

Business Model Innovation Strategy

Raphael Amit¹ Christoph Zott² Han Qiao³

(1. The Wharton School University of Pennsylvania;

2. IESE Business School;

3. School of Management and Economics, University of Chinese Academy of Sciences)

Abstract: We attempt to inspire scholarship on the link between business model innovation and strategy by focusing on Business Model Innovation (BMI) strategy, which has become a core strategic issue for organizational leaders. It refers to the choices leaders must make with respect to: (i) the design of a new system of activities; (ii) the processes, including their antecedents, by which the new activity system is created and implemented; and (iii) the management and ongoing adaptation of the new activity system to ensure coherence, namely, internal, external and strategic fit with the objective of sustaining and improving the focal organization's competitive advantage. We elaborate on each of these elements and highlight the importance and relevance of BMI strategy using numerous examples. We further highlight future research opportunities for each element of BMI Strategy.

Key Words: activity system; business model; innovation; strategy; research opportunities

Research on Business Model Innovation Strategy in Chinese Context

Xiaobo Wu Lu Yu

(School of Management, Zhejiang University)

Abstract: Amit, Zott and Qiao (2022) gathered twenty years' research related to business model innovation, emphasizing that business model innovation is one of the core strategic choices of enterprises, and put forward a clear business model structure. At the same time, based on the strategic management thought, it established a research framework for researchers on the design, creation process, implementation and continuous adjustment of new activity system, and also provided a feasible guide for practitioners. Combining with the typical Chinese situations such as the second business model innovation and digital transformation, this paper makes a detailed and extensive discussion and analysis of the core ideas contained in Amit et al. (2022) research, and puts forward some suggestions and prospects for further deepening related research, with a view to promoting and enriching the research on this topic.

Key Words: second business model innovation; strategy; Chinese context; digital transformation

Comment on “Business Model Innovation Strategy” and Further Exploration of the Impact of Digital Technology on the Upgrading of Business Model Innovation Strategy

Yonggui Wang¹ Aoran Hong²

(1. College of Business Administration, Capital University of Economics and Business;

2. School of Economics and Management, Nanjing University of Science and Technology)

Abstract: As market competition intensifies, more and more enterprises and scholars have paid attention to business model innovation. Amit et al. (2022) linked business model innovation with firm strategy, and discussed the definition of business model innovation strategy, its basic elements and future research directions. Inspired by Amit et al. (2022), this paper explores the impact of digital technology on the upgrading of firms' business model innovation strategy by observing firms' practices and reviewing relevant literature, and then discusses directions for future research.

Key Words: business model innovation; firm strategy; value logic; digital technology; future research direction

Business Model Innovation Strategy and High-quality Development of Enterprises

Deqiu Chen Wenyu Zhang

(Business School, University of International Business and Economics;

Academy of Corporate Governance, University of International Business and Economics)

Abstract: Business model innovation strategy has become a hot topic in academic and practical fields in recent years. Amit et al. (2022) discussed the importance of business model innovation strategy to China in the post epidemic digital economy era, and provided global scholars in the field of business model with research schemes of business model strategy, which inspired scholars to think strategically about business model design and innovation. Inspired by this article, this paper discusses the opportunities and challenges of business model innovation research in China, puts forward the logic and path of business model innovation to promote the high-quality development of enterprises, and summarizes the practical innovation of business model innovation and high-quality development of enterprises, in order to promote and enrich the relevant domestic research progress on this topic.

Key Words: business model innovation; high-quality development of enterprises; literature review; practical innovation

From Following to Leading: The Transformation of Business Model Research

Hai Guo

(School of Business, Renmin University of China)

Abstract: The publication of “business model innovation strategy” (Amit & Zott, 2021), signals that business model research is maturing. Amit, Zott and Qiao (2022) further introduces the key tenets of this book to Chinese readers. Based on the pioneering work of Raphael Amit and Christoph Zott, I provide a brief review of business model research, comment on Amit, Zott and Qiao (2022), and highlight several research opportunities. I divide business model research into three periods: germination, breakthrough, and mature, and argue that business model research is going through a transform from following to leading.

Key Words: business model; strategy; germination period; breakthrough period; mature period

The Boundary Conditions Business Model Innovation and Its Implication to Relevant Research in Chinese Context

Jun Yang Ao Jin

(School of Management, Zhejiang University)

Abstract: There has been an increasing amount of research on business model in recent years. Amit et al. (2022) develops a theoretical framework for business model innovation strategy, and suggest research questions for future research. Following their discussion, this article discusses the boundary condition of business model innovation strategy, and suggests some avenues for future research in the Chinese context.

Key Words: business model innovation; competitive advantage; strategy

Review of Returnees' Research and Research Direction under Dual Circulation Development Pattern

Jiangyong Lu¹ Daomi Lin² Lei Yu³

(1. Guanghua School of Management, Peking University;

2. School of Business, Sun Yat-sen University;

3. Business School, Sun Yat-sen University)

Abstract: Returnees, who have studied and/or worked abroad and then come back to their home countries, have played pivotal roles in China's technologic and economic development. As an important constitute of international human mobility, the phenomenon of return migrations has caught attention from both practitioners and scholars. The research project- "returnees' roles in resources acquisition, innovation, and internationalization of firms" was funded by National Natural Science Foundation of China. The project identified returnees' role in entrepreneurship, innovation and internationalization through the mechanisms of resource acquisition, knowledge transfer, and international experience accumulation from multiple theoretical perspectives including resource-based view, knowledge-based view, institutional-based view and social network perspective.

We firstly summarize the key findings and contributions from our research project, and then review the subsequent literature using our research framework. In the field of entrepreneurship, research has found returnee entrepreneurs' role in opportunity identification, evaluation and exploitation; in the field of innovation, returnee research, as well as research on repatriates and scientific mobility has emphasized returnee's role as knowledge broker and their role in knowledge transfer and reverse knowledge spillover; in the field of internationalization, returnee has been demonstrated to influence firm's internationalization strategy (e.g., location choice, entry mode) and international performance. A new research theme about returnees' impact on corporate social responsibility is emerging and considers returnees as active institutional actors.

Returnee has casted impacts on China's development in the past 20 years and will continue to be influential in the new era of "dual circulation". Potential research opportunities are discussed and further studies on returnees are expected to have implications for policy makers and firms.

Key Words: returnees; entrepreneurship; innovation; internationalization; dual circulation development pattern

Privatized Family Firms, De Novo Family Firms, and Long-term Investments: A “Psychological Ownership” Perspective

Yanling Lian¹ Yilin Liu² Hao Gao³

(1. Faculty of Economics and Management, East China Normal University;

2. Naveen Jindal School of Management, University of Texas at Dallas;

3. PBC School of Finance, Tsinghua University)

Abstract: Prior studies on the Chinese family firms suggest that the long-term orientation is impacted by both family firm characteristics—such as the high dependence on entrepreneurs, firm culture, and succession plan—and their entrepreneurs’ characteristics—such as the relationship between founders and successors. However, few of them notice that the privatization of state-owned firms (SOEs) in China can also act as an important institutional factor that modifies the long-term orientation of family owners. As one of the most influential reforms during the economic transition in China, the privatization of SOEs leads to the downsizing or cutting off of lots of SOEs and the born of a special type of family firm—privatized family firms simultaneously. Thus, in this paper, we ask the following research question: *How does the origin of family firms influence their long-term investments?*

From a psychological ownership perspective, this paper proposes that as compared with de novo family firms, privatized family firms will have a lower level of long-term investment, because the family owners of privatized firms have weaker psychological ownership. We further posit that this negative relationship will be weakened if family owners joined the firms prior to their privatization because longer involvement in the firms will likely strengthen the psychological ownership. On the other hand, the negative relationship between privatized firms and long-term investment will be stronger in a more underdeveloped institutional environment.

Using a sample of Chinese private firms listed on the Shenzhen and Shanghai stock exchanges from 2008 to 2016, the research finding suggests that privatized family firms invest less in the long-term than de novo family firms because their entrepreneurs have weaker psychological ownership to their firms, resulting from the origin of family firms. By introducing the founders’ characteristics and institutional characteristics in our research model, our finding implies that if family owners joined the firms prior to their privatization, the above relationship would be weakened, whereas if family firms are located in an environment with more undeveloped institutions, the above relationship will be strengthened.

This study makes three main theoretical contributions: first, this study contributes to the literature on Chinese family firms by introducing a long-neglected context—the privatization of SOEs. Second, this study contributes to the research about entrepreneurs of Chinese family firms through uncovering the heterogeneity of psychological ownership among family owners of different family firms. Third, this discusses the antecedences of long-term investment of family firms in China from a historical perspective, which provides a further explanation for the lack of long-term orientation in Chinese private economies.

Future research may further explore the impacts of SOEs privatization on family firms by discussing the complex process of pri-

vatization in detail. Besides, this study is constrained by the archival data and cannot directly capture the psychological mechanism—the psychological ownership—between privatized family firms and long-term investment. Scholars can discuss and examine entrepreneurs' psychological dynamism through surveys or interviews.

Key Words: privatization; family business; long-term investment; psychological ownership; institutional environment

How to Have Qualified Successors? A Configuration Study on Family Business Success or Training Strategy from an Identity Perspective

Yingying Xing Jing Xi Le Xiong Linlin Jin

(School of Management, Guangdong University of Technology)

Abstract: The effective training of successors is critical to inter-generational transition and sustainable development of family businesses. The existing research on the training of successors mostly focuses on how to improve the knowledge and ability of successors to “act outward”, but ignores their ability to “act inward” to change their internal world, that is, the identity development of successors. In addition, the training of family business successors is inevitably affected by the complex factors brought by the duality of family business and the multidimensional identity. However, most of the existing studies discuss the effectiveness of a single training strategy based on the traditional causal symmetry method, which simplifies the complex situation of successor training, and has limited guiding significance for practice.

Therefore, from an identity perspective, taking the formation of “qualified successor identity” as the training goal, this study analyzes family business successor training strategy by focusing on both empowering and energizing with a fuzzy set qualitative comparative analysis (fsQCA) method. We selected 27 family business cases, including 14 first-hand data source cases and 13 second-hand data source cases.

Our results show that : (1) any strategy that focuses solely on empowering (as related to decision making roles and responsibilities) or energizing (including learning support and emotional support) does not constitute a necessary condition for effectively cultivating qualified successors; and (2) three types of strategy configurations are effective, namely a) . strong emotional support coupled with strong learning support and less decision-making responsibilities; b) . more decision-making responsibilities coupled with strong learning support and less emotional support; and c) . strong emotional support and more decision-making responsibilities.

Then, by tracing back to typical cases, this paper further explores the influence mechanism of the strategy configuration of successfully training family business successors. It is found that under the strong emotional support coupled with strong learning support and less decision-making responsibilities strategy, the parents energize the successors through learning support and emotional support to improve the accessibility and suitability of the successor’s identity, so as to promote the development of the successor’s identity and help them successfully form a “qualified successor identity”; Under the strategy of more decision-making responsibilities coupled with strong learning support and less emotional support, the parents stimulate the identity motivation of the successor through empowerment behavior and energize the successor through learning support to help them improve their internal and external abilities, so as to promote the development of the successor’s identity; Under the strategy of strong emotional support and more decision-making responsibilities, parents’ energizing and empowerment behavior play a linkage role through affecting the

development of identity content and process, so as to promote the successor to build a “qualified successor identity”.

This study sheds light both on the theory and practice of family business successor training strategy. In theory, first, based on the insight into the core issues of successor training (i. e. shaping the ability of “inward action”), this paper introduces the perspective of identity and makes it clear that the formation of “qualified successor identity” is the goal of successor training, which provides a systematic and solid theoretical basis for the construction of the analysis framework of successor training and improves the theoretical depth of the research on successor training in family business; Secondly, based on the complexity of the situation of the training of family business successors, this paper explores the strategic configuration of three groups of successful training of family business successors and reveals their action mechanism, which provides a more realistic explanation for the training of family business successors, and enriches the research of identity theory based on the unique situation of family business inheritance; In practice, the multiple equivalent strategy configuration of successfully cultivating family business successors explored in this paper provides an operational reference for the training practice of family business successors.

This paper also has some limitations. Firstly, due to the limitations of the current research, this paper ignores or discards some antecedents that may affect the outcome, such as the introduction of external resources in the later stage of training, the characteristics of the successor, etc. Secondly, this paper only makes an in-depth analysis of a small number of cases, the samples have certain limitations, and the universality of the conclusion needs to be further discussed. In addition, most of the data used in this paper are qualitative data. Although triangular verification is carried out through multiple sources of data and calibrated with reference to existing studies, the subjectivity of researchers can not be completely avoided. Finally, the training of family business successors is a complex and dynamic process, but due to the limitations of methods and data, the dynamic changes of each stage in the training process are not fully considered. In the future, more antecedent conditions and case enterprises can be considered with Temporal Qualitative Comparative Analysis (TQCA) and other methods considering chronological order to further study the configuration strategy in the dynamic process of training successors of case enterprises.

Key Words: family business success or training; identity development; configuration perspective

A Comparison Review of Social Entrepreneurship Research in China and Abroad: Knowledge Structure, Hotspot and Evolutionary Path

Wei Peng¹ Yue Yin¹ Qingling Zheng²

(1. Business School, Changzhou University;

2. Department of Scientific Research, iFLYTEK)

Abstract: In recent years, social problems such as the gap between the rich and the poor, lack of resources, and environmental pollution have become increasingly prominent, and it is often difficult to effectively solve them by relying only on government support and market mechanisms. Social entrepreneurship, with the mission of solving social problems and creating social value through innovative use of commercial means, has gradually become an important way to promote social change, and has played an important role in effectively making up for the lack of government governance and market failure. With the emergence of social entrepreneurship, scholars in China and abroad have also paid extensive attention to it. After more than 30 years of accumulation, the research literature on social entrepreneurship is huge and complex. Scholars in China and abroad have combed and commented on the research progress of social entrepreneurship at different stages, but the comprehensive and in-depth bibliometric analysis on social entrepreneurship is slightly insufficient. Bibliometric analysis can carry out quantitative analysis of relevant literature from multiple perspectives, which is helpful to comprehensively and objectively reveal the history, current situation and trend of the development of a research field. Therefore, this paper uses software such as CiteSpace, Bibexcel and SPSS to conduct comprehensive comparison of social entrepreneurship research in China and abroad.

This paper takes the social entrepreneurship research literatures collected in foreign SSCI database and domestic CSSCI database as research samples, uses software such as CiteSpace, Bibexcel and SPSS to carry out quantitative analysis such as bibliometric and multi-dimensional scales, and constructs knowledge framework of social entrepreneurship research based on the systems including entrepreneurial antecedents, entrepreneurial process and entrepreneurial results.

Then, this paper systematically compares the hot topics of social entrepreneurship research in China and abroad based on the above knowledge framework. The research results show that foreign scholars have made good progress in topics such as social entrepreneurship antecedents, entrepreneurial process, and entrepreneurial results while domestic research is slightly insufficient in the antecedents of social entrepreneurship at the organizational level, social governance research, and social entrepreneurship results at the individual level.

In addition, this paper comprehensively sorts out the evolution of social entrepreneurship research in China and abroad. The study found that foreign social entrepreneurship research shows a trend of expanding topics and increasingly diverse methods while domestic research still has some deficiencies in research topics, research methods and research contexts.

Finally, this paper puts forward relevant suggestions for social entrepreneurship research in the Chinese context, including

strengthening the study on the antecedents of social entrepreneurship in China from a multi-dimensional perspective, systematically exploring the process rules of social entrepreneurship in the Chinese context, and actively carrying out research on the results of multiple social entrepreneurship in the Chinese context.

Key Words: social entrepreneurship; bibliometrics; knowledge structure; hotspot; evolutionary path