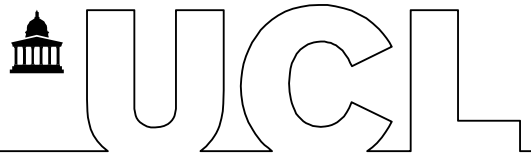


**Integrating Sustainability into Business Model:  
Cases Study of Marketplace and Omni-channel  
Retailers Startups in China and the UK**

STUDENT NAME: Linlin Zhao

MODULE CODE: BGLP0014

WORD COUNT: 14, 237



## IGP MSc COURSEWORK

### DECLARATION OF OWNERSHIP AND COPYRIGHT FORM

#### 1. DECLARATION OF OWNERSHIP

I confirm that I have read and understood the guidelines on plagiarism produced by IGP and UCL, that I understand the meaning of plagiarism as defined in those guidelines, and that I may be penalised for submitting work that has been plagiarised.

This piece of coursework must be submitted electronically through Turnitin on Moodle by the stipulated deadline. I understand that the coursework cannot be assessed unless it is submitted online and that penalties will be applied for late submissions as per UCL and IGP guidelines unless there is an approved case for Extenuating Circumstances or Reasonable Adjustments.

I declare that all material is entirely my own work except where explicitly, clearly and individually indicated and that all sources used in its preparation and all quotations are clearly cited using a recognised system for referencing and citation. Should this statement prove to be untrue, I recognise the right of the Board of Examiners to recommend disciplinary action in line with UCL regulations.

#### 2. COPYRIGHT

The copyright of the coursework remains with me as its author. However, I understand that anonymised copies may be made available to future students for reference. Please, tick the box if you DO NOT want this report to be made available for teaching purposes.



## **Abstract**

This study focuses on the strategies and practices employed by marketplace startups to implement sustainable business models (SBM) through case studies of three companies, CC, HH and SS. The data was collected from company websites, promoting videos online, sustainability initiatives, and interview insights. This study applied the sustainable business model canvas (SBMC) to map out how different components of the business model are influenced by and contribute to sustainability efforts. Also, by implementing the Triple Bottom Line (TBL) framework, the challenges marketplace and omni-channel startups encountered were analyzed. The analysis showed that these startups are driving a shift towards more integrated and sustainable business models by engaging consumers through innovative education and partnerships with diverse stakeholders, which not only enhances brand credibility and expands reach but also drives positive social and environmental impact.

## **Acknowledgements**

I would like to express my sincere gratitude to all the individuals and organizations I've had the pleasure of encountering over the past year, you made my journey in this new corner of the world truly remarkable. To my parents, thank you for your unwavering belief in my decisions and your constant support throughout this incredible year. Your faith in me has been a source of strength and motivation. To my supervisor, Dr Konrad Jan Miciukiewicz, thank you for providing guidance that extended far beyond academic realms. Your encouragement pushed me to take courageous steps in various aspects, from organizing events to placements. This journey would not have been possible without your mentorship. To Yuqian Li and all my friends, thank you for witnessing my personal growth, including my culinary evolution, and for standing by me through countless moments of joy and challenges, your presence has made this year truly special. To Thomas Panton, who has become my first and closest foreign friend, thank you for providing invaluable insights and opportunities, and bringing much happiness to me.

To everyone who's been part of this incredible journey, let's catch up over coffee soon, my treat!

## Table of Contents

Introduction .....	1
1.1 Background .....	1
1.2 Objectives and importance of the study .....	1
1.3 Introduction, relationship and relevance of the 2 analyzing framework .....	1
1.4 Research questions .....	2
1.5 Significance of this study and research gap .....	3
1.6 Structure of the article .....	4
Literature Review .....	5
2.1 Discussion of sustainability .....	5
2.2 Business model in sustainable marketplace startups .....	6
2.3 Challenges of business models for sustainability in startups .....	7
2.3.1 Economic Challenges .....	8
2.3.2 Environmental Challenges .....	10
2.3.3 Social Challenges .....	12
Methodology .....	12
3.1 Research methodology decision .....	12
3.2 Data collection .....	13
3.3 Ethical consideration and anonymity mitigation strategies .....	14
3.4 Limitations .....	15
Case Study Analysis .....	16
4.1 Case company introduction .....	16
4.1.1 CC .....	16
4.1.2 SS .....	17
4.1.3 HH .....	18
4.2 Strategies in integrating sustainability into business model .....	19
4.2.1 Value Proposition .....	19
4.2.2 Customer Segments .....	21
4.2.3 Key Activities .....	22
4.2.4 Key Partnerships .....	23
4.2.5 Revenue Streams .....	24
4.2.6 Social and Environmental Benefits .....	24
4.3 Challenges in implementing sustainable business models .....	25
4.3.1 Environmental .....	25
4.3.2 Economic .....	27
4.3.3 Social .....	28
Findings and Discussion .....	30
Conclusion .....	31
Reference List .....	34

# **Introduction**

## **1.1 Background**

In the face of increasingly complex global environmental challenges, a profound change is quietly taking place in the corporate world: more and more companies are firmly committed to sustainable business practices. These companies focus not only on the growth of economic interests, but also on creating positive value for society and the environment, reflecting their commitment to the principles of Sustainable Business Models (SBM) (Porter & Kramer, 2011). In this transformation, the role of start-ups is particularly compelling. Compared with listed companies with relatively large volume and rigid structure, start-ups tend to be more agile and adaptable, and can well cope with rapidly changing market demands and environmental issues (Ries, 2011; Blank, 2013). Thus, in the practice of promoting sustainable development, start-ups show strong transformative potential.

However, while their innovative initiatives in the field of sustainability are encouraging, start-ups also face a unique set of challenges when implementing effective sustainable business models. Lack of resources, capital and experience is often a major constraint for these young companies (Bhide, 2000; Bruno & Tyebjee, 1982). They need to invest in innovation within limited budgets, while allocating resources efficiently and sustainably. In addition, building public credibility and market trust is also a subject that needs to be handled carefully for immature startups (Ries, 2011). These challenges require startups to not only continue to tap their internal potential, but also to seek external support and partnerships to overcome barriers to growth and continue to drive sustainable business practices (Chesbrough, 2003).

## **1.2 Objectives and importance of the study**

This paper aims to explore how market start-ups deal with these complexities and challenges while developing business strategies. The case studies of HH, SS and CC selected in this paper provide a convincing framework for this analysis. The three case companies, fight against greenwashing, sift through a wide range of products on the market that claim to be sustainable and offer them under one roof. In addition to this, they also creatively offer other products and services carried out in the field and the company embodies an innovative approach to sustainable development in its operating model. By examining their strategies and practices in detail, this study aims to reveal the challenges these startups face and how entrepreneurial ecosystems such as market trends, collaborative networks, and others influence the conduct of their sustainability efforts.

## **1.3 Introduction, relationship and relevance of the 2 analyzing framework**

In this paper, the analysis will be mainly supported by two theoretical models: Sustainable Business Model Canvas (SBMC) and Triple Bottom Line (TBL), aiming at in-depth analysis and evaluation of the implementation and effectiveness of sustainable business practices in start-ups.

Sustainable Business Model Canvas (SBMC) is an analytical tool, which maps out the inter-relationships and potential impacts of the various components of a business model and reveals how sustainability elements are integrated into business models (Bocken, Short, Rana, & Evans, 2014). Through the application of the SBMC model, this study can systematically deconstruct and analyze the operation mechanism of the case companies, and further promote the understanding of the application of sustainable development in the business framework (Joyce & Paquin, 2016). At the same time, using SBMC provides a pathway to identify and address the practical challenges and obstacles that startups may encounter in achieving a sustainable business model (Lüdeke-Freund, Gold, & Bocken, 2019).

The Triple Bottom Line (TBL) framework is often used by academics and analysts to evaluate various business practices, including the economic, social, and environmental dimensions of a company. In the process of analysis, the TBL framework points out that enterprises may encounter multiple benefits and potential costs when pursuing sustainability (Elkington, 1997). Examining the economic, social, and environmental dimensions of business not only adds new evidence and insights to existing theories of sustainable business practices, but can also provide practical strategies and valuable advice for other startups aiming to develop and implement effective sustainable business models (Stubbs & Cocklin, 2008). TBL broadens the traditional economic dimension, allowing companies to not only focus on the economic bottom line, but also consider their broader impact on society and the environment, making business prosperity more balanced. This holistic view is more conducive to making decisions about one's own development and the world around it, and is therefore critical to the long-term growth and success of companies and even the entire startup ecosystem.

#### **1.4 Research questions**

##### **RQ1: What are the strategies and practices employed by marketplace startups to implement SBM?**

This question seeks to collect information and collect data from company websites, sustainability initiatives, and interview insights, to uncover the specific strategies and practices that marketplace startups integrate sustainability into their business models. Through adopting sustainable business model canvas (**SBMC**), this article is going to analyze how sustainability is integrated into various aspects of the business operations.

## **RQ2: What challenges do marketplace startups encounter in integrating SBM?**

This question aims to explore the challenges that marketplace and omni-channel startups face when trying to integrate sustainable business models. And the analysis will focus on challenges and corresponding solutions in 3 dimensions, including social, environmental, and economic in Triple Bottom Line (TBL) framework. through looking into secondary data sources and interview responses. By analysing and figuring out what are the challenges these startups are facing and how they are addressing them, this study will provide a clearer picture of the barriers to sustainability and suggest potential solutions.

### **1.5 Significance of this study and research gap**

Integrating sustainability into business models is now an increasingly important strategy for companies seeking long-term success and social impact. Companies also have begun to realize that in order to remain competitive advantages in a rapidly changing global marketplace, they need to move beyond traditional profit-focused models and toward more sustainable approaches (Schaltegger et al., 2016). Sustainable business models (SBM) goes beyond tradition profit-driven business model, instead, it allows companies to create economic value while addressing environmental and social issues, thereby increasing competitiveness and resilience (Bocken et al., 2014). In addition, integrating sustainability principles into core business operations can help these companies better adapt to the changing regulatory environments, drive innovative changes, enhance brand reputation, and attract more and more socially conscious consumers and investors (Geissdoerfer et al., 2018; Porter & Kramer, 2011). Besides, integrating sustainability into business model is also a way to explore new pathways for innovation, and maintain a competitive advantage in their industry (Hart, 1997). On the contrary, as stakeholders' going concerns about the company's sustainability grow, expectations rise, and companies that fail to incorporate sustainability risks will disappoint stakeholders in such an environmentally and socially conscious market environment, gradually falling behind and losing their competitive advantage (Boons & Ludeke-Freund, 2013). As a result, understanding how to effectively run a sustainable business becomes more and more critical for these startups looking to survive and thrive in the current market while also contributing positively to the society and the environment.

In this research, the sustainability marketplace and omnichannel startups were selected in order to investigate the inherent sustainability of business models for the following reasons. First of all, one thing common among them is that they have dynamic interconnections among suppliers, customers and the wider society as a whole, which not only fosters rapid growth and scalability for them as a whole embark on children's book creative writing, but also enhances their capacity to influence positive change in sustainability agendas (Hagiu & Wright, 2015). Thus, given these scalable business models, marketplace and omnichannel startups are



likely to enhance sustainability endeavors much better and mobilize the masses to adopt sustainable practices and operations. Second, while these startups can be considered to be scalable, their scale today has not achieved anything significant. Hence agile for adaption, changes, and also the cross - border incorporation of sustainable principles (Cusumano, Gawer and Yoffie, 2019). In addition, sustainable marketplace and onmichannel startups play a key role in promoting ethical consumerism by offering products that meet environmental and socially responsible standards. A study done by McKinsey (2023) highlights that much purchase behavior is directed at ESG oriented products, a sign that sustainability is increasingly on people's minds. As the demand for sustainability increases, markets and omni-channel startup models are being compelled to ethicalise their offerings. As noted by Yao (2024), such startups do not only satisfy the specific sustainable and ethical consumers aspirations, but actually broaden the audience and make them want to start shopping responsibly. Therefore, such startups can be considered a bottom up method of achieving sustainability because they aim to change consumer behaviors and attitudes towards sustainable consumption through market opportunities.

Other than that, however, sustainable marketplace and omni-channel start-ups have their own obstacles when tucking sustainability as part of their business model (Baldassarre et al., 2017). There has been an ongoing popularization and expansion of the concept of sustainable business models across different fields to date, yet how such sustainable business models can be applied by these startups remains underexplored (Tauscher & Laudien, 2018). The unique contribution of this research is a consideration of how three case companies in the UK and China successfully integrate sustainable business model into their operations while giving a cultural context to the phenomena. The aim of this specific case study is to establish the different modes in which sustainable business models are incorporated in these start-ups, how these changes come about, and measure the role of the start-up ecosystem in this process (Cohen, 2006). Theory-building also aims at investigating and formulating innovative strategies that can assist mainly market start-ups in fighting the odds of complexities surrounding sustainable development (Schaltegger et al., 2016). The findings will not only serve the academic interests but will also assist in disseminating practical recommendations to other businesses in the field of development and integration of the sustainable business models (Bocken et al., 2014). This research will be especially important to entrepreneurs and policymakers who aim to promote their practies in the rapidly evloving market.

## **1.6 Structure of the article**

The initial portion of this paper focuses on the key terms which correspond to the literature review on adoptions of sustainability, business models in sustainable marketplace and omni-channel startups, and problems they have. It is followed by

an explanation of one of the qualitative methods employed in the work which is a case study strategies. The core part of the research is made up of the descriptive part that strives towards a detailed understanding of the case companies under study or their relations towards sustainability integration and the obstacles encountered. The last portion of the research paper addresses the findings, their significance, and makes certain recommendations regarding the further research of business models in focus, for the marketplace and omni-channel startups.

## **Literature Review**

### **2.1 Discussion of sustainability**

The term of sustainability has diversified greatly in the past few few decades and such interest can be observed from many fields including environmental science, economy and social studies (Giovannoni and Fabietti, 2013). The concept of sustainable development, which originated from the very narrow idea of the harvest of timber never to exceed the new growth of the forest (Kuhlman and Farrington, 2010), has today extended to include other socio-political and economic factors. This made the United Nations to step in with sustainable development goals in the year one thousand nine hundred and eighty-seven, which tasked the capability of development as one that does not leave future generations worse off than they are now (The United Nations, 2024). Clearly such a broad definition poses historiographical challenges to the definitions and practice of sustainability in the business context. Some scholars claim that in regard to businesses, sustainability means actions and policies that are orientations aimed at consequences, which are undesirable cognate to environmental and social aspects (IBM, 2021). This school of thought focuses on the social aspect of sustainability, that is, the corporate social responsibility. On the other side, Porter and Derry (2012) argue that when speaking about sustainability, one accepts the universal dependence and relationships of species and ecosystems and as a result includes every group of people surrounding the firm and not just its shareholders or few others. This perspective contributes new dimensions to sustainability by adding ethical and social factors in addition to more immediate profitability perspectives. Furthermore, there are studies that propose that sustainability should also be understood in terms of long-term time-frame solutions rather than in terms of short-term cost-effective but potentially harmful solutions (The Good Doc 2022). This notion emphasizes the role of long-term orientation in practice in the context of sustainable practices. Others, however, hold that these definitions are too vague or wide screen and therefore non-practical. Bansal and Song (2017) specifically indicate that the varying interpretations makes the actual practices inconsistent hence leading to environmental deceit. Although all these variances, there is a common ground that business sustainability entails usage of multi-faceted plans or approaches whose objectives are to reduce the adverse effects of the business activities on the environmental and the society on the one hand, and the long term capacity of the firm on the other hand, to ensure

that all stakeholders are taken into account. Such an approach is in line with the ideals of the 3Ps developed by Elkington in 1997 concerning the planning horizon of an activity. It is evident that when economic, environmental and social dimensions are integral a business can be truly sustainable. Lastly, for the reasons of this research sustainability will be defined as the adoption of practices and procedures that reduce environmental, social, and stakeholder, rather than shareholder, value risks.

## **2.2 Business model in sustainable marketplace startups**

Given the increasing importance of the notion of sustainability in businesses and scholarly works, many frameworks have sprung up to assist organizations in undertaking sustainable endeavors. Indeed, such frameworks provide methodological tools which can be used to enable organizations in the incorporation of sustainability in the business activities of the organizations. Of these, perhaps the most prominent and widely adopted is the framework known as Triple Bottom Line (TBL).

TBL, or three pillar approach environmental, economics and social, was coined by Elkington in 1997 as a framework for corporations to nurture all the three pillars for sustainability. Such integrated factors give pressure to businesses to expand their horizons beyond profits and operations that also create environmental and societal values along with profits (Slaper and Hall, 2011). Supporters like Hart and Milstein (2003), claim that corporate strategy cannot do without focusing on how the business contributes to sustainable development or vice versa. They maintain that such a commitment may lead to high levels of customer loyalty, efficient operations and minors of every aspect of the firm regardless of the departments' affiliation (Epstein and Buhovac, 2014). Moreover, Porter and Kramer (2006) remind companies about the consequences of ignoring environmental and social concerns, including damage to reputation, litigation, and loss of customers. Nevertheless, despite the growing interest the TBL has attracted, examples show that it encounters obstacles. Yogarajan and Lindgren (2013), observe that different components such as social responsibility and environmental management might become an obstacle to the advancement of sustainability. They argue that most declarations and claims happily made about TBL often outweigh what the practice can achieve, at other times acting as window dressing to documents reporting and performance popularly known as 'greenwashing'. Delmas and Burbano (2011) also recognize that greenwashing results in negative effects for consumers, however they posit that if governance became more rigorous and information more open this problem could be less pressing.

In order to solve this problem, different views are taken and sustainability precipitation is put in the core business systems. For instance, many scholars label one approach called 'embedded sustainability' – the aim is to engage the business

with all its facets, rather than as an afterthought. Schaltegger et al. (2016) have focused on business model innovation for sustainability claiming that the redesigning of business models with regards to sustainability leads to profound transformations. Sustainable Business Models (SBMs) include and take into account interests of wider array of stakeholders than in traditional models and generate value not only in monetary, but also in non-monetary form (Geissdoerfer et al., 2018). Supporters say that this type of approach helps in building resilience and creativity. Porter and Kramer (2011) has also set forth 'shared value', where it is possible to generate profit while addressing social problems. However, Crane et al. (2014) argue that this form of governance might oversimplify sustainable development problems resulting in clashes of different stakeholders' interests. They insist those models which can be called sustainable in all the aspects are those which cope with system issues, inequalities in power relationships. For the case of marketplace and omni-channel startups, the multi-stakeholder approach does provide, but also imposes certain expectations. Acquier et al. (2017) argue that although these platforms have the capacity to democratize access to resources and generate economic opportunities, they are likely to worsen inequalities if not controlled. Expansion of the scope of activities means that startups have to critically evaluate their impact upon their wider stakeholders, including gig workers and local communities, to enforce responsible and sustainable management practices. To summarize, although the TBL can be said to be useful in the assessment of sustainability, critics and the current trends in the discussion impose a necessity for a more holistic approach. The multi-stakeholder approach of SBMs enhances efforts focused on achieving sustainability, but requires careful execution. Startups, particularly those operating within a marketplace, grapple with the tension of building their business exponentially whilst upholding a responsibility towards stakeholders. The further analysis would also try to answer how start-ups can become scalable while competing on the principles of sustainability.

### **2.3 Challenges of business models for sustainability in startups**

For marketplace and omni-channel start-ups, the introduction of sustainability proves to be an dividing line. These are those who develop such services using digitalization tools to connect buyers and sellers, thus enhancing synergies in different fields. Nevertheless, the transition to more forward-looking styles of conducting business is likely to be extremely complicated. According to Rochet and Tirole (2003), this is part of a fundamental dilemma some start-ups have to deal with. The rest of this development does raise a sort of a moral question about doing business. For example, aggressive market share growth may still be the goal, but it is at the price of social and ecological impact. Building on this view makes Zervas, Proserpio, and Byers (2017) contend that the quick growth of the start-ups may have adverse effects-as well. Expanding demand for travel and delivery services has led to adverse effects such as unstable gig employment and increased carbon

emission. This raises the major issues of achieving economic growth and achieving sustainability for all the stakeholders.

The TBL framework helps consider various drivers like economic, social and environmental drivers of sustainability and provides convergent formulation of these elements of sustainability (Elkington, 1997). However, incorporating it to such young companies which are dynamic, faces obstacles. Cedar et al. (2020) argue that in order to go beyond a profit-making process in the present environment and create a business model which is sustainable at all levels, there will be a need to transform the sensibilities and practices of decision makers in the company. This can be especially challenging for young companies that have little resources at their disposal. Also, Boons and Lüdeke-Freund (2013) argue that for sustainability oriented but yet young companies there is a need for development in terms of business model, it has to say innovate business models which cut across the internal and external value chains. It concerns companies returning their traditional business models to new updates related to social welfare and environmental changes. This is such an overreaching goal, however, most of the industrialists running such ambitious startups are already under great pressure to sustain high growth and push into the market. However, some experts still, offer a different perspective, Schaltegger, Hansen and Lüdeke-Freund (2016) claim that if such principles of sustainable development is integrated into the initial project of the start-up, they are likely to develop better sustainability how many such structures and systems work together. The specific challenges associated with economic, social, and environmental aspects are outlined below.

### 2.3.1 Economic Challenges

The first challenge for sustainable startups is constraints on financial resources. The financial constraints of sustainable marketplace startups are numerable and usually more complicated than those faced by ordinary startups. Schaltegger, Lüdeke-Freund, and Hansen (2016) bring into attention the situation where many startups use sustainable way only to constrain their high upfront investments and become profitable fast. This problem is especially serious in case of marketplace startups that work on low margins and need to grow fast to become profitable. Bocken et al. (2014) remark that financial organizations are likely to avoid providing resources to developed novices engaged in sustainable business models owing to risk and uncertainty. Still, Calic and Mosakowski (2016) argue the opposite, claiming that some sustainability startups may actually have easier time raising some types of investment in particular from. Impact investors and crowdfunding. In addition, Choi and Gray (2008), further complicate the picture by point that this startups are likely to experience a stage of “valley of death” when the initial investment takes place, but the startup cannot anticipate any revenue. This phase can be particularly problematic for companies that are both platform heavy and user acquisition heavy as users will not start contributing revenue from the outset.

The second challenge for sustainable startups is balancing environmental and economic Goals. Hahn et al. (2010) highlight the tensions that can arise between environmental and economic goals in sustainable business models. For marketplace and omni-channel startups, this might manifest as conflicts between rapid scaling (which often relies on increasing consumption) and environmental sustainability. However, Schaltegger et al. (2016) argue that truly sustainable business models can create positive value cycles where environmental and economic goals reinforce each other. For marketplace and omni-channel startups, this might involve designing platform mechanisms that explicitly reward environmentally sustainable behaviors.

The third category deals with regulatory environment and the policy-related problems. The policy framework presents both problems and prospects for sustainable marketplace start-ups. Hockerts and Wüstenhagen (2010) acknowledge that regulatory requirements do impose restrictions for certain businesses and practices, yet they are also capable of fostering certain aspects of development that create possibilities to operate within the domain of sustainable new ventures. Nonetheless, Dean and McMullen (2007) observe that many of these environmental regulations are designed for bigger established players, which could be a challenge for many new entrants within the market. For example, regulatory environment and policy can be particularly difficult for marketplace startups as they may have to comply with a number of regulations in a number of jurisdictions, these startups can make long-term commitments to sustainable technologies or practices over time, but due to instability or frequent changes in policy regulations of either environmental regulations or subsidy regulations this does not become possible. Economic challenges are reasonable grounds though significant for sustainable marketplace start-ups there are now emerging new possibilities. Particularly, the increasing consumer's awareness on sustainability, new investors on the social ventures, new political trends are some of the strategies in how these common issues will be dealt with. Nevertheless, there is a war of financial constraints, market education or adoption needs, and regulatory barriers to entry for the entrepreneurs. Cusumano, Gawer, and Yoffie (2019) further note that in regard to sustainable marketplaces and omni-channel startups, such measures as GMV or user base alone may not be sufficient hence there is a need to look for other unconventional success measures. They also point out that similar metrics on how it will impact the environment or create social value may equally be important to these ventures, but these tend to be more difficult to compute and convey to the investors.

Next economic challenge for these sustainable startups is cost structure and pricing challenge. These sustainable startups often do incur more costs in terms of screening the sustainability of their suppliers and complying with internal environmental and quality requirements. According to Osterwalder and Pigneur, such costs tend to put sustainable marketplaces and omni-channel at a

disadvantage when it comes to pricing as compared to conventional platforms which might limit their reach to those price sensitive consumers (Osterwalder and Pigneur, 2010). However, other scholars, Schaltegger and Wagner also assert that the sustainable start-ups may have some advantages in that they might be able to compensate such costs with enhanced customer retention and lower advertisement costs since the sustainable consumers will be more acting as brand loyal (Schaltegger and Wagner, 2011).

Fifth challenge is also relevant to financial: funding and investment challenges. Calic and Mosakowski (2016) showed that such sustainable startups have some advantages concerning attracting some types of funding, however, Bocken (2015) stresses that these types of startups might encounter problems with traditional venture capital. Sustainable business models often require considerably longer time horizons to demonstrate viability that at times works against the relatively short time frame for growth and exit designed by conventional VC. Geobey, Westley, and Weber (2012) argue that alternative choices, such as impact investing or blended finance, may be more responsive to the requirements of such startups with market based solutions. Nevertheless, at the same time, they acknowledge that these types of finance are in their stage and might be unable to provide the scale of funding that marketplace startups always seek for the purpose of quick growth.

Overall, The challenges faced by sustainable marketplace startups are complex and multifaceted. While they share many of the same hurdles as traditional startups, they also face unique challenges related to their sustainability focus. These include potentially slower scaling due to the need for sustainability verification, higher operational costs, challenges in traditional venture funding, and the need to measure and communicate sustainability impact. However, these challenges also present opportunities for innovation in business models, funding structures, and impact measurement. As consumer demand for sustainability continues to grow, startups that can effectively navigate these challenges may be well-positioned to capture significant market share and drive meaningful environmental and social changes.

### 2.3.2 Environmental Challenges

Integrating sustainable practices into core business operations poses significant challenges for marketplace and omni-channel startups, particularly in the environmental domain. These challenges are multifaceted and require careful consideration and innovative solutions.

The first environmental challenge is expertise and resource constraints. Geissdoerfer et al (2018) point out that more often than not, startups do not have the necessary knowledge and resources to implement and manage projects that target environmental sustainability. This deficiency can result in efforts that tackle

sustainability set outs but more in terms of form rather than substantive changes that bring real environmental benefits. For marketplace and omni-channel startups, this challenge is compounded by the need to guarantee sustainability across the extended supply chains and consumers networks. However, nidumolu et al. (2009) think that sustainability does not inhibit creativity and possibly offer a competitive plus to start-ups if successfully adopted in their operations, instead, sustainability should be a chance to grow new skills and abilities and to come up with new business models for them.

The second challenge for sustainable startups is the complexity of sustainable innovation. Adams et al. (2016) highlight many startups struggle with the complexity of embedding sustainability into their innovation processes, which requires a deep understanding of sustainable development principles. For marketplace startups, this challenge extends to designing platform architectures and incentive structures that promote sustainable behavior among all participants. Boons and Lüdeke-Freund (2013) propose that sustainable business model innovation requires a systems-level approach, considering the entire value network. For marketplace startups, this might involve rethinking traditional platform models to explicitly incorporate environmental considerations.

Measuring and verifying the environmental impact becomes the third, also a major obstacle for guest conditions start-up, especially at the time when their intention is to validate their environmental claims. Delmas and Burbano (2011) describe the problem of green-washing, when companies make positive statements about their environmental behavior that cannot be substantiated by facts. The situation becomes especially complicated for marketplace start-ups whose business models typically involve onboard diversity of suppliers. Etzion and Aragon-Correa (2016) argue that information technologies and analytical capabilities such as big data and analytics can be central to monitoring and improving performance with respect to the environment. Enterprise development in the same fashion allows startup to perform comprehensive data collection and analysis regarding the environmental impacts of the platform activities. At the same time social enterprises have similar constraints when it comes to measurement and reporting of social impacts within pragmatic limits. Muñoz and Cohen (2018) opine that, during various stages of the startups, assessment of the financial performance based on the accounting principles is found insufficient for explaining the value created by these startups. Finding realistic and workable ways to measure sustainability impact is in itself a challenge; especially more so for startup organizations. Notwithstanding these hurdles, Stubbs (2017) explains that these impacts are of great help to the proprietors and customers who are environmentally conscious on how the products are packaged and the product itself enhancing the attractiveness of the start up's products.



Consequently, such impactful techniques for marketing also increase the attractiveness and competitiveness of the startups in the markets which are moving towards sustainability concerns.

### 2.3.3 Social Challenges

A particular challenge for sustainable marketplace startups is engaging and educating suppliers and other partners about environmental sustainability. Seuring and Müller (2008) discuss the complexities of implementing sustainable supply chain management, which becomes even more challenging in a decentralized marketplace model. However, this challenge also presents an opportunity. Nidumolu et al. (2009) suggest that companies that proactively address sustainability can gain a first-mover advantage in shaping industry standards and best practices.

Besides educating suppliers and other partners, another special challenge that impacts the sustainability of such startups is that of market acceptance and consumers' behavior. Recent studies now show a positive trend towards consumers' readiness to pay more for sustainability. Some respondents in PwC's survey (2024) on the consumers, are ready to increase the price they pay by an average of 9.7% for the sustainably manufactured consumer goods or sustainably sourced goods. Tighe (2023), however, provides an important qualifier as he notes, 55% of consumers in the UK would be at least somewhat more inclined to pursue a sustainable lifestyle if it were cheaper. Other scholars also emphasize that willingness to engage in pro-social, pro-environmental behavior may not readily translate into an actual purchase and this often requires a great deal of marketing activity and consumer education (York and Venkataraman, 2010). For marketplace and omni-channel companies, this problem is aggravated by the fact that both the suppliers and the consumers of the market have to be educated regarding the merits of the sustainable practices. Still, other scholar note that sustainable Startups have "chicken and egg" problems typical of two-sided markets (Pinkse and Groot, 2015). They have to first get green consumers and green suppliers to the platform but have the dilemma of each group not wanting to go on the platform without the other, posing a major difficulty for startups.

## **Methodology**

### **3.1 Research methodology decision**

This dissertation adopts a qualitative research approach with the aim of analyzing the strategies and practices employed by marketplace startups to implement sustainable business models (SBM). The study focuses on cross-national cases of companies, SS, HH and CC, located in China and the UK, respectively. To investigate this phenomenon, the primary research methods used are case study analysis and systematic analysis.

The qualitative approach was chosen for its ability to provide rich and contextual insights into complex phenomena (Creswell & Poth, 2018). This method is particularly suitable for exploring the nuanced ways in which startups integrate sustainability into their business models, as it allows for an in-depth examination of processes, challenges, and contextual factors that may not be easily quantifiable (Yin, 2018). The case study method, as a core component of this research, enables a detailed investigation of each company within its real-world context (Eisenhardt & Graebner, 2007). By examining multiple cases across two different national contexts, this study aims to identify both common patterns and unique characteristics in the implementation of sustainable business models. This cross-national comparison provides valuable insights into how different entrepreneurial ecosystems influence the development and integration of SBMs. Systematic analysis, particularly for HH where direct interviews were not conducted, involves a comprehensive review of publicly available information. This method ensures a thorough understanding of the company's sustainability strategies and practices, complementing the primary data collected through interviews for the other cases (Bowen, 2009). The selection of SS, HH, and CC as case studies was based on their relevance to the research questions, their innovative approaches to sustainability, and their operations in distinct national contexts. This purposive sampling strategy allows for a rich exploration of how sustainability is integrated into business models across different cultural and regulatory environments (Patton, 2015). By combining these research methods, this study aims to provide a comprehensive understanding of how marketplace startups implement sustainable business models, the challenges they face, and the influence of their respective entrepreneurial ecosystems. This multi-faceted approach enhances the validity and reliability of the findings through methodological triangulation (Denzin, 2017).

### **3.2 Data collection**

This study has applied two primary data collection methods to ensure a comprehensive analysis of the case companies, including semi-structured interview, and systematic analysis of publicly available information. Semi-structured interviews were conducted with key representatives of each startups, typically the CEO or founder, from two of the three case companies: CC and SS. This method was chosen for its flexibility, allowing for focused, conversational two-way communication with the participants (Galletta, 2013). It provided the opportunity to look deeper into specific areas of interest while also allowing for unexpected insights to emerge. Each interview with startup founder lasted between 30-45 minutes, ensuring in-depth discussions while respecting the time constraints of these founders. The interviews focused on three main areas:

- Background story of each startup
- Strategies and practices for implementing Sustainable Business Models
- Challenges encountered in integrating Sustainable Business Models

For HH, where direct interviews were not conducted, a systematic analysis of publicly available information was employed, and the data and information collected for HH focused on the same three areas as the interviews, thus ensuring consistency in analysis in the three case companies. For example this method included an extensive examination of company websites, press cuttings, sustainability communications and other legally available documents. This study aims at achieving this goal by studying as much of the secondary data related to spatial interaction as possible (or which is available) thereby making it easier to understand all the sustainability measures of the company.

In addition semi-structured interviews combined with systematic analysis of public information enabled CC and SS to achieve methodological triangulation, which is beneficial to credibility and trustworthiness of the findings, as well as further discussion and conclusion. This method has provided a complete picture of the implementation of sustainable business models in the market and omnichannel startups, revealing the specificity and constraints faced by these organizations and the entrepreneurial ecosystems they inhabit. Using these additional methods for data collection, the study managed to capture information from all three case study organizations although it wasn't possible to interview HH. This strategy is consistent with Yin's in case studies that entail the use of multiple evidence sources so that all sides of a subject that warrant exploration can be adequately addressed (Yin, 2018).

### **3.3 Ethical consideration and anonymity mitigation strategies**

Ensuring ethical behavior is important in qualitative research, especially when it comes to company case studies (Saunders et al., 2019). The three case companies selected in this paper are all startup companies, which are not listed and therefore have less public information, and the public information available is mainly the introduction and publicity of the company and its main activities. Because of this, it might be sensitive to ask startup founders about their company's current status, challenges, and business development strategies in interviews. Therefore, the authors strictly abide by the ethical guidelines during the research process and take a series of comprehensive measures to protect the interests of participating companies and individuals. To maintain the confidentiality of the commitments made to participating companies, the findings are presented in a way that ensures anonymity, which includes the use of aliases and the generalization of specific details that may reveal the identity of the company (Kaiser, 2009). Specifically, the study uses blank references, such as '(Company X, 2024)' and presents specific financial data or unique product details in scope or general terms to prevent direct identification. However, given that this study focuses on a particular group of sustainability-focused marketplace platforms and omnichannel startups in China and the UK, maintaining complete anonymity presents unique challenges. Despite anonymization efforts, there is a risk that informed readers may identify these companies (Tolich, 2004). To address this complex issue, the authors adopted a

multi-layered strategy during the data collection process: first, participants were explicitly reminded of the potential limitations of anonymity during the informed consent process to ensure that they fully understood the situation (Wiles et al., 2008); Second, take extra care in reporting unique or identifiable characteristics of the company, striving to strike a balance between providing a rich description and maintaining the promise of anonymity; Finally, the study gives participants the opportunity to review and approve any potentially identifying information before its official release, further protecting their rights and interests (Saunders et al., 2015). Informed consent procedures are another key component of the research ethics framework. Before data collection began, all interview participants received detailed information about the study's purpose, methodology, and potential risks. The authors of this study also obtained oral and written informed consent from the participants, with particular emphasis on the voluntary nature of participation and the participants' right to withdraw at any stage of the study (Ritchie et al., 2013). This process not only ensures that participants fully understand the implications of their participation in the study, but also lays the foundation for building trust between the researcher and the participant. To further ensure the ethics of the research, the project was formally approved by the UCL Ethics Committee prior to commencement. All research procedures are conducted in strict compliance with the University's ethical guidelines, as well as the principles outlined in the Economic and Social Research Council's (ESRC) Research Ethics Framework (ESRC, 2015). This multifaceted ethical review and compliance process not only protects the research participants, but also upholds the academic integrity and social responsibility of the research.

Overall, the study ensured the reliability and value of the findings by implementing comprehensive ethical measures to protect the privacy and rights of the participants and their startups.

### **3.4 Limitations**

While this study provides valuable insights into the implementation of sustainable business models in marketplace startups, there are still some limitations. Firstly, it should be noted that a dependency on secondary sources of information, such as one of the case companies HH Information is focused on, implies that the conclusions drawn are entirely based on previously collected data which, to some extent may bear with similar problems as Cowton (1998) noted. Secondary data in this regard may as Saunders et al. (2019) noted on some situations become outdated or they may be collected for other reasons other than what is the main purpose of the project resulting in providing data that is not accurate enough. Besides, the semi-structured interviews, despite the richness of their qualitative data, as criticized by Qu & Dumay (2011) is diminished by the limited number of respondents and possible biases in their answers, in this case, the small number of interviews carried out (i.e. only two for this study) may fail to represent all types of

viewpoints in any specific organization. Affect is also described by Alvesson who pointed out that respondents may have added to and/or altered the results of the study in ways that were not intended: in this case in two areas namely, both impression management, in which case respondents may exaggerate certain aspects and de-emphasize other aspects to create an image of what they deemed ideal, and memory bias, in which case, respondents may not answer accurately about the decisions and situations from the distant past and leads to the unreliable or partial information and inaccurate conclusion (Alvesson, 2003). Thirdly, narrowing down to as few as three case companies and conducting head-to-head interviews with only two, may affect the transferability of the findings to other, especially more mature, high tech startups, or to other industries (Yin, 2018). In his contribution to Yin, Stake (1995) note that although case studies are useful in providing a degree of insight, they rarely have a level of coverage which in any way limits the credibility of the results' external relations.

In further studies, in order to overcome these limitations, the sample size should be increased to include additional companies and the data collected should adopt methods aimed at improving the strength and applicability of the findings (Denzin, 2017). It would also be essential to undertake longitudinal studies to enable a more dynamic understanding of the changes in sustainable business models over a given period (Pettigrew, 1990). In addition, there is a need for mixed-methods that cross-validate results by relating qualitative and quantitative perspectives (Creswell & Plano Clark, 2017).

## **Case Study Analysis**

### **4.1 Case company introduction**

#### **4.1.1 CC**

Founded in 2021 and headquartered in London, CC is an innovative e-commerce platform with a clear mission: to make sustainable shopping accessible to everyone. According to CC's founder, they realized that current efforts were not enough to solve the global waste crisis, which led them to create a solution that would enable consumers to make more environmentally conscious purchasing decisions. At its core, CC is a marketplace that offers a wide variety of environmentally friendly products, from kitchen essentials to cleaning supplies, and ensures that every product is sustainable and ethical, so that customers can make a positive impact on the planet and society while shopping (CC, 2024). What sets CC apart from the other two case companies is its practice of transparency and measurable impact. The company designed an impact calculator that allows customers to track the positive impact of individual and CC community products on the environment (CC, 2024). This function not only quantifies the environmental impact, but also enhances the construction of CC community. Motivate customers to be more engaged in the

whole process. In addition, CC is more than just a marketplace that offers products for sale, CC also offers third-party verification services to sellers on its platform, including sustainability tracking and the issuance of a certification, an additional review that ensures that CC offers products that meet sustainability standards, further building the trust of environmentally conscious consumers (CC, 2024). Overall, through its integrated approach - combined with carefully curated product ranges, impact tracking, and seller verification - CC not only promotes sustainable shopping, but actively shapes a more responsible consumer culture, making the impact of sustainable products more accessible and accessible to every consumer, and as a result, CC has a vital role to play in driving the transition to a more environmentally friendly and socially responsible market (CC, 2024).

#### **4.1.2 SS**

SS, founded in 2021, is a sustainable lifestyle brand that promotes eco-friendly practices at every step of the way, with a particular focus on sustainable food recycling and plant diversity (SS, 2024). The company's mission is to make sustainability accessible and relevant to everyday life, bridging the gap between environmental consciousness and daily habits. Recognizing that many people perceive sustainability as a distant concept primarily for governments or large institutions, SS aims to change this perception by integrating sustainable practices into lifestyle choices by offering environmentally friendly products and services centered around plant cultivation and usage (SS, 2024). During different events, SS illustrates how individuals can easily incorporate sustainable practices into their daily routines. SS's philosophy is rooted in providing sustainable choices that don't create additional burdens for consumers. In the interview, SS's founder emphasized that they believe that sustainability should be simple, correct, and easily adoptable. By offering alternatives that seamlessly fit into people's lives, SS encourages wider adoption of eco-friendly practices.

According to different channels of primary data and secondary data, the company operates on multiple aspects:

- Retail: They organize events and run shops to showcase and sell sustainable products.
- B2B Consulting: According to SS's founder, besides B2C services, they also provide sustainability advice and curation services to businesses.
- Education: Conducting science popularization events, such as workshops on straw reuse (SS, 2024).
- Community Engagement: Operating a kitchen for composting food waste and creating links with local community exchange programs (SS, 2023).

Striving to make sustainability both accessible, desirable and realistic for all, SS seeks to achieve this by encouraging a green yet uncomplicated and easy lifestyle.

Their focus helps them to begin motivating more and more people to practice sustainable ways without elaborating it being too difficult or overwhelming.

#### 4.1.3 HH

HH, based in Guangzhou, China, was incorporated in 2018 with a resolution of “Living for Good” on its website with quite a sustainable lifestyle brand and platform business (HH, 2024). According to HH’s founder, this brand was formed influenced by two reflections of the founder. It has been noticed that there is an increase in shopping channels yet most of the products are used within a short time span which is not a feasible mode of consumption. To the founder, the high quality and durabilities of some products can get users connected better hence shifting their choices of consumption to more responsible ones. Furthermore some of the founder’s professional activities developed an interest in social entrepreneurship and in constructing social purpose products such as those replacing disposable plastics (HH, 2024). HH seeks to encourage the use of lifestyles which are beneficial to the environment as well as society, HH also educates the public on sustainable practices, run various educational programs and activities and partner with the business and the public to promote ecologically oriented activities (HH, 2024). HH, therefore, intends to eliminate the inconvenience of sustainable living and its prohibitive appeal as well, thereby promoting beneficial choices for people and for the planet. Incorporated as a B Corporation in 2023, HH is concerned with the environmental impact of its operations and sells a range of products and services that are eco-friendly and add value to people’s lives (HH, 2023). HH’s approach is centered on it as Design for Good, where compelling and useful eco-products that naturally fit and work in daily life are developed.

Key initiatives by HH include:

- Sustainable Coffee Project: Upcycling coffee grounds and husks into new products, while connecting coffee farms, social enterprises, coffee brands, and charitable organizations to create a sustainable coffee ecosystem.
- GIVINGBACK: A program focused on transforming waste materials into fashionable and functional products, giving new life to discarded resources.
- Weaving Project: An inclusive employment initiative that empowers individuals with disabilities through the creation of handwoven bags. This project combines sustainable business practices with equal employment opportunities (HH, 2024).

HH operates on the principle that business can be both profitable and beneficial to society. Through their product offerings, educational workshops, and community engagement, they strive to make sustainability accessible and appealing to a wider audience. These innovative approaches to sustainability, combining product design, social inclusion, and environmental consciousness, positions HH as a leader in China's growing sustainable lifestyle market. By bridging the gap between

conscious consumerism and everyday living, HH is working towards a future where sustainable choices are the norm rather than the exception (HH, 2024).

In this analysis, the author limit herself to only analyzing six components of the Sustainable Business Model Canvas namely: Value Proposition, Customer Segments, Key Activities, Key Partnerships, Revenue Streams, and Social and Environmental Benefits. This selective approach is very beneficial as it enables the investigation of probably the most important parts of sustainable business models. Focusing on particular elements of the model will enable more substantiated arguments and make it easier to understand how these businesses implement sustainability as an essential part of their operations. Value Proposition is the main element of the company depending on its core offering with regard to the incorporation of sustainability while Customer Segments demonstrate the manner in which these firms seek the sustainability markets. Key Activities and Partnerships distinguish particular actions and partnerships and the means of implementing sustainable strategies. Revenue Streams consider the economic feasibility of implementing waste management, and Social and Environmental Benefits – an exclusively Springboard Feature Model Canvas adds up to the positive outlines of this business model. This focused approach confirms efficiency of the investigation by improving the detail of each component explored and at the same time eliminates redundancy even more making sure that the analysis is relevant to the research aims and objectives. While operating in the area of sustainable commerce, CC, SS, and HH have commonalities as well as differences among them. E-businesses of these three types also employ ecologically sound e-business models and regard consumers to be engaged in and concerned about sustainable practices and products. More importantly, this is where they drastically begin to differ. CC's primary focus is on the establishment of an online marketplace and sustainability certification of its businesses within the UK only. On the other hand, SS and HH both sell their products to the Chinese market and use a combination of online and offline channels, however, SS's products are primarily focused on food scrap recycling and diverse planting whereas HH creates its own eco-friendly solutions that solve several problems. Their market selection procedures are different too: CC and HH can employ more robust templates for selection than that of SS. By having been founded in 2018, HH was clearly before the later established two in 2021, which affects the way they strategize their operations.

## **4.2 Strategies in integrating sustainability into business model**

### **4.2.1 Value Proposition**

The Value Proposition describes the bundle of products and services that create value for a specific customer segment (Osterwalder & Pigneur, 2010). In the context of sustainable business models, analyzing the Value Proposition reveals how



companies integrate sustainability into their core offerings and differentiate themselves in the market (Bocken et al., 2014).

CC, as a sustainable marketplace, cleverly combines product sales with business certification services, merging B2C and B2B business models. This dual approach not only broadens its revenue streams but also allows it to have a greater impact across the supply chain, pushing the entire industry toward more sustainable development. Additionally, CC's business certification is intended to become a future trend, according to CC's founders, serving as a reference point in consumer purchasing decisions. When consumers see this certification, they will know that the company and its products are trustworthy and sustainable.

SS's omni-channel model and its focus on food recycling, plant diversity, and sustainable practices in its stores reflect a comprehensive and systematic understanding of sustainable development. By combining environmental protection, social responsibility, and human care, SS is not just a retailer but also an advocate for a sustainable lifestyle. Its consulting services for businesses further expand its influence, helping to drive the sustainable transformation of the entire business ecosystem to some extent. In comparison, HH employs a more comprehensive and innovative model. Through omni-channel retail, independent product development, and a wide network of partnerships, HH is building a complete sustainable business ecosystem. Its product development abilities allow it to directly address specific social and environmental challenges, while cooperation with other brands and nonprofits further expands its influence and resource network. This model not only helps create a unique market position but also enables flexible responses to changing sustainability demands. Besides, the three case companies also have distinct product selection criteria that reflect their unique interpretations and applications of sustainability. HH aims at targeting a much wider and general criteria for selection, and centers on concepts like the circular economy and the timeless design approach towards the focus on durability. Besides, this company upholds cultural and traditional frameworks in the strict selection of its product. HH also emphasizes their attention to the stage of the production and submission of the product by focusing on its safe components and transparency. Also, the design of items gives room for considering the full range of a product's life cycle from designing for easy demolition and disposal to eco-friendly packaging. CC, on the other hand, employs a more specific and quantifiable method for product selection. It prioritizes the exclusion of harmful materials, such as ensuring products are plastic-free and palm oil-free (CC, 2023). CC places a strong emphasis on certifications, choosing products that meet standards like B Corp and Fair Trade. The company is committed to social equity by supporting businesses that pay living wages and are led by minority ethnic groups. Localization is also key, with a preference for products made in the UK. Furthermore, CC stresses concrete environmental actions like carbon offsets and green delivery options. In contrast, SS

seeks to design and produce products and services which are free from any subsequent pollution or further increases in environmental load. According to SS's founder, their team decides on products that comfortably blend in with everyday activities, making eating, living or appreciating beauty a delight and a joy for its consumers. Before launching, SS's founder introduces, thier operational team continuously evaluates and analyzes product selection to ensure the most suitable options for their target audience, making ongoing improvements based on these insights.

Overall, these models and product selection criteria show how they are addressing sustainability issues through their product selections, and how sustainability principles can be deeply integrated into business models, generating economic value while also having positive social and environmental impacts. This reflects a shift in sustainable business from simple selling "sustainable products" to more complex and systematic approaches.

#### 4.2.2 Customer Segments

Customer Segments define the different groups of people or organizations an enterprise aims to reach and serve (Osterwalder & Pigneur, 2010). Examining this component helps understand how companies target and attract sustainability-conscious consumers, reflecting the growing demand for eco-friendly products and services (Schaltegger et al., 2016).

CC has garnered a broad audience, establishing a universally accessible brand. According to Thomas, CC segments users based on their spending power (Deloitte, 2024) and ethical shopping intent in Table 1 (Statista, 2024). Next year, the company will focus on customer segments colored in 'Conscious and Comfortable', 'Recent Convert', and 'Eco Warrior' customers.

Table 1: Customers Segmentation

	High intent	Mid intent	Low intent
High income	Rich Responsibility	Well-off and Aware	Designer Don't Care
Mid income	<b>Conscious and Comfortable</b>	<b>Recent Convert</b>	
Low income	<b>Eco Warrior</b>	Budget Entry	Standard Shopper

*Source: Provided by the founder of CC, segment proportion has been deleted by the author.*

Since commencing trial operations in October 2022, CC has experienced steady growth, reaching a revenue of £343k by 2023 (Pitchbook, 2024). Thomas

emphasized the importance of community engagement in attracting and retaining users. Their strategies include providing engaging and understandable sustainable shopping education, and offering free shipping for enhanced accessibility. These efforts have led to strong user engagement, with an estimated monthly website traffic of 10,000 visitors and a 40% customer retention rate. CC aims to increase this rate to 60% by 2026, fostering sustainable shopping habits among consumers. Aside from B2C model, CC's third-party verification services offer a sustainable certification to vendors. While currently free, according to CC's founder, CC aims to commercialize this for non-platform vendors, expanding its market reach beyond e-commerce. CC focuses on community interaction and consumer education to promote sustainability, and their strategies include providing easy-to-understand sustainable shopping education and offering free shipping to enhance user engagement and accessibility. This approach improves the shopping experience and encourages the adoption of sustainable products. Additionally, CC's sustainable certification service aims to improve market sustainability practices through transparent and reliable standards. While currently free for platform vendors, they plan to commercialize this service for non-platform vendors, expanding their market reach and integrating sustainability into the supply chain. SS targets higher-income, environmentally-conscious young adults as their primary consumer market, aiming at customers willing to invest more in eco-friendly products. Beyond individual consumers, SS also focuses on small businesses looking to transition to sustainability. This dual market strategy shows that SS is committed not only to retail but also to helping businesses achieve sustainable development. By supporting small businesses in their green transition, SS is building a broader sustainability ecosystem, which increases their influence in the industry. HH hasn't disclosed detailed user segmentation but targets similar higher-income, eco-conscious consumers like SS. They potentially strengthen their eco-friendly brand image by offering sustainable products and organizing events related to environmental and social issues. This market focus, combined with providing high-quality sustainable products and experiences, helps attract and retain consumers who value sustainability. Both HH and SS understand the need to adjust their target markets and products through trial and error as startups.

Overall, in the B2C (business-to-consumer) aspect, all three companies focus on specific market segments, allowing them to promote their sustainability initiatives effectively. In the B2B (business-to-business) realm, CC and SS offer certification services and transition support, enhancing supply chain sustainability and providing broader market opportunities. These strategies demonstrate their commitment to environmental and social responsibility through their business model design, promoting sustainability in multifaceted ways.

### **4.2.3 Key Activities**

Key Activities are the most important actions a company must take to operate successfully (Osterwalder & Pigneur, 2010). Analyzing Key Activities in sustainable business models provides insights into the practical steps companies take to implement sustainability, revealing their operational priorities and challenges (Joyce & Paquin, 2016).

CC's key activities revolve around promoting sustainability both internally and externally. Internally, they focus on sustainable practices not only in product selection but also within their operations, such as employee choices and office sustainability. Externally, they organize hybrid online-offline events to raise public awareness and impact networks and communities. As a carbon-positive company, CC takes more carbon out of the atmosphere than it emits and offers sustainability transformation advice to suppliers and partners. HH retains the development and marketing of products via a sustainable vertical which includes sustainable coffee and activities of upcycling waste materials into new products. They conduct workshops for the employment of disabled individuals and also provide a portion of their profits for such artisans and charities. Such endeavors include caring for the environment, for example, assisting with the rehabilitation of mangroves by providing recycled coffee grounds. Other projects include using the textured, colourful 'coffee wristbands' to stimulate support for impoverished coffee workers and their child development program for special needs children. HH also considers environmental sustainability while junking the containers by packing in reusable paper boxes and tapes which will decompose. In addition to product selection and product promotion according to sustainability criteria, SS promotes internal programs such as water and energy efficiency, and employing local composting. More attention is directed at informing the general public of sustainable ways of living through promotion of events, and offering consulting services to corporations in order to create carbon management value.

In this respect, it can be noted that the main perspectives of these companies open up different opportunities for incorporating sustainability into the business model, which is of great interest. CC stresses direct, community and partner outreach while being carbon positive; HH implements sustainable practices through the development of the products and social activities based on the eco-materials and community needs. SS stresses operational effectiveness, emphasis on the behavior change, and the carbon management consulting to add value. Collectively, these concepts illustrate how companies pursue the wider societal agenda in terms of internal, product, communication, and external which is a more holistic approach.

#### **4.2.4 Key Partnerships**

Key Partnerships describe the network of suppliers and partners that make the business model work (Osterwalder & Pigneur, 2010). In sustainable business models, examining Key Partnerships shows how companies collaborate with other

entities to enhance their sustainability impact and overcome resource limitations (Boons & Lüdeke-Freund, 2013).

In the three case companies, HH collaborates with a diverse range of partners, including carbon footprint assessment bodies, sustainable certification agencies, nonprofits, and individuals like disabled partners and coffee farmers, indicating a comprehensive approach to addressing social and environmental issues. CC's partnerships with renewable energy providers, sustainable certification bodies, and reforestation nonprofits emphasize their commitment to carbon positivity and sustainability in operations, including office choices. SS's collaboration with sustainable certification agencies, nonprofits, and universities highlights the importance of educational and certification partnerships in promoting sustainable practices and innovation. These companies' partnerships demonstrate that beyond supply chain collaborators, startups can leverage external organizations to enhance their sustainability impact. Notably, CC collaborates with platforms and service providers not directly related to their core business, such as website hosts and office spaces, to ensure sustainability at every level. As CC's founder remarks, they strive to make every aspect of their operations sustainable.

#### **4.2.5 Revenue Streams**

Revenue Streams represent the cash a company generates from each Customer Segment (Osterwalder & Pigneur, 2010). Analyzing Revenue Streams in sustainable business models helps understand how companies monetize their sustainable offerings and balance profitability with sustainability goals (Schaltegger et al., 2012). CC generates revenue by earning commissions—typically around 15-20%—from selling suppliers' products and boosts income through subscription services that provide discounts and free shipping. They are also planning to expand into B2B sustainability certification. HH also earns from its in-house product lines but holds events primarily to cover costs, emphasizing community engagement over direct profit. SS operates similarly, collecting commissions and hosting non-profit events, while uniquely offering B2B consulting services that assist other businesses with carbon management goals. By integrating product sales with service-based and subscription models, these companies support their operational costs and achieve broader impact through education and stakeholder engagement. The inclusion of B2B services, especially in consulting and certification, provides an innovative way to add value and assist organizations in meeting sustainability goals. Although startups focusing on sustainability often face challenges balancing profitability with their mission, these companies show the potential to build strong, diverse business models. By utilizing multiple revenue streams, they balance direct sales with educational and service-driven efforts, advancing sustainability goals.

#### **4.2.6 Social and Environmental Benefits**

Social and Environmental Benefits, unique to the Sustainable Business Model Canvas, capture the positive impacts a business creates beyond economic value (Joyce & Paquin, 2016). Examining this component reveals how companies contribute to broader sustainability goals and create value for society and the environment (Geissdoerfer et al., 2018).

In comparison, CC, HH, and SS strive to achieve the other side of the business model through these products and services, whereby numerous environmental and social activities are undertaken. Such activities appeal to people who care about the environment and stimulate willing action to practice sustainability. By marketing sustainability as an option rather than a restraint, the consumers are encouraged to take actions that positively affect the environment on their own time, consistent with what the founder of SS believes that sustainability should not be viewed as far-fetched or too hard of a task. Furthermore, these enterprises create positive environmental impacts from within through the adoption of practices aimed at minimizing their ecological impact. Comparatively, CC, HH, and SS adopted a balanced approach to the business model by offering sustainable products to the consumers together with organizing various environmental and social initiatives. Such activities appeal to people who care about the environment and give them motivation and tools to take action for sustainability. By advertising sustainability as an option rather than a restriction, and the consumers are prompted to undertake actions that positively affect the environment at their own convenience, this is the same thing whereby the founder of SS holds that sustainability should not be viewed as something far-fetched or very difficult. Aside from all these, these companies also carry out positive environmental actions from the outside in by introducing practices that decrease their adverse environmental impact.

In summarizing briefly the social and environmental achievements brought about, they provide guidance on the integration of business models along a sustainability journey: where these organizations promote such accessible and appealing choices and further incorporate activities which reduce negative externalities, they gain positive externalities to their organizations as well as more consumers' engagement and loyalty.

### **4.3 Challenges in implementing sustainable business models**

#### **4.3.1 Environmental**

Incorporating sustainability into business models presents a unique set of environmental challenges for marketplace and omni-channel startups such as CC, SS, and HH. By analyzing these challenges from theoretical insights and practical cases, we can better understand the strategies employed to overcome obstacles and capitalize on opportunities within the Triple bottom line (TBL) framework.

### **i. Lack of expertise and resources**

Geissdoerfer et al. (2018) point out that startups often lack the expertise and resources needed to implement and manage sustainability plans, which can lead to inconsistent sustainability efforts. The three companies in this study address this challenge through the professional backgrounds of their founding teams and strategic partnerships. All company founders have work experience in the field of sustainability, especially CC's founder, who is a serial entrepreneur with rich practical experience and a wide industry network. This professional background provides valuable internal resources and expertise for the companies, helping them develop and implement effective sustainability strategies. Moreover, the companies seek broader collaboration and international relations to improve their sustainability capabilities without further over expanding their internal capabilities. This further encourages companies to outsource expertise and resources so as to cover up for internal capacity concrete deficits and eliminate excessive operational inflexibility.

### **ii. Complexity of sustainable innovation**

Adams et al. (2016) emphasize that integrating sustainable practices into business innovation is a complex process, involving rethinking traditional business models and encouraging sustainable behavior. SS and HH show different innovative approaches to address this challenge. SS shifted from internal product development to planning sustainable products, combining products with market readiness and education efforts, demonstrating adaptive innovation. This approach focuses not only on the product itself but also considers market acceptance and consumer education, reflecting comprehensive sustainable innovation thinking. HH chose to work with disadvantaged groups such as disabled people in designing and producing sustainable products, spreading craftsmanship, employment empowerment, and sustainability concepts to a wider audience. This approach shows how sustainable innovation can address both environmental and social issues, creating multiple values.

### **iii. Stakeholder Engagement and Education**

Seuring & Müller (2008) emphasize the importance of supplier engagement and education. The case companies have taken various measures to address this challenge. CC certified suppliers' sustainability commitments while acknowledging its limitations. The company honestly states that although they are certifying suppliers' sustainability commitments, they are not a sustainability auditing company and therefore cannot fully guarantee the overall sustainability and ethics of the company. This transparency demonstrates the company's integrity and reflects the complexity of sustainable supply chain management. For partners not directly related to the business, such as search engines, office supply vendors, and office building energy use, the company faces greater challenges. Even with some screening, they sometimes have to work with companies that may not fully meet sustainable or ethical standards. To address this issue, CC's founder says they are

actively communicating and coordinating with relevant partners and providing them with more sustainable solutions. This proactive approach not only helps improve the company's own sustainability performance but may also positively impact the entire supply chain.

#### **iv. Environmental Challenges in Distribution**

CC faces unique environmental challenges due to its business model as a marketplace without a unified warehouse or physical stores. This practice is largely inefficient because the customers may end up receiving their orders in separate packages ordered from different individual suppliers, thus raising shipping expenses, discouraging efficient tracking of orders, and adding on the positives of packaging waste and transportation-related carbon footprint. To address these issues, CC currently vets vendors to ensure they use green delivery methods, while also planning to take control of distribution in the future for more efficient and environmentally friendly shipping practices. As opposed to this, SS and HH companies with omni-channel strategies provide better results in this area. According to SS's founder, currently, SS uses a combination of both approaches: drop-shipping and direct shipping, depending on how strong the suppliers' negotiating power is, thus enabling an effective shipping policy. At the same time, HH has clearly advanced on a number of issues concerning environmental concerns by incorporating reusable paper boxes, cotton ropes, and plant-derived sealing tape for the couriers (HH, 2024). These methods and other lessons learned revolve around how various business models within the e-commerce sustainable marketplace sector can mitigate environmental issues related to distribution, thus, providing ways through which the negative effects of e-commerce logistics can be mitigated.

### **4.3.2 Economic**

#### **i. Balancing environmental and economic goals**

In Hahn et al.'s research, they discuss the potential conflict between environmental sustainability and economic growth (Hahn et al., 2010). The case companies address this challenge by adopting a cost-lagging revenue model and identifying market potential. CC and SS use a cost-lagging revenue model to avoid sacrificing sustainability for short-term profits. This approach reflects the companies' commitment to long-term sustainable development while recognizing the potential initial cost increases of sustainable practices. Moreover, the companies recognize the growth potential of sustainable markets, aligning with Schaltegger et al.'s idea of creating positive value cycles (Schaltegger et al., 2016). By focusing on the long-term growth potential of sustainable markets, these companies can find a balance between environmental and economic goals. Besides, sustainability often requires a lot of upfront investment and patience to see a return, which can be a daunting task. In the interview, CC's founder mentioned that CC had taken a proactive approach, using detailed and frequently updated financial projections and a cost-backward-



revenue approach, which determines costs up front to avoid compromising product and service quality. This approach adds risk due to potential revenue shortfalls, but sets a good precedent for maintaining quality without succumbing to profit pressures. These companies also believe that as sustainability becomes a basic business expectation rather than a premium add-on, market affordability will improve through economies of scale and competition among sustainable suppliers. In addition, SS also shifted from in-house product development to curating sustainable brands, reducing sunk costs, and leveraging existing market education to find profitable opportunities.

## **ii. Market Positioning and Pricing Challenges**

Sustainable practices often lead to higher costs, and consumer brands using sustainable materials and certifications face price increase challenges, which may make products unaffordable for average consumers. As a marketplace, CC's approach is to select the best sustainable products for consumers, which inevitably targets a specific audience. In the interview, CC's founder admitted that at this stage, making sustainable products affordable for most consumers is challenging. However, sustainable consumer behavior in the local market is showing a growing trend. Studies show that the number of ethical consumers has grown by about 1000% over the past 20 years, while normal household spending has only increased by about 2%. This indicates that consumers are increasingly willing to pay for sustainable products, although this group still represents a small part of the overall consumer market. Additionally, CC's founder believes that as more companies in the startup ecosystem focus on sustainability, it could bring significant changes for both consumers and businesses. Increased focus on sustainability could: lower costs through economies of scale and increased competition among sustainable suppliers, while standardizing sustainable products, shifting them from premium to standard offerings. By focusing on long-term market potential and the growing trend of ethical consumerism, companies like CC aim to balance economic goals with sustainability commitments. This approach aligns with Schaltegger et al.'s (2016) idea of creating positive value cycles, where sustainable practices can eventually lead to economic benefits through market growth and consumer loyalty.

### **4.3.3 Social**

In the TBL model, according to the founders in the case companies, consumer education is the important challenge and solution faced by these companies. Although consumer awareness and interest in sustainable products are increasing, there is still a significant gap between actual purchasing behavior and attitudes. Research by Johnstone & Tan (2015) shows that while many consumers say they are willing to pay higher prices for sustainable products, relatively few actually do so. Similarly, a global survey further confirms this "attitude-behavior gap": 73% of

millennials say they are willing to pay more for sustainable brands, but only about 50% actually do.(Nielsen, 2015).

To address this challenge, the three case companies have adopted innovative education and promotion models. In fact, all three companies prioritize public education and community engagement as key components of their sustainable business models, though their approaches differ based on their operational structures and target markets. CC launched an impact calculator that quantifies the positive environmental impact of individual consumers and the CC community through consuming sustainable goods, presenting it in intuitive ways such as the number of trees planted or resources saved equivalent to how many Barbie dolls or bathtubs of water, giving consumers a not only data-driven but also interesting and direct feel. HH and SS make full use of offline store spaces, conducting multi-themed workshops, coffee grounds recycling, cycling check-ins, and plant growing activities, using forms closer to consumers to increase their sense of participation, thereby improving their recognition of the brand and awareness of sustainable behavior. SS takes advantage of its physical presence, transforming its store and surrounding areas into living demonstrations of sustainable practices. By utilizing the store's garden for planting, the kitchen for cooking demonstrations, and showcasing composting of kitchen waste, SS makes sustainable living tangible and easily adoptable for visitors. These works corroborate Whitmarsh's (2009) perspective in that people's behavioral change is essential for these development goals to be archived. Looking at these campaigns from the above perspective, these educational campaigns are not only about pushing products. It is one of the critical areas of influence; not only helping to create an environmentally friendly audience but also encouraging people to change their lifestyles and adopt green practices. The two companies attached importance on the promotion of these education campaigns not only in strengthening the brand image but also in making a tangible contribution to societal development towards sustainability and potentially policy making and industry standards in the future.

In conclusion, while each case company faces similar challenges in integrating sustainability into their business models, they all demonstrate crucial adaptive strategies that leverage their unique strengths. These companies focus on selecting ethical and sustainable suppliers, organizing various activities, and carrying out multiple approaches to engage consumers in sustainable transitions. They continually adjust their audience targeting strategies, implement rigorous financial management, and maintain flexibility in other business strategies to meet the social, environmental, and financial criteria of the Triple Bottom Line. This multifaceted approach not only promotes sustainability but also provides the basis for all the three companies' long-term sustainable business development.

## Findings and Discussion

This study explored the strategies and practices employed by marketplace startups to integrate sustainable business models (SBMs) through the case studies of HH and CC. This analysis reveals a picture of how these companies successfully integrate sustainability into their core operations while navigating the multifaceted challenges associated with economic viability, social impact, and environmental responsibility.

As regards the findings, the study will be important for future scholars in a number of ways. Notably, the research indicates that the paradigm within which sustainable development is included in business strategies is evolving from just having a concept of 'selling sustainability products' to a comprehensive paradigm that incorporates sustainable selling into corporate business. This entails embedding sustainability to the very essence of the business and being able to create profits as well as solve social and environmental issues. Each of the three companies scrutinized in this research applies this transition in different ways. CC addresses this transition by merging the sale of the products with business certification services, thus, influencing the entire chain. SS combines plant diversity and food recycling, demonstrating a holistic and systemic view of sustainability that includes protecting the environment, social obligations and care, as well as human care. HH is also remarkable in this aspect, advancing its own products and creating wide networking for governance to solve particular negative social and ecological problems within an integrated sustainable business model.

Second, while each company exhibits unique strengths, they all face similar challenges in integrating sustainability into their business models, particularly related to financial constraints, market acceptance, and regulatory complexity. However, they demonstrate a remarkable capacity to adapt and innovate.

i. **Financial Constraints:** The study highlights the common struggle of sustainable startups facing a "valley of death," with high upfront costs and a need for quick profitability. All three companies address this by adopting a cost-lagging revenue model and focusing on long-term market potential. However, they recognize that achieving market affordability for sustainable products remains a challenge, especially for consumers who are not yet fully convinced of the value proposition of sustainability.

ii. **Market Acceptance and Consumer Behavior:** While consumer awareness and interest in sustainability are increasing, there is still a significant gap between intent and action. This gap underscores the crucial role of consumer education and engagement in driving the adoption of sustainable products and services. All three companies effectively address this challenge by implementing innovative education

and promotion models, highlighting the importance of engaging consumers with practical information and demonstrating the tangible benefits of sustainable choices.

iii. **Social Challenges:** The study underscores the importance of stakeholder engagement, particularly in addressing the specific challenges of engaging diverse supplier networks and ensuring ethical sourcing practices. CC demonstrates this commitment by implementing a rigorous process for certifying suppliers, while SS and HH actively engage with stakeholders through educational workshops, community initiatives, and partnerships with various organizations. These efforts highlight the importance of embracing a multi-stakeholder approach to sustainability, recognizing the interconnectedness of social, environmental, and economic factors.

Despite the challenges, the study emphasizes the potential of sustainable business models to drive positive change. By embracing a multi-stakeholder approach, implementing innovative strategies, and prioritizing education and engagement, these companies not only contribute to environmental and social progress but also demonstrate the long-term viability of a business model that values both profits and purpose. The study concludes that these companies represent a promising trend in the evolution of sustainable business, demonstrating that sustainability can be successfully integrated into business models while creating a positive impact on society and the environment. Further research is needed to explore the evolving landscape of sustainable business models in the marketplace and omnichannel sectors. Specifically, research should focus on:

- Creating a systematic approach to the evaluation of the sustainability of the long-term effects of business models incorporating sustainability on the consumers, supply chain, and the ecosystem.
- Understanding the impact of such innovative technologies on the development of sustainable market behavior in the marketplace and omni-channel.
- Evaluating the effectiveness of stakeholder engagement strategies to achieve sustainable consumption and production.

## **Conclusion**

This study explored the strategies and practices employed by marketplace startups, HH and CC, to integrate sustainable business models (SBMs) into their core operations. The research shows that sustainable business practices have evolved from simply selling "sustainable products" to a more complex and systematic approach, emphasizing the integration of sustainability principles into the core business model to generate economic value while addressing social and environmental issues.

The study highlights several key strategies employed by these companies, including:

- **Product Selection:** Adopting a sustainable, quality-focused, durable, and long-term perspective in product selection, prioritizing products that meet specific sustainability criteria, emphasizing long-lasting use, and incorporating ethical sourcing practices.
- **Partnerships:** Building partnerships not only with strictly vetted suppliers, but also with B Corp and other certification agencies, non-profit organizations, and universities, to enhance brand credibility and expand its influence.
- **Consumer Education and Engagement:** Organizing various events that are closer to ordinary consumers, such as workshops, coffee grounds recycling, and plant growing activities. Effectively communicating the quantified environmental impact of sustainable choices by presenting it in relatable terms like the number of Barbie dolls or trees planted, creating a sense of real impact for consumers. This approach emphasizes making sustainability a choice rather than a pressure, aligning with the philosophy that sustainable practices should seamlessly fit into people's lives.

The study also highlights the significant challenges faced by these companies, including:

- **Financial Constraints:** Many startups face the "valley of death," with high upfront costs and a need for quick profitability.
- **Market Acceptance and Consumer Behavior:** The gap between consumer awareness of sustainability and their actual purchasing behavior.
- **Social Challenges:** The need to engage diverse stakeholder networks and ensure ethical sourcing practices.

Despite these challenges, the study demonstrates that marketplace and omni-channel startups are finding innovative ways to overcome these obstacles and create sustainable business models that generate value for both consumers and the environment. Overall, the study emphasizes the following key takeaways:

- Marketplace startups are at the forefront of incorporating sustainability into business models, pushing for a broader shift in the industry towards more integrated and systematic approaches.
- Companies are increasingly recognizing the importance of engaging consumers through innovative education and engagement strategies, emphasizing the value of choice and making sustainability a more accessible and appealing option for consumers.
- Building strong partnerships with a diverse range of stakeholders, including suppliers, certification agencies, non-profit organizations, and universities, is crucial to enhancing brand credibility, expanding reach, and driving positive social and environmental impact.

In conclusion, this research suggests that sustainable business models hold significant potential for both individual businesses and the broader economy. By

continuing to innovate and adapt to the challenges they face, marketplace and omni-channel startups can play a vital role in shaping a more sustainable future.

## Reference List

- Acquier, A., Daudigeos, T., & Pinkse, J. (2017). Promises and paradoxes of the sharing economy: An organizing framework. *Technological Forecasting and Social Change*, 125, 1-10.
- Alvesson, M. (2003). Beyond neopositivists, romantics, and localists: A reflexive approach to interviews in organizational research. *Academy of Management Review*, 28(1), 13-33.
- Baldassarre, B., Calabretta, G., Bocken, N. M. P., & Jaskiewicz, T. (2017). Bridging sustainable business model innovation and user-driven innovation: A process for sustainable value proposition design. *Journal of Cleaner Production*, 147, 175-186.
- Bansal, P., & Roth, K. (2000). Why companies go green: A model of ecological responsiveness. *Academy of Management Journal*, 43(4), 717-736.
- Bansal, P., & Song, H. C. (2017). Similar but not the same: Differentiating corporate sustainability from corporate responsibility. *Academy of Management Annals*, 11(1), 105-149.
- BEIS. (2021). *UK Innovation Strategy: Leading the future by creating it*. Department for Business, Energy & Industrial Strategy.
- Bhattacharya, A. K., & Michael, D. C. (2008). How local companies keep multinationals at bay. *Harvard Business Review*, 86(3), 84-95.
- Bhide, A. (2000). *The Origin and Evolution of New Businesses*. Oxford University Press.
- Blank, S. (2013). Why the lean startup changes everything. *Harvard Business Review*, 91(5), 63-72.
- Boons, F., & Lüdeke-Freund, F. (2013). Business models for sustainable innovation: State-of-the-art and steps towards a research agenda. *Journal of Cleaner Production*, 45, 9-19.
- Bocken, N. M., Short, S. W., Rana, P., & Evans, S. (2014). A literature and practice review to develop sustainable business model archetypes. *Journal of Cleaner Production*, 65, 42-56.
- Bocken, N. M. (2015). Sustainable venture capital—catalyst for sustainable start-up success?. *Journal of Cleaner Production*, 108, 647-658.
- Bowen, G. A. (2009). Document analysis as a qualitative research method. *Qualitative Research Journal*, 9(2), 27-40.

- Bruno, A. V., & Tyebjee, T. T. (1982). The environment for entrepreneurship. In C. Kent, D. Sexton, & K. H. Vesper (Eds.), *Encyclopedia of Entrepreneurship* (pp. 288-307). Prentice Hall.
- Brown, R., Liñares-Zegarra, J., & Wilson, J. O. (2019). The (potential) impact of Brexit on UK SMEs: regional evidence and public policy implications. *Regional Studies*, 53(5), 761-770.
- Brunswick Group. (2020). *Business in China: The view from China's top business leaders*. Brunswick Group.
- Carroll, A. B., & Shabana, K. M. (2010). The business case for corporate social responsibility: A review of concepts, research and practice. *International Journal of Management Reviews*, 12(1), 85-105.
- Chen, Y. (2017). Protecting intellectual property rights in Chinese small and medium-sized enterprises. Singapore Management University School of Law Research Paper No. 11/2017.
- Chesbrough, H. W. (2003). *Open Innovation: The New Imperative for Creating and Profiting from Technology*. Harvard Business School Press.
- Choi, D. Y., & Gray, E. R. (2008). The venture development processes of "sustainable" entrepreneurs. *Management Research News*, 31(8), 558-569.
- Cohen, B., & Kietzmann, J. (2014). Ride on! Mobility business models for the sharing economy. *Organization & Environment*, 27(3), 279-296.
- Cowton, C. J. (1998). The use of secondary data in business ethics research. *Journal of Business Ethics*, 17(4), 423-434.
- Crane, A., Palazzo, G., Spence, L. J., & Matten, D. (2014). Contesting the value of "creating shared value". *California Management Review*, 56(2), 130-153.
- Creswell, J. W., & Plano Clark, V. L. (2017). *Designing and conducting mixed methods research* (3rd ed.). Sage Publications.
- Cusumano, M., Gawer, A., & Yoffie, D. B. (2019). *The Business of Platforms: Strategy in the Age of Digital Competition, Innovation, and Power*. Harper Business.
- Dean, T. J., & McMullen, J. S. (2007). Toward a theory of sustainable entrepreneurship: Reducing environmental degradation through entrepreneurial action. *Journal of Business Venturing*, 22(1), 50-76.
- Delmas, M. A., & Burbano, V. C. (2011). The drivers of greenwashing. *California Management Review*, 54(1), 64-87.



Deloitte (2024) 'Sustainable consumer behaviour and lifestyle 2023'. Deloitte United Kingdom. Available at: <https://www2.deloitte.com/uk/en/pages/consumer-business/articles/sustainable-consumer.html>.

Denzin, N. K. (2017). *The research act: A theoretical introduction to sociological methods*. Transaction Publishers.

Dhingra, S., Ottaviano, G. I., Sampson, T., & Van Reenen, J. (2016). The consequences of Brexit for UK trade and living standards. CEP Brexit Analysis No. 2.

Dyer, J. H., & Singh, H. (1998). The relational view: Cooperative strategy and sources of interorganizational competitive advantage. *Academy of Management Review*, 23(4), 660-679.

Eisenmann, T., Parker, G., & Van Alstyne, M. W. (2011). Platform envelopment. *Strategic Management Journal*, 32(12), 1270-1285.

Elkington, J. (1997). *Cannibals with Forks: The Triple Bottom Line of 21st Century Business*. Capstone.

Epstein, M. J., & Buhovac, A. R. (2014). *Making Sustainability Work: Best Practices in Managing and Measuring Corporate Social, Environmental, and Economic Impacts*. Berrett-Koehler Publishers.

Evans, D. S., & Schmalensee, R. (2016). *Matchmakers: The New Economics of Multisided Platforms*. Harvard Business Review Press.

Evans, S., Vladimirova, D., Holgado, M., van Fossen, K., Yang, M., Silva, E. A., & Barlow, C. Y. (2017). Business model innovation for sustainability: Towards a unified perspective for creation of sustainable business models. *Business Strategy and the Environment*, 26(5), 597-608.

Galletta, A. (2013). *Mastering the semi-structured interview and beyond: From research design to analysis and publication*. NYU Press.

Gansky, L. (2010). *The Mesh: Why the Future of Business is Sharing*. Penguin.

Ge, B., Jiang, D., Gao, Y., & Tsai, S. B. (2016). The influence of legitimacy on a proactive green orientation and green performance: A study based on transitional economy scenarios in China. *Sustainability*, 8(12), 1344.

Geissdoerfer, M., Savaget, P., Bocken, N. M. P., & Hultink, E. J. (2017). The Circular Economy – A new sustainability paradigm? *Journal of Cleaner Production*, 143, 757-768.

- Geissdoerfer, M., Vladimirova, D., & Evans, S. (2018). Sustainable business model innovation: A review. *Journal of Cleaner Production*, 198, 401-416.
- Geobey, S., Westley, F. R., & Weber, O. (2012). Enabling social innovation through developmental social finance. *Journal of Social Entrepreneurship*, 3(2), 151-165.
- Giovannoni, E., & Fabietti, G. (2013). What Is Sustainability? A Review of the Concept and Its Applications. In C. Busco et al. (Eds.), *Integrated Reporting* (pp. 21–40). Cham: Springer International Publishing. [https://doi.org/10.1007/978-3-319-02168-3\\_2](https://doi.org/10.1007/978-3-319-02168-3_2).
- Hagiu, A., & Wright, J. (2015). Multi-sided platforms. *International Journal of Industrial Organization*, 43, 162-174.
- Hahn, T., & Scheermesser, M. (2006). Approaches to corporate sustainability among German companies. *Corporate Social Responsibility and Environmental Management*, 13(3), 150-165.
- Hart, S. L. (1997). *Beyond Greening: Strategies for a Sustainable World*. Harvard Business Review.
- Hart, S. L., & Milstein, M. B. (2003). Creating sustainable value. *Academy of Management Executive*, 17(2), 56-67.
- Hockerts, K., & Wüstenhagen, R. (2010). Greening Goliaths versus emerging Davids—Theorizing about the role of incumbents and new entrants in sustainable entrepreneurship. *Journal of Business Venturing*, 25(5), 481-492.
- IBM (2021). What is sustainability in business? Available at: <https://www.ibm.com/topics/business-sustainability>.
- Innovate UK (2024). About us. UK Research and Innovation. Available at: <https://www.ukri.org/councils/innovate-uk/>.
- Johnstone, M. L., & Tan, L. P. (2015). Exploring the Gap Between Consumers' Green Rhetoric and Purchasing Behaviour. *Journal of Business Ethics*, 132(2), 311-328.
- Joyce, A., & Paquin, R. L. (2016). The triple layered business model canvas: A tool to design more sustainable business models. *Journal of Cleaner Production*, 135, 1474-1486.
- Kenney, M., & Zysman, J. (2016). The rise of the platform economy. *Issues in Science and Technology*, 32(3), 61-69.
- Laszlo, C., & Zhexembayeva, N. (2011). *Embedded sustainability: The next big competitive advantage*. Stanford University Press.

- Liao, D., & Sohmen, P. (2001). The development of modern entrepreneurship in China. *Stanford Journal of East Asian Affairs*, 1(1), 27-33.
- Lüdeke-Freund, F., Gold, S., & Bocken, N. M. P. (2019). A review and typology of circular economy business model patterns. *Journal of Industrial Ecology*, 23(1), 36-61.
- Mason, C., & Brown, R. (2014). Entrepreneurial ecosystems and growth oriented entrepreneurship. Final Report to OECD, Paris, 30(1), 77-102.
- McIntyre, D. P., & Srinivasan, A. (2017). Networks, platforms, and strategy: Emerging views and next steps. *Strategic Management Journal*, 38(1), 141-160.
- McKinsey & Company. (2023). Consumer demand for sustainable products: The shift towards ESG claims. Retrieved from McKinsey & Company website.
- Muñoz, P., & Cohen, B. (2018). Sustainable entrepreneurship research: Taking stock and looking ahead. *Business Strategy and the Environment*, 27(3), 300-322.
- Nair, S., & Paulose, H. (2014). Emergence of green business models: The case of algae biofuel for aviation. *Energy Policy*, 65, 175-184.
- Nightingale, P., & Coad, A. (2014). Muppets and gazelles: political and methodological biases in entrepreneurship research. *Industrial and Corporate Change*, 23(1), 113-143.
- Osterwalder, A., & Pigneur, Y. (2010). *Business model generation: A handbook for visionaries, game changers, and challengers*. John Wiley & Sons.
- Pacheco, D.F., Dean, T.J., & Payne, D.S. (2010). Escaping the green prison: Entrepreneurship and the creation of opportunities for sustainable development. *Journal of Business Venturing*, 25(5), 464-480. Available at: <https://doi.org/10.1016/j.jbusvent.2009.07.006>.
- Parrish, B. D. (2010). Sustainability-driven entrepreneurship: Principles of organization design. *Journal of Business Venturing*, 25(5), 510-523.
- Parker, G., Van Alstyne, M. W., & Choudary, S. P. (2016). *Platform Revolution: How Networked Markets Are Transforming the Economy and How to Make Them Work for You*. W.W. Norton & Company.
- Patton, M. Q. (2015). *Qualitative research & evaluation methods: Integrating theory and practice* (4th ed.). SAGE Publications.
- Peng, M. W., Ahlstrom, D., Carraher, S. M., & Shi, W. S. (2017). An institution-based view of global IPR history. *Journal of International Business Studies*, 48(7), 893-907.

- Pitchbook (2024). Login company profile: Acquisition & investors | Pitchbook, Canopey. Available at: <https://pitchbook.com/profiles/company/183147-76> (Accessed: 15 March 2024).
- Porter, M. E., & Kramer, M. R. (2006). Strategy and society: The link between competitive advantage and corporate social responsibility. *Harvard Business Review*, 84(12), 78-92.
- Porter, M. E., & Kramer, M. R. (2011). Creating shared value. *Harvard Business Review*, 89(1/2), 62-77.
- Porter, T., & Derry, R. (2012). Sustainability and Business in a Complex World. *Business and Society Review*, 117(1), 33–53. <https://doi.org/10.1111/j.1467-8594.2012.00398.x>.
- PwC (2024). 'Consumers willing to pay 9.7% sustainability premium, even as cost-of-living and inflationary concerns weigh: PwC 2024 Voice of the Consumer Survey'. Available at: <https://www.pwc.com/gx/en/news-room/press-releases/2024/pwc-2024-voice-of-consumer-survey.html>.
- Qu, S. Q., & Dumay, J. (2011). The qualitative research interview. *Qualitative Research in Accounting & Management*, 8(3), 238-264.
- Ries, E. (2011). *The Lean Startup: How Today's Entrepreneurs Use Continuous Innovation to Create Radically Successful Businesses*. Crown Business.
- Rochet, J.-C., & Tirole, J. (2003). Platform competition in two-sided markets. *Journal of the European Economic Association*, 1(4), 990-1029.
- Saberi, S., Kouhizadeh, M., Sarkis, J., & Shen, L. (2019). Blockchain technology and its relationships to sustainable supply chain management. *International Journal of Production Research*, 57(7), 2117-2135.
- Saunders, M. N., Lewis, P., Thornhill, A., & Bristow, A. (2019). *Research Methods for Business Students* (8th ed.). Pearson Education.
- Schaltegger, S., Hansen, E. G., & Lüdeke-Freund, F. (2012). Business cases for sustainability: The role of business model innovation for corporate sustainability. *International Journal of Innovation and Sustainable Development*, 6(2), 95-119.
- Schaltegger, S., Hansen, E. G., & Lüdeke-Freund, F. (2016). Business models for sustainability: Origins, present research, and future avenues. *Organization & Environment*, 29(1), 3-10.
- Schaltegger, S., & Wagner, M. (2011). Sustainable entrepreneurship and sustainability innovation: Categories and interactions. *Business Strategy and the Environment*, 20(4), 222-237.

Schor, J. B., & Attwood-Charles, W. (2017). The "sharing" economy: Labor, inequality, and social connection on for-profit platforms. *Sociology Compass*, 11(8), e12493.

Sheth, J. N. (2011). Impact of emerging markets on marketing: Rethinking existing perspectives and practices. *Journal of Marketing*, 75(4), 166-182.

Stake, R. E. (1995). *The art of case study research*. Sage Publications.

Statista (2024). Consumer insights. Statista. Available at: <https://www.statista.com/global-consumer-survey> (Accessed: 21 March 2024).

Stubbs, W. (2017). Sustainable entrepreneurship and B corps. *Business Strategy and the Environment*, 26(3), 331-344.

Stubbs, W., & Cocklin, C. (2008). Conceptualizing a "sustainability business model". *Organization & Environment*, 21(2), 103-127.

Täuscher, K., & Laudien, S. M. (2018). Understanding platform business models: A mixed methods study of marketplaces. *European Management Journal*, 36(3), 319-329.

Teece, D.J. (2010). Business models, business strategy and innovation. *Long Range Planning*, 43(2-3), 172-194. doi:10.1016/j.lrp.2009.07.003.

Tessaro, J.A., Harms, R., & Schiele, H. (2023). How startups become attractive to suppliers and achieve preferred customer status: Factors influencing the positioning of young firms. *Industrial Marketing Management*, 113, 100-115. Available at: <https://doi.org/10.1016/j.indmarman.2023.05.024>.

The Good Doc (2022). What's sustainability, and what's it got to do with business? Available at: [https://thegooddoc.org/what-is-sustainability-what-has-it-got-to-do-with-business?gad\\_source=1&gclid=CjwKCAjwgpCzBhBhEiwAOSQWQeYEtVAKrzUsquyNz6T68eNhOSOm29GGLWjbDgtnt\\_a46LvqxEyY8xoCBcsQAvD\\_BwE](https://thegooddoc.org/what-is-sustainability-what-has-it-got-to-do-with-business?gad_source=1&gclid=CjwKCAjwgpCzBhBhEiwAOSQWQeYEtVAKrzUsquyNz6T68eNhOSOm29GGLWjbDgtnt_a46LvqxEyY8xoCBcsQAvD_BwE).

Tighe, D. (2023). Leading factors that would help consumers adopt more sustainable habits and shopping behavior in the United Kingdom (UK) in 2023. Available at: <https://www.statista.com/statistics/1056532/factors-that-encourage-purchasing-sustainable-products-in-the-uk/>.

Upward, A., & Jones, P. (2016). An ontology for strongly sustainable business models: Defining an enterprise framework compatible with natural and social science. *Organization & Environment*, 29(1), 97-123.

- Veleva, V. (2021). The role of entrepreneurs in advancing sustainable lifestyles: Challenges, impacts, and future opportunities. *Journal of Cleaner Production*, 283, 124658. Available at: <https://doi.org/10.1016/j.jclepro.2020.124658>.
- Wang, J. (2016). The rise of the 'shareholding state': Financialization of economic management in China. *Socio-Economic Review*, 14(2), 325-346.
- Whitmarsh, L. (2009). Behavioural responses to climate change: Asymmetry of intentions and impacts. *Journal of Environmental Psychology*, 29(1), 13-23.
- Yao, J. (2024). Sustainable consumer behaviors and marketplace dynamics. *Journal of Sustainable Business Practices*, 12(3), 45-60.
- Yin, R. K. (2018). *Case study research and applications: Design and methods* (6th ed.). Sage Publications.
- Zervas, G., Proserpio, D., & Byers, J. W. (2017). The rise of the sharing economy: Estimating the impact of Airbnb on the hotel industry. *Journal of Marketing Research*, 54(5), 687-705.
- Zott, C., Amit, R.H., & Massa, L. (2011). The business model: Recent developments and future research. *SSRN Electronic Journal*. doi:10.2139/ssrn.1674384.