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**A business model pattern arrives... and then? A  
translation perspective on business model innovation in  
established firms**

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# **A NEW BUSINESS MODEL PATTERN ARRIVES... AND THEN?**

## **A TRANSLATION PERSPECTIVE ON BUSINESS MODEL**

### **INNOVATION IN ESTABLISHED FIRMS**

#### **Abstract**

This study examines business model innovation (BMI) in an established firm. We investigate the case of a Swedish utility company that adopted and implemented a business model (BM) pattern originating from outside the firm. We draw upon Scandinavian translation theory to understand the micro-level dynamics of how BMI unfolds. Our findings show that the BM pattern is disassembled into its constituent parts, that these are translated separately and, little by little, (re)assembled into a whole to form a new BM. This process involves several loops of translation activated by the interplay between five practices: formulating, engaging, resisting, anchoring, and energizing. On the basis of our findings, we develop a BM translation framework. We thereby contribute to a better understanding of the micro-level perspective on BMI initiated by the adoption of a BM pattern. We also reveal that BMI processes triggered by BM patterns from outside differ from those taking place when a new BM is entirely developed within a firm.

**Keywords:** business model innovation, business model pattern, Scandinavian translation theory, change process

## **Introduction**

Business model innovation (BMI) is crucial for companies to remain competitive (Casadesus-Masanell and Zhu, 2013; Massa and Tucci, 2013), adapt to changing market conditions (Johnson et al., 2008; Kastalli and Van Looy, 2013), and respond to major changes in society such as digitalization (Teece, 2010) or the environmental crisis (Schaltegger et al., 2012). Business models (BMs) specify how companies can create, deliver, and capture value (Teece, 2010), and provide a new source of innovation that “complements the traditional subjects of process, product, and organizational innovation” (Zott et al., 2011: 1032). As a result, companies are constantly searching for new BMs, which may lead to “designing a new, or modifying the firm’s extant activity system” (Zott and Amit, 2010: 2).

Despite the importance of the topic and the increasing attention it has received (Casadesus-Masanell and Zhu, 2013; Amit and Zott, 2012; Foss and Saebi, 2017; Chesbrough, 2010; Zott and Amit, 2015), BMI as a micro-level organizational change process remains largely unexplored (Laszczuk and Mayer, 2020). Pioneering studies have shown that it is complex and iterative; it is guided by the attention of BMI teams (Laszczuk and Mayer, 2020), a quest for creativity (Svejenova et al., 2010), and managers attentive to decision-making (Velu and Stiles, 2013). They have also highlighted the strategic roles of narratives and artifacts in enabling new BMs to unfold (Demil and Lecocq, 2015; Doganova and Eyquem-Renault, 2009; Laasch, 2019).

Those studies have provided important insights into BMI at a micro level. But they have mainly dealt with the development of new BMs within firms (Demil and Lecocq, 2015; Doganova and Eyquem-Renault, 2009; Laasch, 2019; Perkmann and Spicer, 2010). Although BMI can refer to the creation of a firms’ own new BM (Foss and Saebi, 2017), it often results from a recombination of already existing business solutions originating outside the firm (Lüttgens and

Diener, 2016; Gassmann et al., 2014), also known as *BM patterns* (Osterwalder and Pigneur, 2010), *archetypes* (Massa and Tucci, 2013), or *ideal types* (Baden-Fuller and Morgan, 2010). As such, BM patterns may travel and spread between organizations, industries, and markets (Baden-Fuller and Morgan, 2010; Baden-Fuller and Haefliger, 2013)—taking on a high level of abstraction (Massa and Tucci, 2013). They can thus act as abstract sources of inspiration (Baden-Fuller and Haefliger, 2013; Baden-Fuller and Mangematin, 2013; Enkel and Mezger, 2013), thereby constituting potential solutions to achieve BMI. In spite of the many BM patterns that already exist and circulate (Gassmann et al., 2014), little is actually known about how firms adopt and convert them from an abstract representation into an operationalized BM. Given that previous studies have revealed the micro-level complexity involved in developing a new BM inside established firms (Demil and Lecocq, 2015; Laasch, 2019; Laszczuk and Mayer, 2020), we may expect BMI initiated by adopting an external BM pattern to be equally far from straightforward.

This study explores the micro-level process of adopting and implementing an existing BM pattern in a new organizational context. Therefore, we asked: *How are BM patterns adopted from outside established firms translated inside them?* To this end, we conducted an in-depth case study at a Swedish utility company that introduced a BM pattern for solar-as-a-service called third-party ownership (TPO). Building on Scandinavian institutionalism’s translation perspective (Czarniawska and Joerges, 1996; Latour, 1986) and its “travel of ideas” model, we investigated how this BM pattern, originating outside the company, was adopted, contextualized, and enacted—alongside a prevailing BM—in its new company setting. As it travels, an idea --in our case the BM-- is subject to modifications to be adapted to the local context and specific organization.

Our findings provide two main contributions. First, by using a Scandinavian translation lens, we unpack how an established firm may adopt a BM pattern as a “travelling idea” and enact it

in a new organizational setting. We show that this process involves disassembling the BM pattern into its components, translating these separately, and (re)assembling them into a new, contextualized BM. This translation work unfolds through recurring loops that are activated and shaped by the interactions of five practices: formulating, engaging, resisting, anchoring, and energizing; both human and non-human (i.e., artifacts) actors are involved. Second, our study suggests that the BMI process triggered by the adoption of an external BM pattern does not unfold in the same way as when new BMs are developed within firms. The pattern—including its accompanying artifacts—contribute to guiding the BMI process by providing and retaining an overall view of the new BM. At the same time, we show that it can constrain the process by setting the path forward right from the start, limiting the adaptability of the BMI team, and giving rise to resistance among other employees.

## **A translation view of business model innovation**

### ***Business Model Innovation***

Over the past two decades, the notion of BM has led to a plethora of publications and definitions (e.g. Massa et al., 2017; Zott et al., 2011). Recently, scholars seem to have agreed on three features of BMs (Teece, 2010; Zott and Amit, 2010): value creation, value delivery, and value capture. A widely used tool providing a more detailed set of components is the business model canvas (Osterwalder and Pigneur, 2010). The canvas includes nine components: the *value proposition* is the central component, and describes how value is created for the customer; *customer channels*, *customer relationships*, and *customer segments* define how and to whom value is delivered; *key activities*, *key resources*, and *key partnerships* together allow for value creation; and *revenue streams* and *cost structure* define how to capture value.

An area of research that has especially gained attention over the years is Business Model Innovation (Foss and Saebi, 2017). Increased levels of change in business environments and

the pressure to innovate have made BMI a strategic and competitive issue for many companies (e.g. Casadesus-Masanell and Zhu, 2013; Zott and Amit, 2007). According to Casadesus-Masanell and Zhu (2013), BMI “refers to the search for new logics of the firm and new ways to create and capture value for its stakeholders” (p. 464). Foss and Saebi (2017) defined BMI as “designed, nontrivial changes to the key elements of a firm’s BM and/or the architecture linking these elements” (p. 207). In other words, BMI involves significant changes and affects the whole firm (Amit and Zott, 2001).

BMI can take different forms. Foss and Saebi (2017) distinguished four main types of BMI—evolutionary, adaptive, focused, and complex—on the basis of two criteria: novelty (Is the new BM novel to the firm or to the market?) and scope (Is the new BM characterized by architectural or modular changes?). Both *focused* and *complex* BMI refer to processes through which management carries out modular or architectural changes in the BM to disrupt market conditions, whereas *evolutionary* and *adaptive* BMI relate to novel features of the company’s BM.

We can also distinguish between BMI initiatives that are developed within the company from those that adopt a new BM coming from outside (Foss and Saebi, 2017; Teece, 2010). On the one hand, some scholars investigated the development of BMs starting from a blank page in start-ups (e.g. Teece, 2010; Trimi and Berbegal-Mirabent, 2012), the evolution of existing BMs within established firms (e.g. Demil and Lecocq, 2015; Laasch, 2019; Sosna et al., 2010; Demil and Lecocq, 2010; Saebi et al., 2017), or the addition of new BMs to existing BMs in established firms (Yunus et al., 2010; Velu and Stiles, 2013)—focusing on BMI within a company. On the other hand, some studies considered BMI that builds on the adoption of an existing BM (or a BM pattern) originating outside the organization (e.g. Enkel and Mezger, 2013; Teece, 2010). Some scholars have highlighted the opportunities associated with imitating BM patterns (Gassmann et al., 2014; Osterwalder and Pigneur, 2010) or archetypes that serve



as ideal types (Massa and Tucci, 2013). BM patterns—such as the well-known Freemium, and Razor and Blade—are varied and numerous (e.g. Lüdeke-Freund et al., 2018; Gassmann et al., 2014); they can act as “role models” or “recipes” for how to do business and are presented as being transferable to other companies or industries (Baden-Fuller and Haefliger, 2013; Baden-Fuller and Morgan, 2010). However, imitated patterns do not necessarily remain unchanged. Building on modularity theory, Aversa et al. (2015) developed different conceptual modes of remodeling existing BM archetypes, and Enkel and Mezger (2013) showed that BM patterns that gave rise to strategic cross-industry imitation were abstracted in order to be able to travel and were only partially adopted and adapted—in order to fit the destination company.

### ***BMI as a micro-level organizational change process***

One fruitful stream of research has focused on BMI as an organizational change process taking place at the micro level of firms. It has explored the dynamics of developing a new BM, using various theoretical perspectives that show the complexity involved. For example, Laszczuk and Mayer (2020) built on an attention-based view to show how BMI was influenced by what a BMI team (composed of internal actors) chose to focus their attention on. The authors provided insights into the role of the prevailing BM, which “constitutes a frame of reference that drives actors’ attention during the BMI process” (p. 52). Velu and Stiles (2013) studied BMI within a large dealer bank that launched a new BM and ran it alongside its existing—and successful—model. They explored the mechanisms through which managers handled decision-making and the paradoxes involved in running two conflictual BMs. Berends et al. (2016) explored BMI through a learning lens. They showed that it involves a combination of cognitive search and experimental learning according to two different patterns, “drifting” and “leaping” that, together, form a cognition-action duality. These studies highlighted the importance of setting up a team (entirely or partially new) dedicated to the development of a new BM (e.g. Laszczuk and Mayer, 2020; Velu and Stiles, 2013) in order to provide the necessary time and effort. They

also showed the role of the prevailing BM and its influence on BMI endeavors as dominant logic (Chesbrough and Rosenbloom, 2002; Chesbrough, 2010) and conflictual frame of reference (Laszczuk and Mayer, 2020; Velu and Stiles, 2013).

Another body of literature has used actor-network theory (ANT) (Latour, 2005) to better understand BMI at the micro level (e.g. Demil and Lecocq, 2015; Doganova and Eyquem-Renault, 2009; Laasch, 2019; Perkmann and Spicer, 2010; Randles and Laasch, 2016). ANT studies highlight how actors, foremost non-human ones, influence BMI. Laasch (2019) showed how a one-page document, “Being Responsible,” played a performative role in incrementally changing the actor network of a company’s current BM. He argued that BMs are value logics “embodied in human actors’ cognition, inscribed into artifacts and enacted as interrelated activities” (p. 407), thereby highlighting the role of non-human actors (or artifacts). The role of artifacts was also emphasized by Demil and Lecocq (2015) in their study on the transformation of the BM of a French kitchen electric appliance company. They showed the central role played by artifacts in generating new interactions between actors, thereby creating a new network of “actants” to turn the new BM into reality. Doganova and Eyquem-Renault (2009) explored the enactment of a new BM enabled by the circulation of a narrative and a calculation tool among several actors, thus demonstrating the performative effect of artifacts in shaping both cognition and activities.

Although the above-mentioned studies provided valuable insights into the BMI organizational change process at the micro level and into how actors influence it in various ways, they essentially investigated the development of a new BM within the firm. To our knowledge, only Enkel and Mezger (2013) looked into firms adopting a BM pattern coming from outside. Their study provided insights into the strategic phases that managers go through when adopting a BM pattern, but focused on the design phase, thereby leaving out implementation. As a result, we still know very little about how individual actors at various levels of a firm engage with an

adopted BM pattern, adapt it to fit the new company setting, and enact it as a contextualized BM. To study such a process, we need to turn our attention to how management ideas spread across space and time between local practices, and are contextualized by actors in their new setting. The “travel of ideas” model within Scandinavian institutionalism (Czarniawska and Joerges, 1996) provides a suitable perspective for this purpose. In the next sub-section, we will introduce this perspective and explain why it is likely to lead to new insights into BMI.

### *A Translation Lens on BMI*

Scandinavian translation theory focuses on organizational change at the micro level, paying particular attention to processes (Czarniawska and Sevón, 1996; Sahlin-Andersson, 1996; van Grinsven et al., 2016). Czarniawska and Joerges (1996) introduced the travel of ideas model: “idea carriers” such as consultants or researchers (Czarniawska and Joerges, 1996; Sahlin-Andersson and Engwall, 2002) transmit an idea to “idea receivers,” that is, organizations that pick it up and put it into action. To this end, idea receivers translate the idea so that it fits into its new setting and can become part of local practices. This is done through an iterative process of unpacking the idea, embedding it into the new context, and putting it into action.

The travel of ideas model is built on Latour’s notion of translation (1986). Contrary to diffusion (Roger, 2003), which involves an inner force propelling an innovation in one direction unless there is an obstacle, in the translation perspective an idea does not possess a preexisting driving force; it needs to be picked up by someone who will pass it on. The idea only gains momentum from people who engage with it in one way or another. Moreover, they do not pass on the idea untouched but reshape it according to their own interests and experiences.

The travel of ideas model captures two different dimensions: interpretive and sociomaterial translation (Czarniawska and Joerges, 1996), also called representational and structural translation (van Grinsven et al., 2016). Representational translation is concerned with the symbolic aspect of an idea. The emphasis is on the use of new language over actions (van

Grinsven et al., 2016; Lervik and Lunnan, 2004). It focuses on discursive and rhetorical changes (Sahlin-Andersson, 1996; van Grinsven et al., 2016) that contribute to reshaping meanings. It also serves as an act of political persuasion to enroll support for an idea (Latour, 1987; Lervik and Lunnan, 2004). As Gond and Boxenbaum (2013) explained, representational translation allows practices associated with an idea to remain materially identical but requires the idea to be symbolically repackaged to fit its new setting. In contrast, structural representation involves structural and material transformation (van Grinsven et al., 2016), whereby practices change to fit a new environment (e.g. Ansari et al., 2010). Wæraas and Sataøen (2014) argued that ideas are not “just” symbols. In order to last, they need to be turned into practice. As van Grinsven et al. (2016) argued, these two aspects of translation have often been explored separately, although there have been some attempts to integrate them (e.g. Corbett-Etchevers and Mounoud, 2011; Gond and Boxenbaum, 2013; Reay et al., 2013; van Grinsven et al., 2016).

To our knowledge, BMI has not yet been explored through the Scandinavian translation perspective. Although there are some parallels between actor-network theory and Scandinavian translation (Wæraas and Nielsen, 2016), the latter stresses the circulation of ideas, along with practices that are transformed as they are enacted into local arrangements, where they acquire a new or modified meaning. Whereas ANT emphasized the formation of networks and the construction of macro actors, the translation perspective rather deals with the processes whereby an object is turned into an idea (i.e., decontextualized), travels across space and time, and is then re-embedded and institutionalized in a new context (Wæraas and Nielsen, 2016).

We argue that the travel of ideas model promises new insights into BMI micro-level dynamics, especially if the adopted BM pattern comes from outside the organization. First, BM patterns may be viewed as ideas circulating in space and time (Baden-Fuller and Morgan, 2010; Massa and Tucci, 2013), ready to be adopted by various organizations. As such, their power lies in

their simplicity and malleability (Massa and Tucci, 2013). However, they are abstract representations of reality; thus, once adopted they need to be unpacked, adapted, and enacted in the new local setting. Second, this requires actors to engage with the BM pattern at both representational and structural levels once they have received it. The discourse and rhetoric around the BM pattern may need to be changed to better fit with the prevailing BM and its logic (Chesbrough and Rosenbloom, 2002) and to enable individuals in the organization to connect with it (Laasch, 2019). Actors may also make material and structural changes to the BM pattern in order for it to better fit into its new environment and, eventually, be turned into performed practices (Laasch, 2019), which make up the BM's enacted system of interdependent activities (Zott and Amit, 2010).

In sum, there has been a growing interest in studying BMI from a micro-level perspective to understand underlying organizational change processes. However, scholars have mainly focused on BM development within firms and the transformation of prevailing BMs, rather than on the adoption of new BM patterns. To fill this gap, we will apply a Scandinavian translation lens; this will enable us to capture practices underlying some actors' engagement with translating the new BM idea, which is designed to enroll other actors into enacting the new value logic.

## **Methods**

Our study concerns the empirical case of a firm that adopted a BM pattern coming from outside, new to the company but not to the market, in response to changes in its business environment. The new BM pattern was reinvented in order to be contextualized in its new organizational setting alongside the prevailing BM, which is why we consider it to be a case of adaptive BMI (Foss and Saebi, 2017).

We conducted a single case study to gain a holistic overview of a contemporary and complex phenomenon, and to find recognizable patterns (Yin, 2011). To explore how established firms pursue BMI initiated by the adoption of a BM pattern, we selected a Swedish utility that was in the middle of adopting a TPO (third-party ownership) business model. By posing a “how” question, we set out to examine the sequence of events through which the firm encountered a BM pattern (the idea), adopted it, translated it to fit its new company setting, and eventually enacted it.

### ***Empirical Context***

SWENERGY (fictive name), a Swedish utility company owned by a municipality, was in the middle of adopting the TPO business model. TPO can be described as a “cleantech-as-a-service business model” (Guajardo, 2018) that is based on product usage rather than traditional direct ownership. In other words, customers pay a certain fee for a solar energy generation service. The service has been presented in various media (e.g., newspapers, renewable energy websites, and industry reports) and in academic publications (Overholm, 2015; Strupeit and Palm, 2016) as a role model for a solar service solution. As suggested by Flyvbjerg (2006), the spread of a TPO constitutes a real-world, particularly good example of a BM pattern “out there,” ready to be adopted. Originally developed in California around 2007, TPO quickly gained ground in the European market (Burger and Luke, 2017; Sharma et al., 2015), fulfilling the potential of solar energy on a global scale.

At the time of data collection, Swenergy was one of the few established utility companies in Europe to adopt TPO. Most other adopters were start-ups. Swenergy was introduced to this BM pattern through a Swedish solar service start-up, SOLSERV (fictive name). One of the founders of Solserv had studied the development of TPO in California as part of his doctoral thesis and then founded the company to import TPO to Sweden. Compared to California, the Swedish market had limited incentives for solar energy owing to low energy prices, fewer sun

hours, and an already high percentage of renewable energy (predominantly hydropower). Still, national interest for sustainability and solar energy was high and several governmental and private initiatives were developed to stimulate the solar energy market in Sweden.

The prevailing BM of Swenergy was based on producing and distributing kilowatt-hours. This included investing in and building power plants for large-scale power production (including renewable energy sources such as hydro, wind, and bioenergy). The relationship to customers was distant and anonymous, and the revenue model was dependent on price per kilowatt-hour. However, in 2015 the company launched a new strategic three-year plan putting forward a more customer-oriented approach, including simple turnkey solutions and digitalization as ways to adapt to changing market conditions. These new directions signaled a strategic move requiring changes in the way of doing business.

Swenergy had embraced a sustainable vision and its CEO was portrayed as a regional champion for the shift toward renewables. The CEO was immediately enthusiastic about TPO and saw it as an opportunity to further develop the company's solar energy offer and, also, to deploy the new strategic plan. During one of the early meetings with Solserv, Swenergy's CEO invited the head of Solar Unit, the smallest business unit in Swenergy (only eight employees), which was in charge of the company's renewable energy portfolio. The head of Solar Unit, who had been recruited externally, was known for being entrepreneurial and possessing a strong experience of renewable energy—someone who “got things done” (INTE1). Similarly, the entire unit was perceived as a distinct entity—fast, determined, and not fully adhering to the company's traditions—with a strong entrepreneurial and sustainability spirit. Solar Unit's head shared the CEO's enthusiasm and recognized the potential of TPO. She saw it as a way to enable customers to produce their own green power without the upfront investment and anticipated inconvenience of purchasing a solar system. Moreover, TPO held the promise of secure revenue streams over a period of several years that would be an alternative to selling

kilowatt-hours as a commodity, as well as a way to build a long-term relationship with customers.

A few months after the initial meeting, Swenergy and Solserv agreed upon a formal collaboration. However, Solar Unit did not pick up the BM pattern immediately because they were too busy completing other projects. TPO landed on the table of the corporate business developer, and nothing happened for six months. At this point, the idea almost vanished. At last, Solar Unit had enough capacity to initiate a new project and from then on, four members of the unit (including its head) worked dedicatedly on the BM pattern. For the purpose of this study, we will call the four people in charge of developing TPO “Small Team.” It was Small Team who convinced the CEO to include the development of TPO in Solar Unit’s business plan. Swenergy had finally received the idea since Small Team had decided to act upon it.

### ***Data Collection***

From June 2016 to June 2017, we collected retrospective and real-time data through observation, interviews, documents, and focus groups. Adoption of the new BM had started in 2014 and was still ongoing in 2017. This allowed us to collect parts of the data “live” as opposed to collecting it all afterwards, and to trace the phenomenon backward (Langley and Tsoukas, 2010; Langley, 2007). In June 2021, we conducted a final interview to gain a better understanding of how the new BM had developed during the four years since the end of our data collection. From a translation perspective, it was essential to design an approach enabling us to track how a new idea (i.e., TPO) was identified, adopted, adapted, and enacted, rather than focusing solely on the results of the adoption. Table 1 provides an overview of the data.

*Observation.* One of the authors spent some time in the company. Two preparatory visits took place to establish a relationship with our lead informant, clarify the research approach, and gain an initial understanding of Swenergy. Two longer visits were dedicated to intensive data



collection. During those field visits, the researcher was provided with a desk in the office of the BMI team (“Small Team”). Our lead informant was a member of Small Team.

During the visits, many conversations took place during breaks, at the coffee machine, or in the open office landscape. Detailed notes were taken to record what we observed. In between and after field visits, a number of follow-up conversations, either by e-mail or telephone, took place between the researcher and the lead informant. These concerned data, requests for additional documents, general catching up, or practical issues such as planning the next visit.

*Interviews.* Interviewee selection was based on the snowball sampling approach. All of the people contacted but one agreed to be interviewed. In total, 30 interviews were conducted (see Table 1). Interviews lasted around 60 minutes. Nineteen were recorded and transcribed. Detailed notes were taken for the remaining eleven.

Three rounds of interviews were conducted. Round 1 focused on the new BM (how they talked about it, how they developed it, who was involved, what they learned from it, etc.), the prevailing BM, and the company in general. These interviews were intentionally open. We did not use the term “business model” unless the interviewee brought it up; instead, we talked about “solar rental,” the name used within the company. Round 2 delved into a number of themes that emerged from the initial interviews (e.g., resistance to the new BM and the role of Small Team). Round 3 consisted of one follow-up interview with our lead informant, conducted in March 2021 (i.e., four years after data collection). The objective was to inform ourselves about how the new BM had evolved since 2017 .

*Documentary data.* Before the intensive phase of data collection, we performed a systematic review of publicly available data on the company and on TPO (e.g., press releases, annual reports, web pages, and media coverage). This provided us with contextual details on the BM and the company.

During field visits, we collected several types of documents produced by Swenergy. We had access to internal documents such as: PowerPoint presentations, Word documents and Excel files, information sheets, reports, newsletters, strategic plans, and business plans. This information was essential to track how TPO had been presented within the company over time. It also allowed us to double-check facts and data collected during interviews and observation.

*Focus groups.* We also conducted two focus groups of approximately two hours each. We invited all ten first-round interviewees to join the first focus group; five attended. The objective was twofold: (1) to validate the timeline of the process that we had reconstructed according to the data collected so far, and (2) to confront participants with the notion of resistance, a theme that had emerged during the first stage of data analysis (see Data Analysis section). For the second focus group, all four members of Small Team were invited and three participated. The aim was to understand their motivations for working on the new BM and their emotional connection to it.

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Insert Table 1 about here  
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### ***Data Analysis***

The data analysis moved gradually from raw data organization to theoretical interpretation through a process of iteration between data collection, analysis, and the literature (Eisenhardt and Graebner, 2007; Gioia et al., 2013). A number of steps were taken to ensure data trustworthiness (Creswell and Miller, 2000). First, we used several sources of data in order to triangulate perspectives (Eisenhardt, 1989). Second, we systematically recorded all the collected data to maintain a rigorous audit trail. Third, we presented selected results to our research participants, mainly our lead informant and the other members of Small Team, to

validate the quality of the narrative account (Gioia et al., 2013). Fourth, the combination of real-time and retrospective accounts allowed us to gain more robust insights into our case study (Leonard-Barton, 1990). Fifth, we organized our data in NVivo, systematically and efficiently coding, searching, and theorizing. We also built a number of flow charts and tables to analyze the data. Finally, we asked for feedback from academics—both formally (at conferences and seminars) and informally—on our emergent constructs and model to increase the reliability and validity of our interpretations (Lincoln and Guba, 1985).

Although the process of data analysis was far from linear, we present it in four consecutive stages for clarity reasons.

*Stage 1: Understanding the process.* This stage involved detailed reading of the collected material. Our objective was to become familiar with the data and decide on a narrower focus. We used NVivo to zoom in on actions (Miles et al., 2014), and to build a detailed narrative and process flowchart (Langley, 1999) of how the new BM emerged. During this initial stage, we strove to be faithful to the interviewees' words and language (Gioia et al., 2013). Our understanding of the process was validated by Swenergy's actors during one of the focus groups and the narrative was validated by our lead informant. This then served as the backbone of the translation stories. This stage revealed the central role of Small Team in adjusting the new BM to the organizational setting and overcoming internal resistance. This helped us refine data collection and analysis.

*Stage 2: Mapping actions and artifacts.* In this stage, we returned to the empirical material and performed open coding (Corbin and Strauss, 1990). Inspired by translation theory, we coded our data into three categories of action: idea arrival, unpacking, and putting into action. All actions were further sorted into categories on the basis of their characteristics and who carried them out. For example, all actions describing support of the BM by someone outside Small Team were coded as "supportive action" by "interviewee" in the "putting into action" category.

We also identified the artifacts developed or used throughout the process such as presentation materials, Word documents, agreements, tools, or contracts. We drew several flow charts to visualize the human and non-human aspects that played a role in the translating. This helped us gain a better understanding of the overall process. We refined the flow charts and dug deeper into details little by little. We did this by going back and forth numerous times between data and visual representations; this involved continuous discussion between the authors and, when necessary, fact-checking with the help of our lead informant. This mapping exercise was essential; it provided us with both a broad picture of what happened during the translation and the micro details that enabled it.

*Stage 3: Identifying practices.* In this stage, we wanted to understand what was going on. This involved lengthy brainstorming and, once again, going back to the data to recode in more detail the actions already identified in Stage 2. In this way, we took a step back from predefined concepts and existing theories to let the data talk. This also helped us move beyond the chronological story. A long list of actions emerged from this analysis, such as: making sense of the information received by Solserv; clarifying the BM and its components; questioning the new BM; and allocating resources to develop the new BM. We then looked for commonalities between the actions that led us to group them into a set of practices. A large body of actions, carried out by Small Team, focused on making sense of the BM pattern and the new BM. These actions included, for example, intensive work to understand the information provided by Solserv; connecting the BM pattern to the organization's goals and values; and reworking, rewording, and adjusting the components of the new BM until they fitted in its new organizational setting. We labeled these actions "formulating." We also noticed a few actions and discourses that were resisting, or trying to block, the development of TPO, such as: the marketing department threatening to withdraw the TPO marketing campaign; and discussions

during which staff members expressed their opposition to TPO. We coded these actions as “resisting.”

In the end, we identified five practices: (1) *formulating* consisted in making sense of the new BM and its components; (2) *engaging* involved series of interactions with others, both within and outside the organization, as ways to test ideas and, also, to work out how to implement the new BM with others; (3) *resisting* encompassed all moments of doubt, concern, and disagreement with regard to the new BM; (4) *anchoring* consisted in cementing and embedding the new BM into the organization; and, (5) *energizing* involved building momentum as specific events or decisions created a surge of support for the new BM. Table 2 provides an overview of the five practices and Appendix 1 traces how these practices have been performed over time.

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Insert Table 2 about here  
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*Stage 4: Analyzing BM components and dynamics over time.* While going through the previous stages, we noticed that the new BM had not been worked on in its entirety but, rather, piece by piece. We thus decided to go through the process once again but, this time, pay attention to these various pieces, following the business model canvas by Osterwalder and Pigneur (2010). We looked for any references to, or appearances of the nine components over time. Combining the mapping of Stage 2, the practices of Stage 3, and the tracking of BM components over time, we noticed repetitive interactions between practices that formed recurring loops. In total, we identified six translation loops that are presented in Figure 1. The figure highlights the actors (human and non-human) involved during the loops and the tackled components of the BM.

Each loop followed a similar pattern: The loop started with one or more interactions between formulating, engaging, and resisting practices; it then continued with anchoring and energizing.

Those interactions were not necessarily linear and often involved several back-and-forths between the practices. Anchoring and energizing were often trigger moments to move from one loop to another, providing the energy needed by Small Team to start a new loop and continue the translation process, that is to say, tackle other components of the new BM until all components had been addressed.

It was also during Stage 4 that we noticed two distinct types of work at play: disassembling and (re)assembling the new BM. As already mentioned, the BM pattern was not tackled in its entirety at Swenergy but was first broken down into its constituent parts. Each component was worked out separately and then reconnected with other components so as to build a comprehensive and coherent new BM. Although those two works were distinct, they operated in a continuous and interactive manner. The (re)assembling did not occur at the end of the process, but in relation and reaction to disassembling.

## **Results**

Our case study provides insights into the adoption of a BM pattern (i.e., a BM idea) and the process this additional BM went through to fit its new business environment, Swenergy. For the sake of clarity, we distinguish between the original BM pattern, an idea adopted from outside the firm (in our case: TPO), and the new, or additional, BM, which emerges after the original pattern has been picked up and reworked in its new setting.

Building on the travel of ideas model, our analysis reveals two distinct type of works during the translation process: disassembling and (re)assembling. Although presented separately, these operated in interaction with each other. Thus, disassembling involved breaking down the original BM pattern into its constituent parts and working on them separately, while (re)assembling consisted of repeatedly connecting BM components in order to comprehend the new BM in its entirety and, little by little, move away from the original BM pattern. The

translation process went through disassembling and (re)assembling thanks to several translation loops, six in total, that were invigorated by the five above-mentioned practices: formulating, engaging, resisting, anchoring, and energizing (see Table 2). These did not occur in a vacuum but in interaction with each other, creating a dynamic that moved translation forward. Figure 1 depicts this dynamic, including loops and practices (for a detailed overview, see Appendix 1).

The rest of this section shall follow a chronological order. We will start with a description of the disassembling work. Then, we will zoom in on the value proposition loop, followed by a more general presentation of subsequent loops. Finally, we will analyze the (re)assembling work<sup>1</sup>.

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Insert Figure 1 about here  
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### ***Disassembling***

After several back-and-forths between Swenergy and Solserv, as well as among various people and departments within Swenergy (e.g., the CEO, the corporate business developer, and Solar Unit), the development of the new BM was integrated into the business plan of Small Team, making it a priority for them. This event provided Small Team with much energy as well as the top management support that they needed to start translating the BM pattern. Later, Small Team referred many times to their business plan and to this specific goal, which bolstered their work on the new BM and gave them more weight in discussions with other employees: *“It [including development of TPO in business plan] was a milestone I remember [...] it was a big thing to*

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<sup>1</sup> Interview quotes from members of Small Team are labeled “INTST”; interview quotes from other Swenergy employees are labeled “INTE” and extracts from written documents produced and shared by interviewees (such as reports and presentation) are labeled “DOC”.

*specify that we would have it launched within six months”* (INTST1). Small Team was very excited about the potential of TPO: *“I was introduced to these guys [Solserv] by the CEO [...] and found solar rental really exciting and interesting [...] We asked ourselves why no one had done it earlier?”* (INTST2). From that point on, the idea, or BM pattern (TPO), had been picked up within Swenergy and could be worked on.

When Swenergy received the TPO BM pattern from Solserv, it was a very abstract and incomplete one: *“We had a lot to learn and understand, and TPO had to become clear to us so that we could be more concrete in what we asked for when addressing other employees”* (INTST1). Small Team started going through the material provided by Solserv very thoroughly and tried to make sense of the pattern as a whole. To this end, they regularly interacted with Solserv.

To structure their discussions with Solserv and make sure that all points were addressed, they carefully registered all questions related to the new BM in an Excel sheet: *“I remember having a long list of questions that I wanted to check [with Solserv], and I also had a lot of the headaches of others in the company”* (INTST1). These back-and-forths with Solserv motivated Small Team and helped them make sense of the BM pattern. Small Team also started discussing the BM pattern with other employees, although at this very early stage interactions were few and very informal. Still, engagement with other employees raised several questions and concerns. In particular, resistance to a leasing offer arose at the financial department and, more generally, to solar energy within the corporate board. For Swenergy had previously invested unsuccessfully in green technology: *“It [solar energy] is a trend. A few years ago, it was wind energy which we tested [...] We need to be careful [...] because in five years it might be something else”* (INTE4). Employees’ questions were also included in the Excel sheet used in discussions with Solserv to obtain the latter’s experienced input on how to address specific concerns.



While making sense of the BM pattern, Small Team also took great care to link it to Swenergy's strategic goals. They thereby emphasized the pattern's fit with the company's vision, namely, to contribute to sustainability and to transition from product to service-based offerings. They also pointed to Swenergy's ambition to establish long-term relations with customers and become more customer-oriented. This is exemplified by an excerpt from DOC 1: *"With this service we provide a complete [solar panel] offer to our micro producers. At the same time, the customer-friendly packaging strengthens our positioning as a company focusing on the customer and being environmentally responsible."*

As Small Team gained an overall understanding of the BM pattern, they realized that working on it as a whole was very difficult: *"When he [Solserv CFO] had left, we still didn't understand how it would all work together. How shall we concretely develop this [TPO]? Everything was open in a way..."* (INTST 1). For these reasons, they disassembled TPO into the nine components of the business model canvas: the value proposition, revenue streams, customer channels, customer relationships, customer segments, key resources, key activities, cost structure, and key partnerships—set down in a Word document. It became clear that the value proposition was the most developed component, while other components were only vaguely formulated. Still, to fully express the value proposition, Small Team needed to verify that the customer contract and calculation tool would work for Swenergy; this seemed the logical next step after disassembling the BM pattern. Hence the Word document created momentum in the translation process; it made Small Team realize that the pattern was like a puzzle with many, blurred pieces, impossible to work on as a single unit. Dealing with it one component at a time—rather than as a whole—provided Small Team with a feeling of relief; this motivated them to continue, for the task suddenly seemed achievable.

Making sense of the BM pattern (and other received information) was a prerequisite to disassembling it and considering its components separately. As we will see later, the Word

document that Small Team created also became central to (re)assembling and to gradually formulating the translated TPO (i.e., the new BM). Disassembling the original BM pattern into its constituent parts made it possible to constructively work on it and, eventually, build a newly contextualized BM. As shown in Figure 1, the first component-specific loop focused on developing the value proposition. In what follows, we will provide a detailed account of this particularly important loop, which lasted several months. The practices at play are indicated in brackets in the text.

### ***The value proposition loop***

Among the BM components, the value proposition emerged as the place to start and also became the central point of the second translation loop. During this loop, Small Team focused on conveying a value proposition that would attract customers, and on figuring out if it was even possible for Swenergy to propose a financially viable leasing offer (*formulating*). To this end, Small Team needed a rough estimate of the expected revenue streams and cost structure, which led to discussions among its members revolving around financial and legal aspects of leasing (*formulating*).

Small Team realized that if they wished to gain insights into the financial and legal requirements for a leasing offer by Swenergy and its owner (the municipality) and, eventually, be able to express a value proposition, they would need to modify the customer contract and calculation tool provided by Solserv (*formulating*). This forced Small Team to reach out to the financial department and head of finance (CFO) for support and resources (*engaging*). INTE 2 recalled:

*“It was really important that we had a good customer contract. Small Team and I, and municipality lawyers worked together on the customer contract [...] and we realized it involved substantial administration to develop some of the ideas they [Small Team] had*

*regarding how to deal with customers. [...] We mentioned a few improvements that we could see would make it easier from our perspective.”*

The CFO was initially very skeptical of the idea of Swenergy providing a leasing offer. She believed it would entail administrative risks and lead to accounting problems (*resisting*). To convince her, Small Team had to go through several rounds of talks over a two-month period (*engaging*). This led to several adjustments to the value proposition, calculation tool, and customer contract (*formulating*). For example, to address the CFO’s concern with adding a leasing offer to Swenergy’s portfolio (*resisting*), since its economic setup would complicate accounting, Small Team changed the name of the BM from “solar leasing” to “solar rental” (*formulating*) even though they were not sure it made a difference: “*The financial department had opinions on how to do the bookkeeping [of a leasing agreement]. They had many questions around that. We could tell leasing triggered our colleagues. [...] They asked us if it was leasing or if it was rental we wanted to do. In the end, it became solar rental, but I am not sure it is rental really.*” (INTST1)

Eventually, the CFO developed and approved the customer contract and calculation tool (*anchoring*) with the support of her colleagues from the financial department, Small Team, and municipality lawyers (*engaging*). Having the contract and calculation tool in place was an important manifestation of the new BM and its value proposition (*anchoring*), as expressed by INTE2: “*We told Small Team members: ‘What a good contract we have developed! Now it feels good!’”*

Having persuaded the CFO and succeeded in agreeing a customer contract and calculation tool, Small Team were eager to continue their translation work (*energizing*). When asked by the marketing department if they wished to create a marketing campaign to launch TPO (*energizing*), Small Team accepted the offer even though at that point TPO and its value

proposition had not yet been fully articulated. This marked the start of the third loop: the pilot launch. What INTST1 told us fully reflects the positive energy that emerged from the request to launch a campaign:

*“The marketing department were really good here [a marketing campaign for TPO] [...] And it became like a milestone. We would do the launch [of solar rental] when the commercial was aired on TV. [...] We had a slot on Swedish Television on March 21, 2016. It became a holdfast [...] on the entire organization because it would roll, and everything had to be in place. It was a relief for us. [...] It was like a window toward the world for our group [Small Team]. Everything [with TPO] had to be ready by then, or at least ready enough for us to be able to handle customers.”*

### ***Subsequent loops***

After the value proposition loop, four subsequent loops addressed the other BM components. These loops tended to follow a similar pattern, even if their length and intensity, as well as the number of iterations of the five practices, varied. The transition between two loops typically took place during periods of *anchoring* and *energizing*, during which Small Team felt that they had produced satisfactory outputs in the current loop. The motivation and inspiration generated within Small Team, as well as the support brought about among other employees, enabled Small Team to shift their focus and initiate a new loop.

Once initiated, a loop usually started with Small Team *formulating* parts of the new BM. After a longer or shorter period of working in isolation, Small Team needed input, support, or resources from others, which encouraged them to *engage* with people both within and outside Swenergy. This was made possible through both formal and informal interactions, although the latter were more frequent. A new loop tended to involve other actors than the previous loop; during engagements with employees, Small Team carefully selected how they presented TPO—depending on the people or departments they were talking to. In this way, they explored

the various rationales for the new BM that employees were willing to support. *Resistance* often followed Small Team's engagement initiatives. Many argued that they could not support the new BM. Most of the time, resisting took place behind the scenes during informal discussions among employees, as illustrated by a conversation over lunch: "*I am not supporting solar rental since it challenges the business of my business unit: Why microproduction of electricity if it cannibalizes on [name of business unit]?*" (INTE3).

It was only occasionally that employees expressed their resistance in more formal settings, such as meetings, or openly to a large group. Resistance drove Small Team to go back and forth between formulating and engaging repeatedly, which led to gradual improvements to how Small Team formulated the new BM: "*The resistance strengthens us as a group and is also a great driving force [in the work on solar rental]*" (INTST2).

At certain points in time, these improvements resulted in *anchoring* moments, which were manifested in artifacts. In turn, anchoring spurred *energizing*, for moments of manifestation motivated both Small Team and other employees to continue their work.

From a BM component perspective, the first translation loop dealt with the BM in its entirety whereas in the second loop, Small Team worked out the value proposition. During Loops 3 & 4, attention was turned to developing the value delivery components (i.e., customer channels, customer relationships, and customer segments). In Loop 3, Small Team's engagement with the marketing department led to a pilot launch and marketing campaign for the leasing offer, which generated several hundred customer leads and a clearer analysis of the customer segments to be addressed. Enthusiasm for the success of the campaign was shared with us by INTE2:

*“I think it fantastically fun to tell this story, when we, when we realized that we had 600 customer leads, that is 600 people who showed an interest for it [the offer] when we thought it would be 50, or maybe 100”*

In Loop 4, Small Team worked intensively to develop a sales process and customer journey, occasionally reaching out to potential customers for input and feedback. As recalled by INTST3:

*“During the fall we manually created offers to these customers [the ones showing interest in the offer] [...] and as we developed the different steps, we built the [sales] process”*

In Loops 5 & 6, the focus shifted from value delivery to value creating components (key resources, key activities, and key partnerships). In Loop 5, activities and resources needed to implement the sales process were developed, while in Loop 6 several suppliers were evaluated as potential partners. Moreover, Loop 6 involved evaluations of the overall BM, indicating that Small Team was beginning to acquire a holistic understanding of the new BM. For example, an external consultant was asked to evaluate the business case for the BM, while external lawyers were tasked with a legal evaluation of the leasing offer: *“We have had a business consultant look at the business case [of solar rental] and there were no surprises, [...] the feedback was positive”* (INTE1).

The components that were dealt with first were the more abstract ones; they required deep thinking and a certain level of conceptualization. Later components were more implementation-oriented and necessitated the development of concrete procedures and systems. It is important to note that the translation process was not fully completed by the end of our data collection. Since additional loops may have followed, we added one loop to Figure 1 (in grey), to indicate that it was not the end of the story. The figure also shows the BM components that were dealt with in each of the six translation loops.

### *(Re)assembling*

In parallel to disassembling the original BM pattern into its constituent parts and working on them separately, the new BM was gradually assembled—piece by piece. This consisted in connecting the translated components of the original BM pattern into a new BM; we call this “(re)assembling” because the end result was not quite the same as the starting point. This work of putting the pieces of the puzzle together was performed by Small Team as part of *formulating*. As a result, Small Team were the only members in the organization to have a holistic understanding of the new BM and of relationships between its components, while other employees had only a fragmented and incomplete view:

*“We come to them [support functions] [...] with a new offer and business model and since it is new we continuously tweak it. We don’t have any definite answers and this machine [the organization] is used to work based on exactly how it will be [...]. So, I understand that everyone wants an answer from us [Small Team]. Have you changed again? [...] Yes, but we had to... [...] we do what we can, but the organization is not set for this uncertainty” (INTST1).*

Since BM components changed shape along the translation process, (re)assembling required continuous adjustments in the formulation of the new BM, its components, and their interdependencies. Indeed, several working versions of the new BM were created (BM<sub>1</sub>, BM<sub>2</sub>, BM<sub>3</sub>, etc.). The Word document created in Loop 1, in which Small Team kept track of the various components, played a central role during the assembly stage and helped capture changes. Each time a new component was developed, Small Team updated the Word document.

Throughout the translation process, Small Team were very careful not to deviate too much from the BM pattern they had received. Although translating helped them keep a certain

distance from the BM pattern, they also acted as guardians of TPO. Being the main contact point for Solserv, they wished to stay true to the principles of the original idea and stick to the agreement they had signed. Therefore, while (re)assembling, Small Team regularly turned to the original BM pattern to check compatibility and faithfulness. They also reached out to Solserv throughout the two-year period of their collaboration.

When they received the BM pattern, the value proposition was one of the central pieces of the model and its most developed one. However, during the translation process, changes made to other components had a direct influence on the value proposition on two occasions and led to substantial deviations from the original BM pattern. These necessitated some backpedaling and a return to Loop 2 for a partial retranslation of the value proposition. Once the (re)assembling of the new BM was satisfactory, translation could resume.

The first deviation was during Loop 3 (pilot launch), which focused on developing a marketing campaign for the leasing offer, hence directly tackling customer segments, customer relationships and customer channels. Small Team and the marketing department soon realized that they needed a clear customer target group to launch the marketing campaign. After several discussions, Small Team decided to depart from the BM pattern. Instead of targeting commercial customers, they opted for private customers since the latter had greater potential for their business unit: *“We felt that this [a solar leasing offer] could be good to target private customers with [...] we saw potential in the private customer segment and started to rework the customer contract to make it fit private customers”* (INTST3).

The focus on private customers was a significant change that directly affected the value proposition since economic calculations and selling arguments differed. As a result, Loop 3 was put on hold and Small Team went back to Loop 2 for a new translation round of the value proposition. One of the changes was the disappearance of substantial savings as a selling point and an emphasis on the contribution to the environment. Once again, the financial department



and municipality lawyers were consulted to rework the customer contract and calculation tool, as shared by INTST3:

*“We had many thoughts about the customer contract, will it work? [...] Solserv were confident that it worked with commercial customers... but we wanted to target private customers, so it was in this transition from commercial to private“.*

The second deviation was in Loop 6 (preparing for scale-up), during which Small Team evaluated the new BM as groundwork for scaling up the leasing offer launch to the national Swedish market, rather than regionally. This involved a legal evaluation of the new BM that resulted in external lawyers suggesting that the customer contract should be shortened—from 20 to 8 years. Twenty years was considered a legally suitable timeframe for commercial customers, but not for private customers. Hence this change once again resulted from having shifted from commercial to private customers—and deviating from the original BM pattern. Since it dramatically affected the economics of the leasing offer, it forced Small Team to put Loop 6 on hold and revisit Loop 2 (the value proposition). Eventually, according to Small Team, recalculations resulted in a much better value proposition for customers and a less risky cost structure for Swenergy:

*“When the lawyers [...] notified a twenty-year contract might be too long [...] we needed to investigate if we could do it [the value proposition] in another way and what it would mean for the calculations we had made. What we realized was that it was much better for the customer, and for us” (INTST2).*

Over time, the nine components of the business model canvas were formulated in more and more detail, and their interdependencies became increasingly visible. For example, before the pilot launch, both private and commercial customers had been target groups, customer segments were still unspecified, and customer relations and channels only expressed in very

general terms. After the marketing campaign, however, private customers were target groups, customer segments were specified, and customer relations and channels more clearly stated—and tied to the sales process. Eventually, disassembling work had helped in defining the BM components and (re)assembling work ensured they could be connected with each other into a consistent whole. As a result, the abstract BM pattern received from Solserv was transformed into a new, contextualized BM.

## **Discussion: A Scandinavian Translation Lens on Business Model**

### **Innovation**

This paper responds to recent calls for research to extend the theoretical understanding of BMI processes in established firms (Foss and Saebi, 2017; Massa and Tucci, 2013). Building on Scandinavian translation theory, we explored how TPO, a BM pattern (i.e., an unfamiliar idea promising success), was adopted and adapted into a new organizational setting before being enacted. This involved reoccurring translation loops along which the fairly abstract BM pattern was first disassembled, then eventually (re)assembled in a contextualized BM. The loops were moved forward by five interacting practices: formulating, engaging, resisting, anchoring, and energizing. Although all five practices were necessary during translation, *formulating* was found to be dominant. BM pattern translation, performed by the BMI team, shaped the frame of reference through which other actors knew and interpreted the new BM and its components. Together, our results provide a BM translation framework (depicted in Figure 2). In the rest of this section, we will elaborate on the two central contributions of the study to the BMI literature.

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Insert Figure 2 about here

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### ***BMI — a process of disassembling and (re)assembling***

By applying a Scandinavian translation lens and the travel of ideas model to the domain of BMI, we can advance our current understanding of how BM ideas are transformed from rather abstract patterns into contextualized BMs in established firms. BM patterns may seem easy to understand and adopt when they circulate in space and time as general, simple representations (Baden-Fuller and Morgan, 2010; Massa and Tucci, 2013). They may also incite adoption if they seem to fit the new organizational setting at a symbolic level, for example by being in line with strategic objectives.

Nevertheless, the Scandinavian translation lens used in our case study revealed a more challenging reality. Although BM patterns serve as a foundation for BMI initiatives (Enkel and Mezger, 2013; Gassmann et al., 2014; Osterwalder and Pigneur, 2010), their enactment in a new organizational setting is far from straightforward. Once the interdependencies and interplays among the pattern's components have been detected (Tripsas and Gavetti, 2000; Berends et al., 2016; Massa and Tucci, 2013), dealing with them all together becomes a complex matter. Moreover, the firm-spanning nature of BMs (Zott and Amit, 2010) implies that their enactment has implications at various organizational levels and requires the involvement of various actors from various departments (Sosna et al., 2010), creating an additional level of complexity. Consequently, BM patterns are not translated as a whole, but piece by piece. Translation involves disassembling the pattern into its constituent parts, working them out separately, and then, little by little, (re)assembling them into a new whole.

These results are in line with previous research showing that new BMs develop over a multiplicity of episodes and concern subsets of BM components (Berends et al., 2016; Demil and Lecocq, 2015; Laszczuk and Mayer, 2020; Cortimiglia et al., 2016; Lagerstedt Wadin and Ahlgren Ode, 2019). However, we extend current knowledge by providing a framework that shows how the process leading from pattern to contextualized BM unfolds, involving not only

the (dis)assembling of the BM into its constituent parts, but also the parallel, and equally important, work of assembling it into a new whole. We argue that unless interdependencies and interplays between components of the new BM are understood, referring to it as a BM may be misleading and prevent the BMI process from being completed.

Our findings reveal the essential role played by BMI teams in disassembling and (re)assembling. This not only gives them a central position in the BMI process but also a unique perspective on the new BM. The members of the BMI team, in our case Small Team, are the only persons in the organization who possess a holistic understanding of the new BM, including links and interdependencies between its components. Other employees only have access to a partial or segmented representation; they may have worked and be familiar with the **component(s)** that affect their daily activities and routines, but lack an overview of the entire new BM and its internal relationships. Hence our results underline the key role of the BMI team not only during implementation of the new BM developed within a firm (Berends et al., 2016; Laszczuk and Mayer, 2020; Velu and Stiles, 2013) but also in ensuring the coherence and functioning of the overall BM through (re)assembling work. However, this central role also points to a potential vulnerability of BMI—when the BMI team is dissolved or moved to another project.

Our **study** also shows that disassembling and (re)assembling involve both representational (symbolic) and structural (material) adaptations for the new BM to be accepted, adjusted to its new environment and, eventually, enacted. The translation of a BM pattern involves symbolic alterations for the new idea to gain legitimacy within the firm, as well as material changes to contextualize it in the new setting's habitual practices, which shows that representational and structural translations are mutually dependent during adoption of a new BM. These findings contribute to the emergent literature in translation theory that draws upon symbolic and material dimensions simultaneously (Corbett-Etchevers and Mounoud, 2011; Gond and

Boxenbaum, 2013; Reay et al., 2013; van Grinsven et al., 2016). In line with Gond and Boxenbaum (2013), our results highlight the need to go beyond the dichotomy between the “technical issues” and “rhetorical packaging” of practice adaptation—and examine the interplay between the two.

### ***The role of BM patterns in BMI***

Our study reveals that if an external BM pattern is adopted, BMI unfolds differently than if a BM is entirely developed within an established firm (Berends et al., 2016; Demil and Lecocq, 2015; Laasch, 2019; Laszczuk and Mayer, 2020; Velu and Stiles, 2013). As elaborated on above, the seemingly easy process of adopting and implementing an existing BM pattern turned out to require a disassembling of the pattern to enact it and, eventually, a reassembling of it into a new contextualized whole. However, despite failing to deliver a BM ready for implementation, BM patterns act as guide for how to develop an already specified BM logic with a well-articulated value proposition. Our findings provide empirical evidence that the BM pattern helped the BMI team in their choice to address the different components: first the abstract and central value proposition verified by estimates of the revenue streams and cost structure, then the value delivery components, and finally onto the more concrete value creation components (Enkel and Mezger, 2013; Osterwalder and Pigneur, 2010). As such, BM patterns serve as a foundation to decide upon what components to deal with during the different stages of the BMI process. Patterns also help in binding the components together. They provide a frame to see “the wood for the trees” (Demil and Lecocq, 2015: 54), by retaining a vision of the entire BM and supporting the reassembling work of its components, something that has been proved difficult when developing BMs inside firms (Demil and Lecocq, 2015). Moreover, the idea of dealing with the BM components in a specific order, contrasts with previous studies that suggest that components are addressed in a non-specific manner (Berends et al., 2016; Laszczuk and Mayer, 2020). Although pointed out as a central component, the value

proposition was not necessarily the first component that the BMI team dealt with when developing a BM inside a firm. Rather, they started with the component triggering BMI in the first place (customer segment) or a specific attention object (e.g. key resources) (Berends et al., 2016; Laszczuk and Mayer, 2020). The difference between our result and previous studies suggest that this may be explained by the guiding role of the BM pattern.

Prior studies have illuminated the role of non-human actors (i.e. artifacts) as “change actants” in the translation process that unfolds from developing a BM inside a firm (Demil and Lecocq, 2015; Laasch, 2019; Doganova and Eyquem-Renault, 2009). Our study confirms the importance of artifacts but also highlights that artifacts play a different role when the BMI process is triggered by a BM pattern adopted from outside. In contrast to BMs developed from scratch inside a firm, the process of adopting and enacting an BM pattern is driven by one or several artifacts that arrive with it. These artifacts frame the development of a new BM and provide a vantage point that initially can accelerate the development of it. On the other hand, the received artifacts constrain the BMI process. For example, the BMI team may strive to enact the pattern as faithfully as possible to reproduce the results the BM has obtained in other settings. This feeling of being the guardian of the received BM pattern may limit their actions and capacity to adapt the pattern in its new environment. The receiving organization may also want to be loyal to those presenting the BM pattern to them, i.e. the idea carriers, by not deviating from the pattern they provided them. Contrary to a BM developed from a blank sheet, this may cause inflexibility in the BMI team engaging with the BM pattern. This inflexibility can delay the innovation process or result in a suboptimal enactment of the BM pattern since local circumstances might be overlooked in favor of staying true to the pattern.

Another element that emerged from our study is the relationship between the BM pattern and the prevailing BM. At first, the BM pattern provided a solution to the strategic goals and values of a company, representing the direction in which the company wanted to take its prevailing

BM. Both, the BM pattern and the prevailing BM, were supporting each other and going in the same direction. However, as the BMI team unpacked and divulged the BM components in more detail, the incompatibilities between the new and prevailing BMs became increasingly evident and resistance grew. However, resistance was not bypassed, as previous research has suggested (Laszczuk and Mayer, 2020), but on the contrary embraced. Indeed, throughout the translation process the BMI team was persistent in overcoming and working with resistance. When BM components encountered resistance, the translation loops were longer and the translation work of the BMI team harder. Although it was annoying at times, it provided the space for Small Team to refine and strengthen the new BM and its components.

Using BM patterns as a vantage point in the BMI process may make the BMI team consider each component a necessary part of the pattern that cannot be neglected and deviated from. It suggests that when developing new BMs without a pattern, which means starting from a blank page where components are not predefined, it might be easier to drop the parts that face resistance.

## **Conclusions**

### ***Limitations and Future Research Avenues***

This study has a few limitations that deserve to be mentioned and addressed in future research. First, our findings are based on a single case study. The transferability of the translation model needs to be tested in other empirical settings and over longer periods. It would be particularly interesting to explore whether the pattern of disassembling and (re)assembling, including the identified practices and their interplay in loops, are also found in other instances of BM translation.

Moreover, our findings are based on a not fully complete translation. More longitudinal studies are needed to better understand the overall translation process. Indeed, a complementary

interview conducted in 2021 revealed the fragility of the new BM. Although the TPO BM was very close to completion by mid-2017, only a few recognizable elements were still in place in 2021. This raises many questions as to what happened and why. We can only hypothesize that interactions between practices may have changed during implementation of the new BM, owing to some key BMI team members leaving the company, at least in part. More generally, this raises the issue of what happens once BMI team members move to other projects and, also, of when and why they leave.

Second, our data did not allow us to apprehend how the translation of the BM pattern triggered the emergence of new ideas both inside and outside the firm. Translation and the traveling of ideas are an ongoing, never-ending journey (Czarniawska and Joerges, 1996). Focusing on how one BM translation leads to another might be an interesting avenue for future research. It could provide a new perspective on BMI by emphasizing the process rather than the end product (i.e., an implemented model). Indeed, the inability of a new BM to survive in the firm may not necessarily be a failure. Our case indicates that, despite the disappearance of TPO as such, the innovation process may have resulted in actual changes to the prevailing BM. Changing our perspective on BMI—from end result to continuous development—might help us reconsider the notion of BMI failure.

Third, our case study dealt with BMI triggered by the adoption of a BM pattern and, accordingly, unfolded differently from BMI that is not guided by any particular pattern. It would be worthwhile to further explore the similarities and differences between these two types of BMI in order to specify the role of patterns more explicitly. For example, why did the BMI team—guided by a pattern—show increased willingness to face resistance? In our case study, one specific BM pattern (TPO) played a central role during the BMI process, but patterns may also play a more peripheral role if managers are inspired by several BM patterns at the same time (Gassmann et al., 2014). Translation may unfold differently depending on both the



centrality and number of BM patterns involved, and if the adopted BM pattern stems from another industry, as opposed to from within the same industry—owing to greater novelty and complexity. Translation including several peripheral BM patterns might even lead to the creation of an entirely new and disruptive BM (i.e., complex BMI, see (Foss and Saebi, 2017). Fourth, our findings show that BMI processes can be time-consuming and inefficient, since the manipulation of components is easier in theory than in practice (Gavetti and Levinthal, 2000). A solution to this issue might be provided by structured techniques for cognitive experimentation and prototyping in line with those previously proposed for manipulating and modularizing BMs at a theoretical level (Aversa et al., 2015). In our case, the BM canvas seemed insufficient to capture interdependencies among new BM components and reveal the incommensurability between the prevailing and new BM at an activity system level. Future research could develop practical cognitive tools and techniques supporting a deeper level of conceptual understanding of both the prevailing and the new BM in order to facilitate the BMI process and make it more efficient. These tools, if they are to uncover potential conflicts between prevailing and new BMs, as well as surface resistance, as early as in the conceptualization phases, should include BM stakeholders outside the BMI team—at least at some stage. This might facilitate implementation at later stages.

### ***Managerial Implications***

Several managerial implications can be drawn from our study. First, our framework may help managers gain an increased understanding of BMI at a micro level and identify the activities they need to engage in, for example: working on the value proposition, considering the BM piece by piece, and recognizing resistance as a valuable part of the process. Second, our findings highlight the unsurprisingly difficult journey of BMI and the many translation loops it involves. It underlines the importance not only for companies and managers, but also for stakeholders (including consumers), to allow the necessary time and resources for BMI to come

into being. Third, we identified the ability to interpret what the new BM may be, or become, as an essential characteristic of the BMI team. The original BM pattern as such does not indicate what the BM will look like once implemented. Managers in charge of BMI need to rethink, reimagine, and reshape the pattern for its new organizational setting—this requires not only some creativity but also a space in which to experiment. Fourth, a dedicated BMI team is a decisive factor for BMI to take place, but the team ought not to withdraw into itself. On the contrary, continuously engaging with other (both internal and external) stakeholders—while knowing how to maintain a safe space for the team to absorb and react to what is happening—seems essential. This will allow for a cognitive understanding of the new BM to emerge and, at the same time, support for it to build up at the organizational level.

In conclusion, this paper focused on how a BM pattern coming from outside a firm was adopted by, and enacted in an established firm. Our case study provides two important elements to guide future inquiries. First, our BM translation framework explains how a BM pattern adopted from outside is disassembled into components that are then translated separately and, eventually, (re)assembled into a contextualized BM. It also reveals the various practices and translation loops that enable this, and highlights the roles played by both human and non-human actors. Second, our exploration of BM patterns points to the importance of recognizing and using these patterns as inspiration and guides rather than as iron cages. Handled in this way, they can provide a vantage point and an overarching logic that hold the BMI process together; this would not be available if the new BM was entirely developed within the firm. In contrast, if patterns are handled as a “user manual” not to be deviated from, this can cause rigidity in the innovation process, neglecting the need for both representational and structural adaptation of the pattern to the new setting.

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### **Kajsa Ahlgren Ode**

Kajsa Ahlgren Ode is a postdoc researcher at Design Sciences at Lund University with a PhD degree in Industrial Engineering and Management. Her research focuses on how business models support the transition to sustainable business practices. Building on translation theory, her thesis explores how business model ideas for sustainability are spread and adopted across companies and country markets. In her current project she develops a tool to support the development and implementation of business model ideas by gathering employees to think collectively (e.g. in workshops) about their current and future business model by drawing causal maps. She is also exploring the performativity of this tool in the business model innovation process.

### **Céline Louche**

Céline Louche is professor of Business & Society at Audencia Business School, France. Building from organizational, institutional and strategic perspectives, her research examines the interplay between business and society. It includes topics such as corporate responsibility, sustainable development, business models for sustainability and responsible finance.



**Table 1. Overview of collected data**

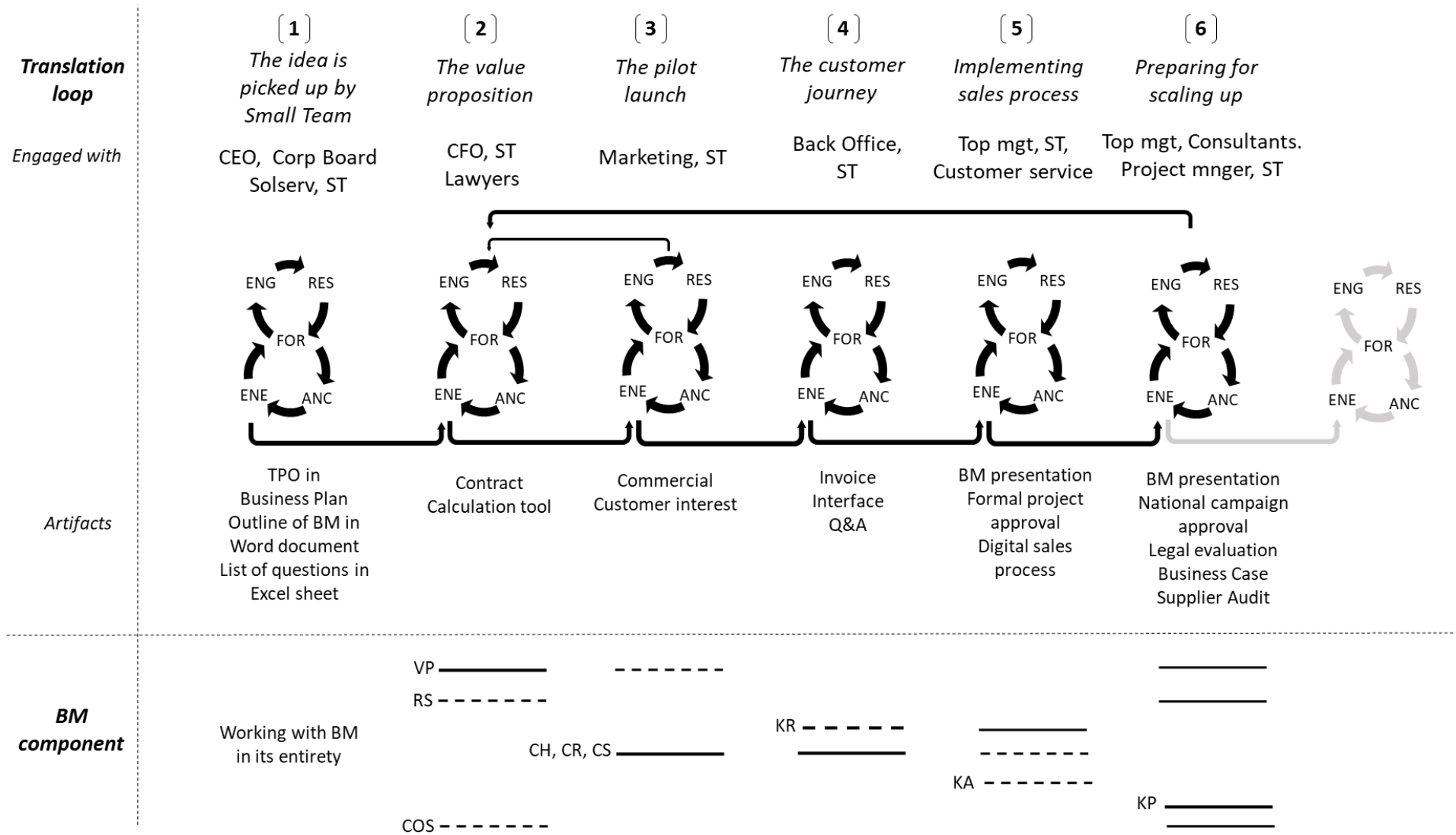
| Data type    | Round 1  | Round 2  | Round 3  | Amount  |
|--------------|--|--|--|---|
| Interviews   | 4 “Small Team” (including Head of Solar Unit)<br>3 managers (financial department, corporate developer, customer sales manager)<br>2 additional members of Solar Unit<br>1 sales representative<br>Founder of Solserv (not invited to focus group) | 4 “Small Team” (including Head of Solar Unit)<br>1 manager (strategy and innovation)<br>CEO<br>2 project management consultants<br>10 formal conversations with employees from marketing, customer service, Small Team, and other business units | 1 follow up interview (Small Team key informant) | 30<br>(in Swedish)                            |
| Documents    | Microsoft documents of TPO over time (Word, PowerPoint, Excel)<br>Business analysis of TPO<br>Business strategy<br>Sales material<br>Consultancy reports on TPO (in Word/PowerPoint)<br>CEO newsletters/reports<br>Total                           |  |  | 56<br>18<br>21<br>14<br>87<br>20<br>216 pages |
| Observation  | Routines and conversations at Small Team office<br>Meetings on TPO project<br>Meetings on how to develop TPO<br>Lunch conversations  |  |  | 10 days                                       |
| Focus groups | 1 with 5 interviewees from first round of data collection  | 1 with Small Team (not Head of Solar Unit)   |  | 2   |

**Table 2. Definition and illustration of the practices**

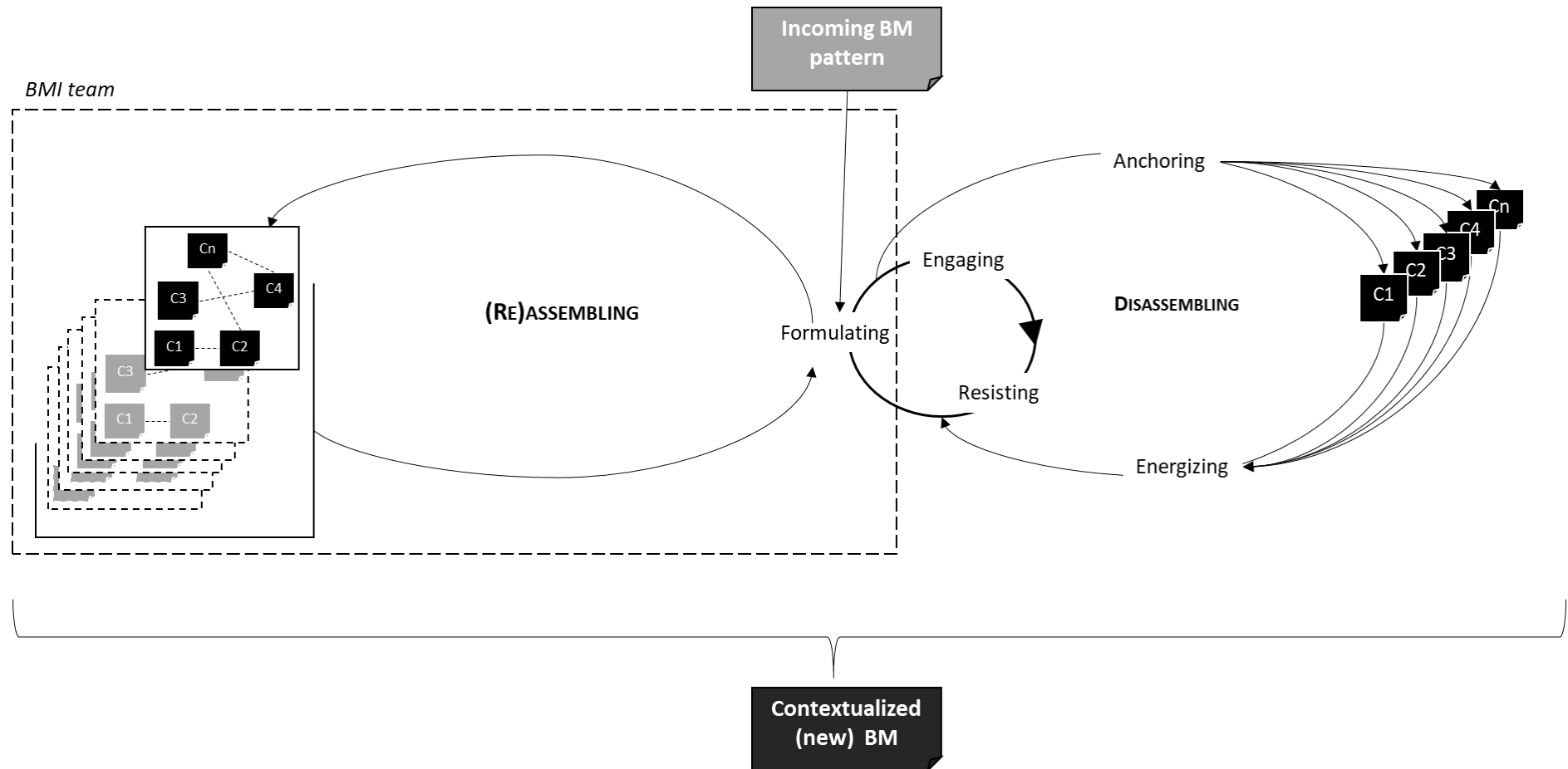
| <b>Practices</b>   | <b>Definition</b>  | <b>Characteristics</b>  | <b>Effect of practice</b>  | <b>Illustrations</b>  |
|--------------------|--|---|--|---|
| <b>Formulating</b> | A practice consisting in making sense of the BM pattern, and working through the ins and out of the new BM | Carried out by Small Team (the BMI team)<br><br>Central and recurring practice in translation process   | Unpacking and repackaging of the BM pattern components<br><br>Contextualized and embedded the new BM in its new organizational setting<br><br>Made the new BM and its components comprehensible and concrete<br><br>Created a safe space for Small Team to experiment and absorb criticism<br><br>(Re)assembling the worked-out components into a new BM | Went through/attentively read and annotated the information and documents received from Solserv to understand BM pattern<br><br>Linked the BM pattern to Swenergy's strategic goals and presented it as a solution enabling Swenergy to contribute to sustainable energy production<br><br>Renamed BM from "solar leasing" to "solar rental" to make it more acceptable within Swenergy |
| <b>Engaging</b>    | A practice consisting in reaching out to, and interacting with others                                      | Involved actors both within and outside the organization<br><br>Enabled by formal and informal interactions<br><br>Carried out both orally and by written means | Getting the buy-in from internal and external actors<br><br>Testing new BM (or components of it)<br><br>Contrasting the new BM with the organization's needs and constraints<br><br>Actively working with, and involving others to clarify ideas and ask for contributions   | Meetings with Solserv organized to clarify aspects of the BM pattern or to check whether adaptations were acceptable/suitable<br><br>Presentation of new BM at internal meetings during which members of the staff gave their feedback<br><br>Reaching out to key employees to obtain support when developing a specific aspect of the BM   |
| <b>Resisting</b>   | A practice consisting in expressing concerns, doubts or disagreement about the new BM                      | Conveyed directly or indirectly<br><br>Enabled by formal and informal interactions<br><br>Involved silent forms of opposition                                   | Slowed down the translation process<br><br>Provided Small Team with inputs on how to refine and strengthen the new BM and its components<br><br>Pushed Small Team to go back to formulating and motivated them to better articulate their reasoning  | Swenergy's CFO was critical of the idea of the company providing a leasing offer<br><br>The marketing department threatened Small Team with withdrawing parts of the marketing campaign<br><br>Withholding of financial resources that were allocated for the development of the new BM   |
| <b>Anchoring</b>   | A practice consisting in cementing the   | Resulted from (sometimes long) engagement processes   | Enabling the translation to move to the next loop  | Assigning Small Team to work with the development of the new BM   |

|                   |  |  |  |  |
|-------------------|--|--|--|--|
|                   | new BM in the organization   | Central role of artifacts in materializing the new BM<br>Made the new BM more tangible and visible   | Embedding the new BM and its components into the organization<br>Making it more difficult for the organization to backtrack                                    | Swenergy's CEO included TPO in business plan of Small Team<br>The CFO and municipality lawyers approved the customer contract and calculation tool   |
| <b>Energizing</b> | A practice consisting of gathering momentum when support for the new BM surged | Irregular and often unexpected<br>Resulted, in many cases, from decisions and events<br>Took place within Small Team and among other employees | Providing energy and inspiration to continue with translation process<br>Gaining support for the new BM<br>Overcoming/moving beyond tensions and uncertainties | TPO recognized as a formal innovation project by the innovation board<br>Positive responses of several hundred customers when marketing the new offer (TPO)<br>Confirmation by external consultants of the new BM's validity |

**Figure 1. Translation loops**



**Figure 2. Business model translation process framework**

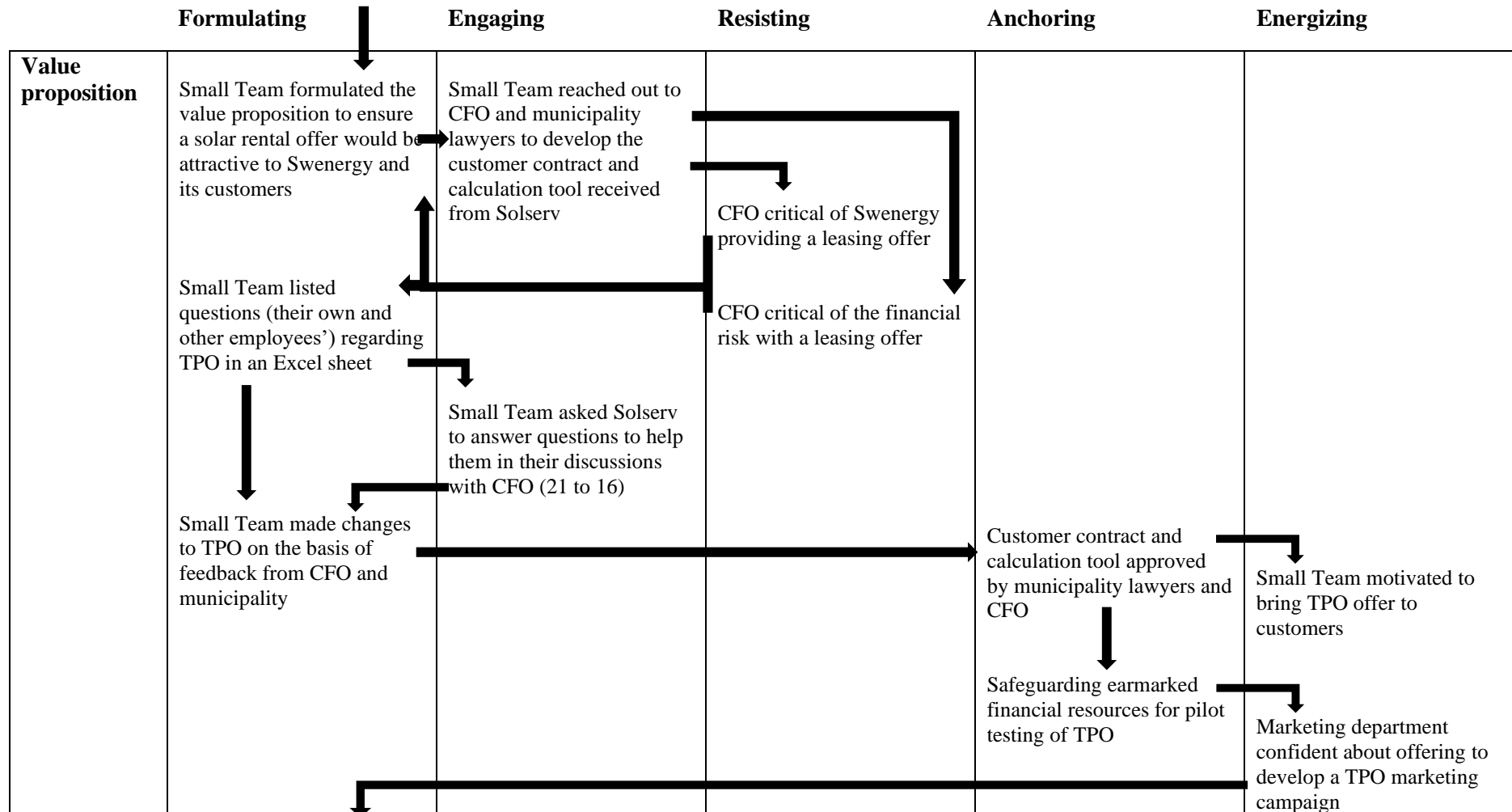


## Appendix 1 Translation loops and practices

| Loops  | Practices   |   |  |   |   |
|--|---|---|--|---|---|
|  | Formulating   | Engaging  | Resisting  | Anchoring   | Energizing  |
| <b>Preparing<br/>(idea picked up)</b>                          | <p>The potential of TPO was discussed between Swenergy CEO and CEO of Solar Unit</p>                | <p>Solserv approached Swenergy's CFO to present TPO and explore interest in the BM</p>  |  |   | <p>Employees invited to a presentation on TPO and introduction of collaboration between Swenergy and Solserv</p>                  |
|  |   | <p>Solserv met with CFO, corporate business developer, and CEO of Solar Unit</p>  | <p>Resistance by corporate business developer</p>        | <p>Contract with Solserv was signed. They would share information and expertise</p> |   |
|  | <p>Small Team wished to develop the new BM</p>  |   |  |   | <p>CEO of Solar Unit told a few colleagues about TPO. They all saw potential in the new BM. They would be part of Small Team.</p> |
|  |   | <p>CEO of Solar Unit reached out to corporate CEO to discuss Solar Unit putting the development of TPO in their business plan</p>                   | <p>Resistance among other members of the board</p>       | <p>TPO development and launch defined as a goal in Solar Unit's business plan</p>   |   |
|  | <p>Small Team made sense of available information and material related to the BM (from Solserv)</p> |   |  |   | <p>Small Team had a mandate and the motivation to start developing TPO</p>  |
| <p>Small Team linked the BM to the firm's goals and values</p> |   | <p>Working with BM pattern in its entirety was too complicated. Small Team conveyed its members' understanding of TPO so far in a Word document</p> | <p>Small Team decided to work component by component</p> | <p>Made it seem feasible to work on the new BM</p>                                  |   |

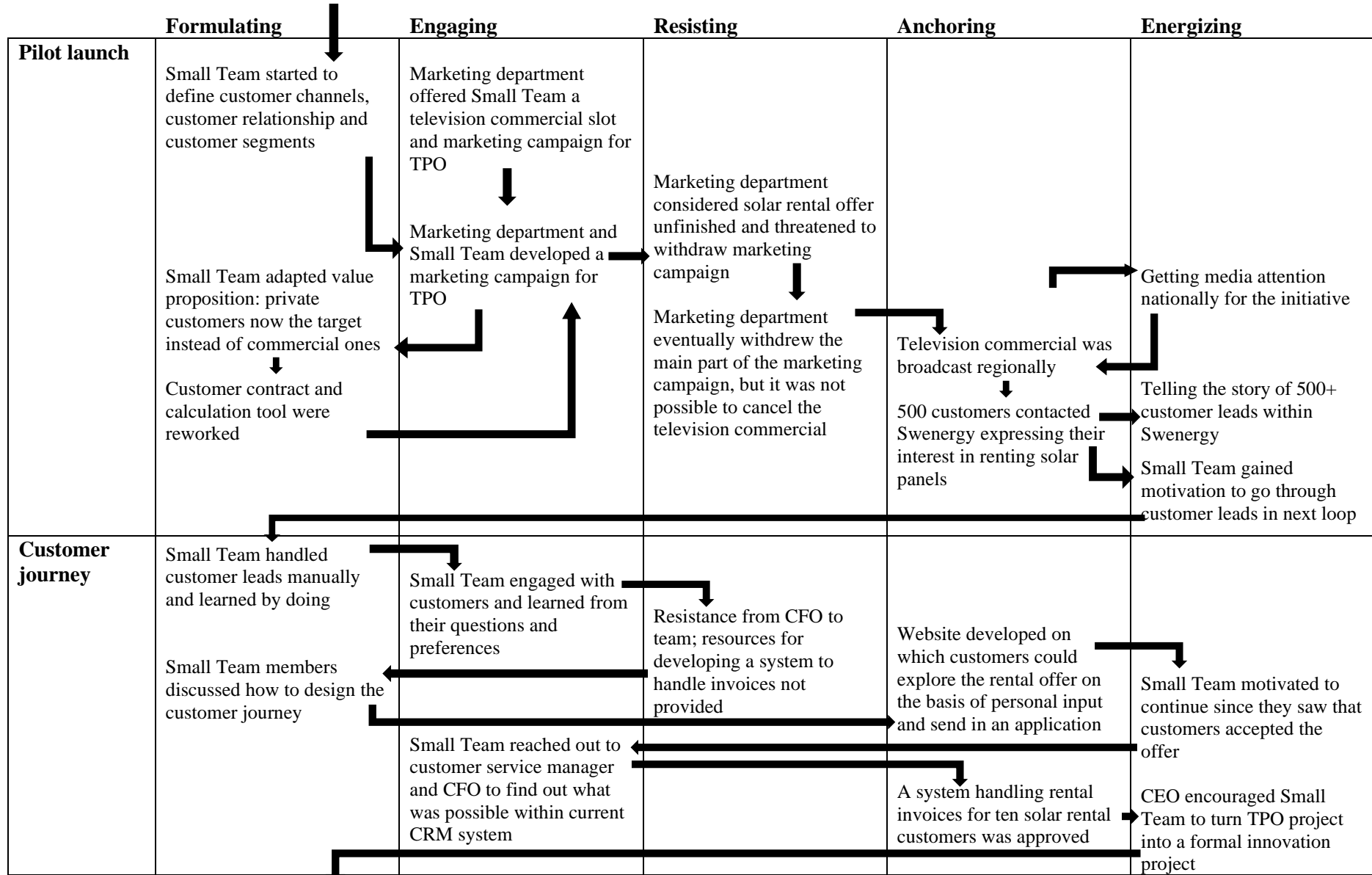
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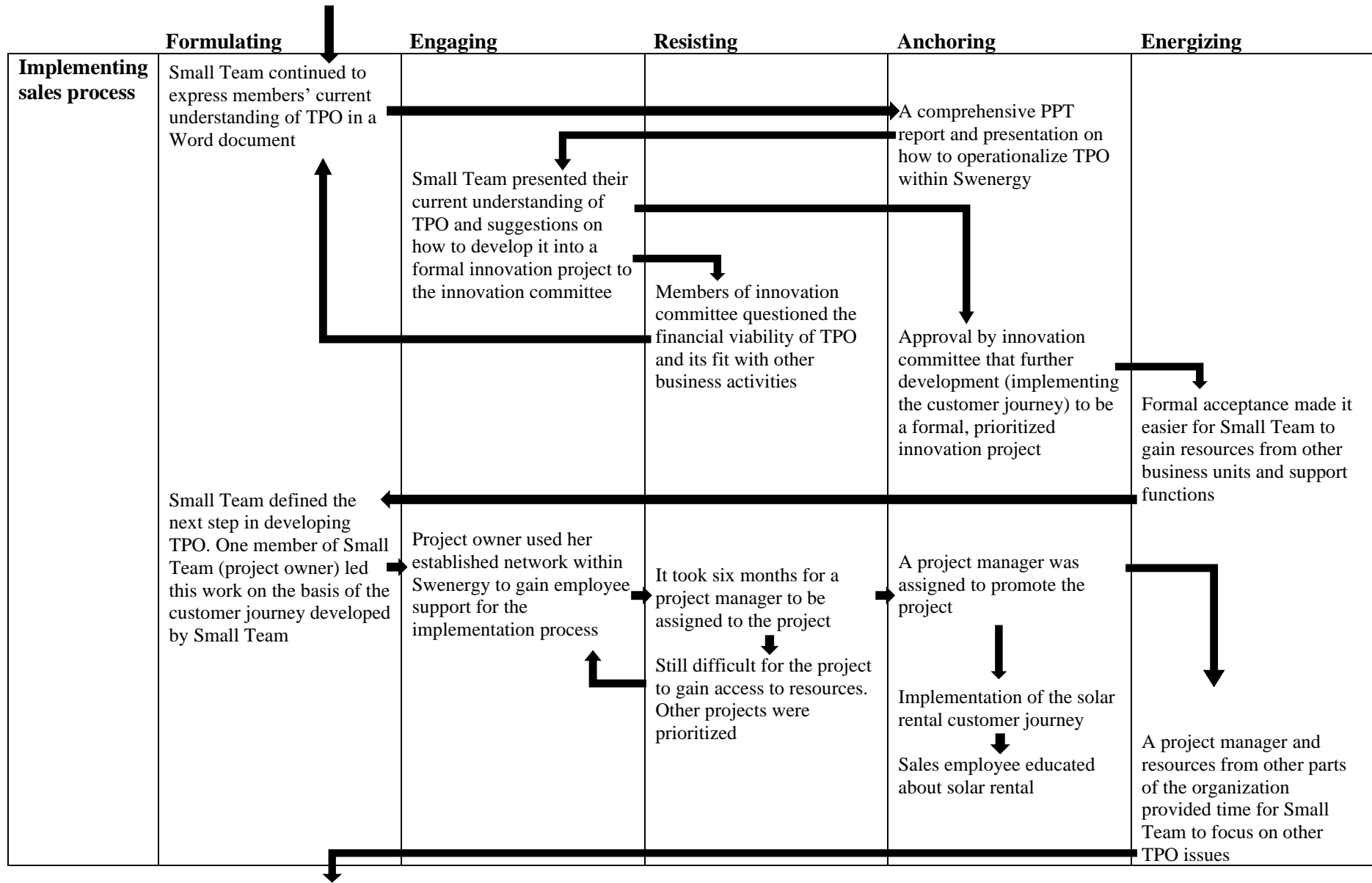
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