditions for waste pickers and plastic waste pollution ... More than 300m tonnes of plastic are produced globally every year, with much of it ending up polluting the environment ... The size of this market is huge. There are approximately 15 million people in the world involved in waste picking ... We improve their working condition and provide them with a more stable and higher income than picking and selling plastic” [C1]

These social challenges were being addressed by products and/or services that turn social challenges into opportunities. For example, environmental pollution and poor working conditions were being addressed by working with a cooperative wholly owned by waste pickers, national R&D companies, and local suppliers to produce ethical filaments, which adds value to plastic waste, rather than simply ‘picking and selling’ it. This social innovation has provided better income and working conditions to plastic pickers, while also reducing the pollution caused by plastic waste [C 1]. Other cases revealed that, in order to address the female deprivation prevalent among refugees, TPSEs were working with refugee camps to supply products and services—such as ethical clothing [C 2] or online creative technology and business solutions [C 5]—that provided employment opportunities and address the wellbeing related issues faced by deprived communities, while also generating financial benefits. The challenge presented by the high crime rates found in Mexico was being addressed by working with prisons to develop accessories [C3]. As such, rather than relying on donor agencies to

fund social enterprises to address social challenges, our sample TPSEs were creatively addressing the social challenges *prevalent* in these economies by developing a commercial arm in collaboration with organizations at the BOP. In doing so, our sample TPSEs were capitalising the motivations of TOP customers to contribute towards addressing the social challenges prevalent in BOP markets (i.e., in addition to the other value the TOP customers were receiving by consuming the products/services) (Table 3).

Table 3: Prevalence: Social opportunity characteristic

| First Order Categories | Representative quotations |
|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Poverty | “Social enterprises are well positioned to bring growth and equity in the Asia and Pacific region, where about 700 million people are living on less than one dollar a day.” [C7] |
| Female deprivation | “Jordan refugees face a lot of constraints both in terms of education and employment. They have access to free education only up to grade 9 and are unable to work in any state jobs.” [C 2] |
| Unfair trade | “Olive farmers in Palatine were selling their oil at a price below the cost of production to Israeli traders. We decided to do something about it and found an opportunity in the UK market, which guaranteed fair trade” [C10] |
| High unemployment rates | “More than half of our stitchers had never been in formal employment before.” [C 9] |
| Poor working conditions | “It was evident in a recent report published by Labour Behind the Label that western high street fashion brands are exploiting garment workers in developing countries [secondary data] ... We address the issue of the lack of ethical garment production in the developing world and sell ethically produced fashion to western consumers” [primary data]” [C 4] |
| High crime rates | “Reoffending rates in Mexico stand at 44% ... the prison population is just under 250,000 [secondary data] ... even though prison labour is quite commonly used by companies in Mexico, it is poorly paid and carried out under very poor working conditions, but we genuinely care about making a positive impact to the lives of prisoners. We offer them training opportunities, better pay, good working conditions and, more importantly, rehabilitation [primary data]” [C 3] |
| War | “We help thousands of Palestinian farmers and their families who are affected by the Israeli occupation” [C10] |
| Environmental Pollution | “Most of our balls are made with leather that would have otherwise gone to landfill sites. So we are helping the environment. We have also successfully used leather from old handbags, airline seats and car seats, and turned it into sport balls such as footballs, rugby balls, handballs, and netballs” [C 9] |

Second, the founding entrepreneurs seemed to possess *relevant* BOP and TOP skills, experience, and qualifications that were of value to co-creating social opportunities (Table 4). For instance, all the founding entrepreneurs, except one, held higher degrees awarded by reputable developed country higher education institutions. They also seemed to have relevant experience (e.g., having previously worked as environmental engineers, software engineers, artisans, etc.) of the production processes used in the enterprises. All the founding entrepreneurs seemed to have had personal experience of the challenges prevalent in the BOP

market (e.g., as a result of having been born and bred in it). This unique blend of experience in both the TOP and BOP markets had made them capable of perceiving the social challenges prevalent in emerging economies, as well as the demand conditions at the TOP—most of which exist in developed world—as opportunities to establish ventures. This exemplifies how they had made use of their relevant qualifications, knowledge, skills, and networks to engage in social innovation between BOP producers and TOP customers.

Table 4: Relevance: Social opportunity characteristic

| First Order Categories | Representative quotations |
|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Founders having relevant experience of the production processes | <p>“I got the opportunity to attend a training programme on tattooing art form during the 11 months I spent in a Guadalajara prison waiting for trial” [C3]</p> <p>“I am an environmental engineer, hence, have necessary experience [C1]</p> <p>Being a software engineer was very helpful [C5]</p> <p>“Producing filaments for 3D printers from plastic waste” [C1]</p> |
| Founders holding higher education degrees, often awarded by reputable developed country institutions | <p>PhD Student, MIT Atmospheric Chemistry Modelling Group</p> <p>Manufacture embroidered products with refugee women [C2]</p> <p>BSc WU (Vienna University of Economics and Business)</p> <p>Produce fairly traded and ethically sourced clothing [C4]</p> |
| Founders’ personal experience of the challenges found in the BOP market | <p>BSc. The National College of Art and Design, Dublin</p> <p>MSc, Birkbeck, University of London [C5]Developing social impact bonds for social enterprises [C7]</p> <p>BA Government, Economics - Smith College; The Johns Hopkins University-MA- International Relations, International Economics with focus on Energy and Environment ; The Wharton School - MBA- Finance</p> <p>Developing bonds to offer loans to disadvantaged entrepreneurs [C6]</p> <p>Master’s degrees in Public Administration, American University; LUMS-Mc Gill University Social Enterprise Management Programme; Hubert H. Humphrey Fellowship in Public Administration, American University; Bachelor of Medicine, Bachelor of Surgery (M.B.B.S.), King Edward Medical College”</p> <p>“Tough personal experiences/circumstances growing up in Jordan and Palestine. My peers and I could not find jobs. This made me want to change the status quo and find a solution to this common problem. Women, in particular, were the worst affected e.g. they couldn't travel easily or freely for work" [C5]</p> |

Third, it also emerged that the BOP comprised a myriad of institutional voids, including a lack of formal institutional support for entrepreneurship (Table 5). As a result of weak institutional infrastructure, these markets did not seem to operate to their full potential. Our respondents highlighted how they had spotted the voids—e.g., a lack of donors, inefficient governments, inefficient market processes, absence of regulatory frameworks to ensure worker rights and labour market inefficiencies—that had given rise to the formation of TPSEs. These entrepreneurs had pursued these institutional voids—resulting from the absence or complexity

of the formal institutions addressing the challenges prevalent in BOP markets—as opportunities to form ventures. Hence *accessibility*, defined as the perceived difficulty in addressing a need through formal welfare mechanisms, had positively influenced the co-creation of opportunities by TPSEs (see Table 5 for additional quotes):

“People [in Tanzania] play with footballs made of plastic bags and string. The government does not seem to deal with this. We wanted people to use footballs that were durably built ... We started the business in Africa for this. We continue to provide ethical and sustainable jobs to local communities... We then sell these through retail or corporate channels—for example, UEFA and Arsenal. All of our profit goes straight back into the organisation, and we use it to fund health education/sport coaching programmes” [C9]

Table 5: Accessibility: Social opportunity characteristics

| First Order Categories | Representative quotations |
|----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Lack of donors | “The days of unlimited philanthropy and donor funding are over ... NGOs are preparing to graduate from donor dependency by changing their legal status and becoming for-profit social enterprises [secondary data] ... the effects of the lack of donor funding are catastrophic to social enterprises in Asia, who are generally mid-sized and are in limited resource environments. Yet, their operations in this specific poor region provide them with unique opportunities. If an innovative business model is used, they could easily turn the lack of donor funding into an opportunity [primary data]” [C7] |
| Inefficient governments | “He saw people playing with footballs made with plastic bags and strings. The government does not seem to deal with these. He [the founder] wanted people to use footballs that were durably built. He thought about shipping balls over from Europe or Asia but he wanted to help the local community by manufacturing locally and thereby providing the local workforce with some much needed jobs” [C9] |
| Inefficient market processes | “When I visited a local rubbish dump in my home city of ‘P’, I was shocked by the working conditions ... They were simply collecting and selling plastic waste to scrap dealers ... There was no value addition process ... The place was really smelly and surrounded by crows and pigs ... Approximately 15 million people in the world are involved in waste picking” [C1] |
| Absence of regulatory frameworks to ensure worker rights | “Garment workers do not receive a fair wage, training, and the opportunity to become financially independent. Even though there are opportunities to source materials locally, benefiting the wider community, there was no market for it” [C4] |

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| Labour market inefficiencies | “More than 30,000 Palestinian refugees are living in Jordan’s Jerash camp ... They could not find employment outside the camp. No jobs are offered to them and they have little access to education” [C2] |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Accordingly, our findings on co-created entrepreneurial opportunities suggest that *prevalence, relevance and accessibility*—three of the five characteristics of social entrepreneurial opportunity discussed by Zahra et al. (2008)—positively influence venture formation to transcend the BOP producers and TOP customers. Yet, we did not find any evidence to suggest that co-created opportunities have the characteristics of urgency (to respond to unforeseen events) or radicalness (i.e., related to the introduction of major social change or innovation); two characteristics that are usually associated with high risks. This may be due to TPSEs being unwilling to take huge risks in relation to their location in emerging markets, which are characterised by a lack of support for risk mitigation or tolerance. Also, due to the involvement of several strategic partners in the opportunity co-creation, tolerance of greater risks would have hampered success. Even though the literature seems to differentiate between social and commercial opportunities, our findings indicate that TPSEs use market-oriented (i.e., commercial) mechanisms to exploit social opportunities. The interplay between the social and commercial sides of opportunities lies in the way in which TPSEs co-create the supply- and demand-sides by establishing commercial ventures in collaboration with their strategic partners in order to capitalise on the challenges of the BOP market and the demands of TOP customers. We discuss this in the following sections.

4.2. How opportunities are co-created by Transcending Pyramid Social Enterprises and their strategic partners

Our analysis revealed that our sample TPSEs had co-created both supply- and demand-side oriented opportunities as these markets did not exist in any obvious manner, which echoes Sarasvathy et al. (2010)’s categorisation of entrepreneurial opportunity creation. The findings suggest that the ventures established by TPSEs brought them together and enabled them to work closely with their strategic partners, to both inform and pursue opportunities collectively from both the supply- and demand-sides.

4.2.1. Strategic alliances with BOP as a means to co-create supply side of the opportunity

The strategic partners of our sample TPSEs in the supply side include producers, suppliers, research centres, not-for-profit organizations, and governments. Together, they co-created opportunities to produce products and services (i.e., generate business value) aimed at addressing societal challenges (i.e., generate social value). In order to co-create opportunities with their BOP strategic partners, the sample TPSEs had adopted three key strategies—i.e., filling any institutional voids, building relational capital, and incorporating any supply side needs into the opportunities.

First, the sample TPSEs and their strategic partners perceived the institutional voids as an opportunity to co-create supply side oriented value. The TPSEs' ability to bring together BOP strategic partners, which otherwise would not have worked together, had been crucial for supply side opportunity co-creation; to this end, the experience, networks, and understanding of the BOP, which we discussed under the social opportunity *relevance*, had been useful. The socially and commercially intertwined nature of the opportunities has been the main trigger for the interdependence between the TPSEs and their strategic partners at the BOP. For instance, in relation to Case 1, the TPSE had identified the lack of institutional support aimed at dealing with, and adding value to, plastic waste, and the poor working conditions (i.e., a social opportunity) as opportunities to produce ethical filaments for 3-D printers using plastic waste (i.e., a commercial opportunity). This opportunity had been co-created by TPSE in collaboration with its strategic partners: local R&D companies to research value addition to plastic waste, local suppliers of equipment to setup the plant, and a cooperative wholly owned by the pickers to collect the waste and produce filaments.

“Together with the waste pickers, we have set up a low-cost filament production facility at a local rubbish dump to convert plastic waste into 3D printing filament ... We are also working with the National Chemical Laboratory. Senior polymer scientists from the laboratory work with us to develop an additive for the filament to prevent the warping issue ... All our equipment is manufactured locally in Pune. We work with local suppliers” [C1]

Second, our sample TPSEs had developed relational capital with their BOP strategic partners by developing a collegial feeling, a culture of belongingness, and a reputation for a supportive working culture. This had been important to ensure a successful and trustworthy opportunity

co-creation process. As a result, they had been able to address the social needs highlighted under the characteristic of ‘prevalence’:

“We provide a fair wage and good working conditions for garment workers, making them financially stable and independent. We also provide opportunities for training. All the materials are sourced locally, and we also work with a variety of local artisans and designers. In this way, we generate wider social impacts” [C4]

Third, due to the involvement of BOP strategic partners, our sample TPSEs had incorporated supply side financial and social needs into the co-created opportunities, thus fulfilling the needs of the BOP. For instance, with their strategic partners, our sample TPSEs had co-created opportunities for value addition processes—which had generated financial value—and had used the surplus to address the social and environmental needs of the wider community—which had generated social value: *“The market for 3D printing materials will be worth £1.07bn by 2021 and grow by about 260% over the next five years ... this is the opportunity that we tap into” [C1 – financial value]* *“We use the surplus to help the local community. Our projects range from buying new equipment for schools, agricultural tools for farming corporations, and computers for youth centres.” [C10 – Social value]*

Table 6 provides additional quotations to highlight how our sample TPSEs, with their strategic partners, had co-created supply side opportunities.

Table 6: How to co-create supply side opportunities

| First Order Categories | Representative quotations |
|------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Fulfilling institutional voids | <p>“In its 2010 report ‘Impact Investing: An emerging Asset Class, Global Research’, JP Morgan estimated that the impact investment market has the potential to absorb between \$400bn and \$1trn by 2020. This is a large number to achieve and it would require participation from all investors—especially retail investors ... The rise of wealth in Asia, for one, means that there is a growing appetite for and awareness of impact investing.” [secondary data] ... “Every time we raise capital, we also look at its impact in a more thoughtful way in addition to return and risk.” [primary data] [C7]</p> |
| Bringing BOP strategic partners together for collaboration | <p>“We provide a fair wage and good working conditions for garment workers, making them financially stable and independent. We also provide opportunities for training. All the materials are sourced locally, and we also work with a variety of local artisans and designers. In this way, we generate wider social impacts” [C4]</p> |
| Developing Collegial feeling with BOP producers | <p>"We have adopted a steady and an organic growth strategy (we have taken baby steps) to ensure that the entire organisation grows organically. The key was to start small and grow only as we saw more demand for our products. We started really small, with only 20 girls producing just one product. Slowly, the number has grown to 300 embroiders and now, after four years, we have 280 different products. The vast majority of our colleagues at the camps are refugees. We made a strategic choice to promote refugees with the required capabilities into management positions, as opposed to bringing in expats or people who weren't part of the refugee community. We are breaking down the donor and beneficiary relationship—we are all colleagues". [C2]</p> <p>“We are 100% Fairtrade and owned by cocoa farmers”. [C8]</p> |
| Developing a culture of belongingness | <p>“We try to avoid layers of middle management, and outsource as much as possible. We try to have a direct relationship with all our colleagues, and we are keen for everyone (all artists/ ops manager) to feel that they belong to one organisation”. [C2]</p> |
| Developing reputation of supportive working culture | <p>“This collaboration is hugely important for us. The founder's knowledge from being in jail helps. We have looked at prisons with high female populations to grow the number of women in our workforce. The collaboration almost works like a network—prisoners recommend other talented artists (prisoners) to us. As we pay the artists, it is a win-win situation for all. Hence, the 'recommendations' and 'word of mouth' from these informal networks help our business.” [C3]</p> |
| Involving in value addition processes | <p>“The market for filament is growing rapidly. Most of the filaments are made from virgin plastic ... Ethical filament is cheaper to buy than commercial filament ... Waste plastic is a free resource and the cost of production is lower in developing countries ... I think that a report estimated that the market for 3D printing materials will be worth £1.07bn by 2021 and grow by about 260% over the next five years ... this is the opportunity that we tap into” [C1]</p> |
| Addressing social needs | <p>“We use the surplus to help the local community. Our projects range from buying new equipment for schools, agricultural tools for farming corporations, and computers for youth centres.” [C10]</p> |

4.2.2. Strategic alliances as a means to co-create demand side opportunities

In order to co-create the demand side of the market, our sample TPSEs had offered products and/or services that met the consumption needs of TOP customers, besides satisfying their pro-social behaviours. The TPSEs had co-created opportunities with TOP partners, including international distributors, large companies, charities, governments, and retailers:

"We work with a lot of large NGOs. We also work with organisations like UEFA and Arsenal Football Club. In addition, we have third-party partnerships whereby other enterprises might be running their own marketing events—for example, the world cup—and use our balls to tell the story about how our footballs are helping the local society [C9]

The co-creation of opportunities with TOP partners had helped to identify the needs of TOP customers (which had then been incorporated into the production process at the BOP), raising the awareness of the TPSEs and providing access to the TOP market. Opportunity co-creation with TOP partners had been important as the TPSEs had not had a strong understanding of specific market needs and access to TOP customers. Hence, opportunity co-creation has first enabled our sample TPSEs to realise that they should have especially catered for the needs of high-end customers, whose purchases were driven by altruism and premium quality. Therefore, the products and services offered by the TPSEs had been premium quality and satisfied the needs of altruistic customers to generate social value to the BOP:

"They [embroidered goods] are pitched to the luxury market ... What's important to us is that we're building loyalty to the company by putting the ladies who work for us at the centre of what we do, rather than being in the shadows. We [the TPSE and its TOP strategic partners] always highlight the social value that we generate" [C2]

Second, the opportunity co-creation had enabled our sample TPSEs to develop strategies to raise awareness of the social value generated among TOP customers. Some examples of these strategies include telling customers the story of the BOP production, and particularly how the ethical production was carried out with BOP producers and the extent of the social value generated:

"We work with the DFID for our venture's international distribution expansion. With the DFID, we have decided that telling customers the personal stories behind the manufacturing of the embroidery is important. We mention the names of the

embroiderers, how long it had taken them to make these embroideries as well as how selling them generates social value to refugee women and their communities. This is part of our brand's appeal” [C2]

The TPSEs and their strategic partners had also adopted strategies geared to let the TOP customers experience the BOP production process—sometimes by offering field visits to production plants or estates, or even inviting BOP producers to sales outlets:

“We take some potential customers/people interested in food production to Palestine during the olive harvest time. This grows their connection with our products. It helps them understand more about the products and the environment in which they are produced. Similarly, we also help get farmers from Palestine to visit the UK and ask them to speak with students in schools” [C10]

They had used the stores where the items were being sold as platforms for BOP producers and TOP customers to meet, which has provided opportunities for customers to get a better feel of the role played by TPSEs.

“Keeping true to our values and demonstrating them through our work has also helped us. In many of our stores, we display pictures of some artists [convicts] painting or ask others [former convicts] to visit in person. This makes it ‘real’ for our customers, and it enables us to engage effectively with them.” [C3]

The development of these strategies had been possible due to the co-creation of opportunities with TOP partners. Third and more important, the TOP partners had provided the TPSEs with access to TOP markets. Most of these partners had the objective of generating social value; thus, working with the TPSEs had provided them with a platform suited to showcase the social value they generated. Hence, not only the TPSEs, but also their TOP partners had benefited from the opportunity co-creation process:

“We collaborate by tapping into the investment network ... use our philanthropic appeal to collaborate with many other organizations/governments. These organizations also need to showcase their social value creation” [C7]

Accessing the TOP market, identifying the specific needs of TOP customers, and communicating and raising awareness would not have been possible for the TPSEs without the strategic partners. Together, they had co-created the demand side of the market. This demand-

side co-creation, which was linked to the supply-side co-creation, had, in turn, resulted in the generation of dual social and business value.

4.3. The concurrent co- creation of social and financial value

Through the co-creation of supply- and demand-side opportunities our sample TPSEs had generated both social and financial value. For instance, the co-created opportunities had: (1) provided a constant source of income, enhanced the socio-economic wellbeing, and established good working conditions and training opportunities for the BOP producers and their families; (2) dealt with the environmental and social issues at the BOP (e.g., environmental pollution due to plastic waste or high crime rates); (3) provided opportunities for local suppliers; (4) used a portion of the surplus on multiple projects to generate social impacts; and (5) enabled TOP customers to satisfy their consumption and altruistic needs (see appendix 1 for the relevant quotations). The concurrent generation of both social and financial value through the co-created opportunities had been possible in three broader ways. First, the co-created opportunities had been able to generate financial value to the BOP producers in terms of employment opportunities, additional income, fair-trade, and micro finance (see Appendix 1 for additional quotations):

“Pickers usually sell waste to merchandisers without adding value ... Our focus was on looking into different ways to add value to the waste. As a result, waste pickers receive higher returns than from simply picking and selling waste [primary data] ... After factoring in the costs of production and the various other expenses, there is still a six to eight times multiplier per kilogram of filament [secondary data]” [C1]

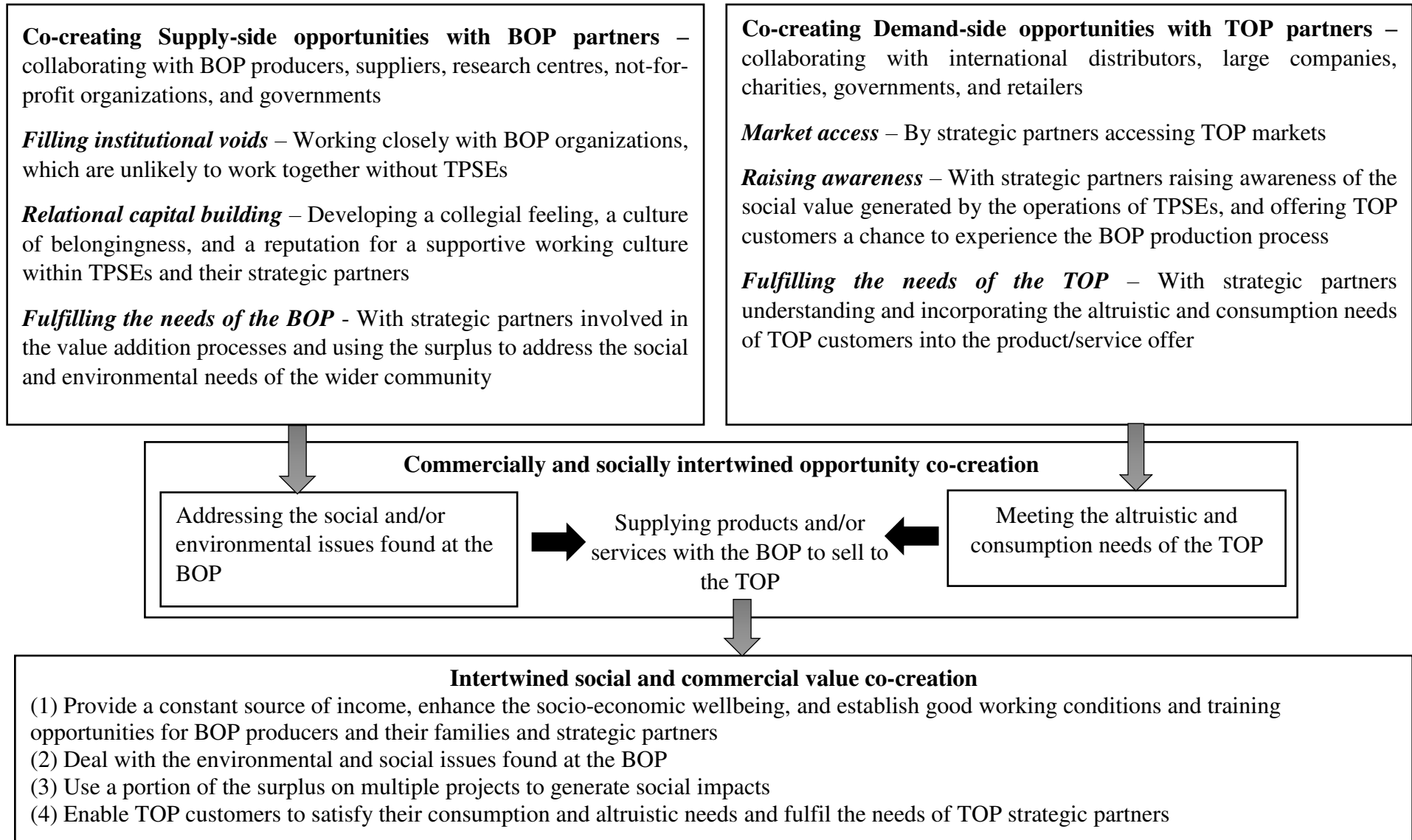
Second, the co-created opportunities had provided training for BOP producers to develop the relevant capabilities and skills, offered better working conditions, and ensured worker empowerment. This had been important for BOP producers, who did not have the necessary capabilities, skills, and networks, and were disadvantaged by poor working conditions and deprivation. In such instances, the co-created opportunities had solved social issues (e.g., plastic waste issues and poor working conditions) through a mechanism that generated financial value (e.g., the income generated by converting plastic waste into 3-D filaments): *“We train refugees [the manufacturers of the embroidered cloths] to acquire the skills that will enable them to become more employable and earn some much-needed money” [C2] “[We aim to] alleviate poverty by empowering socially and economically marginalised families by harnessing entrepreneurial potential, capacity building, and social guidance.” [C6]*

Third, the co-created opportunities had then used the resulting surplus to generate social value to the wider community. The use of surplus had been a financially viable and long-term option to achieve social objectives: *“We use the surplus to help the local community. Our projects range from buying new equipment for schools, agricultural tools for farming corporations, and computers for youth centres.”* [C10]

“The proceeds from the sales of the balls have been used to train over 955 football coaches and teachers to deliver health training about preventable disease in their communities, reaching over 30,000 people in a sports-based HIV prevention campaign ... In addition, 20% of the balls produced are donated to disadvantaged children and community groups, helping them to exercise their right to play, often resulting in children playing with a real ball for the first time [secondary data].”[C9]

Accordingly, the opportunities co-created by the TPSEs with their BOP and TOP partners had enabled them to concurrently generate long-term business and social value. Figure 1 illustrates our findings in summarised form. In order to generate social and business value across the pyramid, social enterprises co-create opportunities with BOP and TOP partners. TPSEs co-create supply-side opportunities with BOP producers, suppliers, research centres, not-for-profit organizations, and governments. This co-creation of opportunities involves filling institutional voids, developing relational capital with the BOP, and fulfilling the needs of the BOP. The TPSEs co-create demand-side opportunities with international distributors, large companies, charities, governments, and retailers. This co-creation of opportunities involves generating market access to the TOP, raising awareness of the value generated by the TPSEs, and fulfilling the needs of TOP customers. These co-created opportunities are thus capable of addressing the economic, and social and/or environmental issues found at the BOP and meeting the altruistic and consumption needs of the TOP. As a result, the co-created opportunities are able to generate both social and business value across the pyramid.

Figure 1: Opportunity co-creation by TPSEs and their strategic partners to generate social and business value across the pyramid



5. Discussion and Conclusions

Understanding the behaviours and value creation mechanisms adopted by social enterprises has been the focus of an increasing interest (e.g., Zahra et al., 2009; Mair and Marti, 2006; Pache and Santos, 2013; Rao-Nicholson et al., 2017). Yet, limited emphasis has been placed on examining how social enterprises and their strategic partners co-create opportunities to simultaneously generate both social and economic value across different institutional contexts (e.g., Battilana and Lee, 2014; Philips et al., 2015; Littlewood and Khan, 2018), which many recent studies have highlighted as an important gap that requires additional research (Branzei et al., 2018; McMullen 2018; Suddaby et al., 2015; Battilana and Lee, 2014). We responded to these calls by specifically focussing on a form of social enterprise, which we called Transcending Pyramid Social Enterprise, that works closely with both the BOP and TOP to generate dual value. We not only introduced this specific form of social enterprise, but also specifically exemplified how social enterprises co-create opportunities with BOP and TOP partners to generate social and business value across the pyramid. Accordingly, by analysing the *characteristics* of the co-created opportunities and *how* TPSEs and their partners co-create them, this study makes three key contributions.

First, it makes an original contribution by highlighting the characteristics of co-created opportunities that generate both financial and social value simultaneously across the pyramid. It was evident that, of the five characteristics of social opportunity conceptualised by Zahra et al. (2008), three—i.e., prevalence, relevance, and accessibility—were pertinent to co-created opportunities. We highlighted how TPSEs, with their strategic partners, commercialise these social opportunity characteristics to generate dual value across the pyramid. They develop products, services, bonds, or shares at the BOP and sell them to TOP customers. Co-created opportunities are capable of generating financial value to BOP producers in terms of offering employment opportunities, sustainable income, fair-trade, and micro finance to disadvantaged and marginalised communities. Co-created opportunities generate social value to the BOP by addressing social issues, improving skills and capabilities, offering better working conditions, empowering workers, and using the surplus to address social challenges in the wider BOP community. At the same time, co-created opportunities satisfy the consumption and altruistic needs of TOP customers. By extending the literature that deals with dual value creation by social enterprises (Holmes and Smart 2009; Pache and Santos 2013; Battilana and Lee 2014; Santos 2012; Ebrahim, Battilana, and Mair 2014), the findings of this

study make an original contribution by highlighting how the social characteristics of an opportunity are commercialised to generate dual value across the pyramid. This original contribution also adds further value to the extant studies that have discussed the international social intermediation process (Jenner, 2016; Kistruck et al., 2013; Prahalad and Hammond, 2002; Webb et al., 2010), as our findings highlight how social enterprises play a role that goes beyond connecting BOP and TOP actors; working closely with them to commercialise social opportunities to generate dual value across the pyramid.

Second, this study makes an original contribution by highlighting how social enterprises co-create supply-side opportunities with BOP producers, suppliers, research centres, not-for-profit organizations, and governments. This opportunity co-creation involves filling institutional voids, developing relational capital with, and fulfilling the needs of the BOP. Recently, scholars have called for more research on understanding the role played by alliances and networks in enabling social enterprises to develop capabilities for social innovation (cf. Philips et al., 2015; Littlewood and Khan, 2018); thus, this study not only highlights the important role played by strategic alliances, but also sheds important light onto the nature and specific engagements of such relationships in the co-creation of supply-side opportunities. This is a key contribution, as the extant literature suggests that social enterprises lack the resources and capabilities needed to offset the institutional voids arising in their home markets. While our findings support some past research (e.g., Hallett and Ventresca 2006; Dutt et al., 2016; Sutter, Bruton, and Chen, 2018) that has investigated how agents construct new markets in institutional voids, we extend this line of argument by specifically highlighting how social enterprises, with their partners, co-create opportunities to overcome such voids.

Third, our findings on demand-side opportunities suggest that TPSEs, with international distributors, large companies, charities, governments, and retailers, co-create opportunities that generate market access to the TOP, raise awareness of the value they generate, and fulfil the needs of TOP customers. They not only meet the altruistic needs of customers, but also their own core purposes. We find that the offerings of TPSEs are similar to those of green products (Sexton and Sexton, 2014; Griskevicius, Tybur, and Van den Bergh, 2010), but we make an important contribution by highlighting how a social enterprise can co-create the demand-side by tightly linking it with the supply co-creation to commercialise the social characteristics of opportunities.

The findings of this paper generate several practical implications for TPSEs in particular, and for those managers who are in charge of such enterprises in emerging economies in general. First, we highlight how TPSEs can generate and scale up social and financial value across the pyramid by co-creating opportunities with TOP and BOP strategic partners. The ways in which they co-create supply- and demand-side opportunities, as discussed in our paper, provides practical guidance on the successful formation and running of social enterprises. Thus, social enterprises and their strategic partners should aim to follow these practical guidelines for successful social innovation. Second, our paper highlights how TPSEs co-create new markets by perceiving the institutional voids and social challenges found in emerging markets as enablers of opportunity co-creation, rather than as barriers. More importantly, TPSEs form strategic alliances with BOP partners, who are unlikely to collaborate without their involvement; in fact, they supplement any government efforts to serve the masses and improve their wellbeing. Hence, our paper suggests that resource-constrained governments in emerging countries should encourage and facilitate TPSEs and their partners to engage in co-creation as a strategy to deal with the significant socio-economic challenges present in those markets. Third, our results show how the co-creation of opportunities with TOP partners enables TPSEs to serve a specific group of customers whose purchasing behaviours are driven by altruism and premium quality offering. This finding sheds some light on the nature of the TOP customer base of TPSEs and how to form strategic alliances with TOP partners, which are of value for those who are engaged in generating dual value across the pyramid.

As all papers, our study has limitations that open up avenues for future research. First, this is an exploratory study based upon ten case studies of TPSEs; future studies could test the generalizability of our results by conducting large scale survey-based research. Second, we have highlighted one facet of the social innovation conducted by TPSEs with a special emphasis on the co-creation of opportunities with strategic partners. Future research could investigate other aspects of social innovation by looking at how these enterprises source/pool resources, develop dynamic capabilities through alliances and networks (e.g., Al-Tabbaa et al., 2019), and engage in other forms of collaboration. Third, future research could carry out a comprehensive investigation of the process of co-creating opportunities with a greater emphasis on the dynamic evolution and growth of these ventures and on the evolution of their strategic alliances. Fourth, future studies could draw insights from institutional theory and examine how social enterprises operating in different markets co-create value with their partners. Lastly, we did not focus on the potential dark side of the social enterprises that are working with local communities and

BOP producers; thus, future studies could examine any potential negative consequences experienced by the BOP producers that develop relationships with these social enterprises.

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Appendix 1: The creation of social and financial value concurrently¹

| Case No. | Financial Value to BOP producers | Social value to BOP producers | Social value to the wider community |
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| C 1 | <p>1. Additional income for waste pickers by adding value to plastic waste: “Pickers usually sell waste to merchandisers without adding value ... Our focus was on looking into different ways to add value to the waste ... we buy filaments from pickers for 300 rupees [£3.50] per kg— if the waste pickers sold the plastic waste directly to scrap merchants, they would receive around 19 rupees [23p] per kg ... After factoring in the costs of production and the various other expenses, there is still a six to eight times multiplier per kilogram of filament.”</p> | <p>1. The capability and skill development of waste pickers: “The greatest potential 3D printing offers the developing world is not for the products made, but for putting the means of production into the hands of the local people ... our key strategy has been to build the capability from the ground up, and to work with local teams”</p> | <p>1. Dealing with plastic waste pollution and reducing environmental footprints: “One of a number of organisations trying to address the twin issues of poor conditions for waste pickers and plastic waste pollution.”</p> <p>2. Innovation with local scientists: “After experimenting with making a few different products, with a team of senior polymer scientists from the National Chemical Laboratory, we settled on making the plastic filament—the “ink”—for 3D printers ... It added a tremendous amount of value to the waste plastic while still being relatively simple to manufacture at the dump.</p> |
| C 2 | <p>1. Decent employment and income for refugees: “Annual sales revenues are currently around US\$120,000 [£98,000]. The monthly income for the artists can be as much as 400 Jordanian dinar [£461] ... compare this to a minimum wage of 190 dinar in Jordan’s garment sector”</p> | <p>1. Training for refugees – “We trained around 500 women across the camp. Most women who join SEP have advanced embroidery skills, but all still go through a basic one or two month training programme to ensure they are up to speed with the company’s designs and quality requirements.”</p> <p>2. Female empowerment: “Running a viable business in a refugee camp is no easy task. For many women in the camp, simply persuading their husbands to allow them to work can represent a cultural challenge.”</p> <p>3. Better working conditions: “There are no firm working times, although SEP doesn’t allow women to work more than four hours a day, to protect their eyesight.”</p> | <p>1. Reducing the economic burden created by the refugees – “Creating opportunities for refugees to earn income reinforces their self-worth, provides them with more independence, and also reduces the economic burden on the host nation”</p> <p>2. Working with charities to offer embroidery training to local refugees: “A foundation based in Geneva, which has a mandate on education, approached SEP to fund an academy at a refugee camp [Jordan] for Palestinian and Syrian refugees. We created the academy for training purposes and to ensure that the quality [of the embroidery] is up to international standards. The academy itself is a non-profit undertaking. The Geneva-based foundation is funding the academy, allowing us to train refugees.”</p> |
| C 3 | <p>1. Employment opportunities for prisoners: “It provides paid work to over 200 prisoners ... inmates on the Prison Art’s programme can earn between \$350 and \$1,000 (£270-£770) per month ... not bad, given that the monthly salary of a prison guard is of around \$450 (£350). In order</p> | <p>1. Training for prisoners: “All the profits from sales are ploughed back into providing skills training and setting up new retail outlets.”</p> | <p>1. Reduced level of crime – “reoffending rates are as high as 44%. Our efforts of rehabilitation aim at addressing this social issue.</p> |

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| | to help maintain family relationships and meet domestic expenses, the social enterprise directs half of all prisoners' pay to their immediate families. | 2. Rehabilitation for prisoners: "We are about raising the prisoners' self-esteem and providing them with a tradable skill, it's not just about work or wages ... The bags we make are just a sub-product of the whole process ... What's important is the help we offer with rehabilitation and the reintegration into society afterwards" | |
| C 4 | 1. Financial benefits for garment workers: "We provide a fair wage and good working conditions for garment workers, making them financially stable and independent. We also provide opportunities for training ... We are working towards being a full co-operative, as we want our producers to profit from and drive the enterprise. It's simply the best balance in terms of sustainable business." | 1. Training opportunities and better working conditions for garment workers: "We provide a fair wage and good working conditions for garment workers, making them financially stable and independent. We also provide opportunities for training." | 1. Value for local suppliers: "All the materials are sourced locally, and we also work with a variety of local artisans and designers. In this way, we generate wider social impacts." 2. The surplus is donated for social projects: "Social values need to be integrated throughout every aspect of the business ... we donate 100% of the profits to orphanages in developing countries." |
| C 5 | 1. Employment opportunities for deprived women: "For the freelancers/contractors, we generate value by offering them job opportunities. We also guarantee that they get paid for their work. We give them flexibility around choosing their own working hours." | 1. Training and development opportunities to deprived women: "For the freelancers/contractors, we generate value by offering them training. Furthermore, through effective quality assurances, we are able to provide constructive feedback to freelancers on the quality of their work. Finally, we are also able to provide them with access to the global technologies- This means that they are always up to date with any latest technologies." | 1. Provision of training to young people in marginalised areas: "We work with Universities across the Middle East. We also work with international and national NGOs (e.g., DAI) to facilitate their work in training young people in marginalised areas." |
| C 6 | 1. Microfinance to marginalised families: "it mainly provides 'family enterprise loans' that aim to establish new or expand existing businesses ... Today, we operate in 105 cities and towns through 153 branches. The number of active loans is 104,600, while the outstanding loan portfolio is over Rs1.1 billion." | 1. The training and capability development of marginalised families: "[We aim to] alleviate poverty by empowering socially and economically marginalised families by harnessing their entrepreneurial potential, capacity building and social guidance" | 1. Provision of case studies to universities: "Our model is also a part of the curriculum at the University of Southern New Hampshire (USA) and the Lahore University of Management Sciences (LUMS) It is also taught at Harvard, Princeton and Tufts universities in the United States, and at Oxford University in the United Kingdom, as a case study" |
| C 7 | 1. Investment for social enterprises operating in BOP markets: "We believe this is the only full-scale social stock exchange with the ability to issue and trade the shares" | 1. Training for social enterprises operating at the BOP: "We also look to educate people" | 1. Creating social value through the invested social enterprises: "Creates a liquid market for public investment that generates social and environmental value." |

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| | and bonds of social enterprises from across the globe. It enables trading in the securities (including shares and bonds) issued by social enterprises and the funds that invest in them. Each entity intending to be listed will be required to appoint an Authorised Impact Representative (AIR)—an accredited social adviser—who will provide support through the listing process and ensure that the issuer complies with the impact requirements.” | through our knowledge management team and our research advisory team.” | It's a bit like a large scale ‘crowdfunding’, as an investment and not a donation, and can catalyse the democratisation of social capital markets, shifting its impact from niche to mass.” |
| C 8 | 1. Fair trade and better income for farmers: “Its example shows that business can be done differently in the global chocolate market, with farmers sharing more of the wealth they are helping to create, and having a voice in the decisions that affect their future ... The surpluses generated from Divine’s chocolate sales have, to date, benefited over 80,000 farmers, their families, and local communities in Ghana.” | 1. Training for farmers: “The farmers decide democratically how to spend this money and the Fair trade Premiums. Recently, these funds have been invested in bonuses to farmers, skills, and training initiatives.” | 1. Investing surplus in social value creation: “Community improvements, including water wells, schools, and health clinics. In addition, we have invested over £2m in progressive programmes, including adult literacy, a model farm project, and a radio outreach programme. It also operates a successful female empowerment programme.” |
| C 9 | 1. Fair pay for unemployed adults and their families: “Since 2004, Alive and Kicking have sold over 700,000 sports balls; creating and sustaining 150 full time, fairly paid jobs ... Each of our staff supports an average of six people with his/her wage, meaning that we directly support a community of over 800.” | 2. Training for Stitchers: “Workers enjoy being able to learn new skills.” | 1. Investing surplus in social development projects: “Proceeds from the sales of the balls have been used to train over 955 football coaches and teachers to deliver health training about preventable disease in their communities, reaching over 30,000 people in a sports-based HIV prevention campaign ... In addition, 20% of the balls produced are donated to disadvantaged children and community groups, helping them to exercise their right to play, often resulting in children playing with a real ball for the first time.” |
| C10 | 1. Income for war-affected farming communities: “We help thousands of Palestinian farmers and their families who are affected by the Israeli occupation to sustain resilient livelihoods by providing markets for their premium quality, fairly-traded produce, such as olive oil, almonds, spices, and dates ... To further boost the value of sales, the company also helps Palestinian farmers to certify their products Fair trade and organic where appropriate.” | 1. Skill development of farming communities: “Working within cooperative structures gives them additional skills in decision making, conflict resolution, and shared strategy, raising their confidence and their profiles in their villages” | 1. Investing surplus in community development projects: “Use the premiums for community projects, including buying new equipment for schools, agricultural tools for the co-op, and computers for village youth centres.” |

¹The quotes include those from primary and secondary sources