

Disruptive Co-Creation? Some Experiences in Fostering Innovative and Sustainable Business Models for Emerging Markets

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Faced with constant changes in the marketplace, businesses are persistently pressured to adapt. Taking on a proactive strategy might appear more prudent than attempting to adapt in hindsight, yet businesses and entire industries continue to fail in responding to new conditions. One particular area of opportunity dealt with in this study is the pursuit of positive economic returns in tandem with poverty alleviation and sustainability objectives in new emerging markets in Sub-Saharan Africa especially. As claimed in e.g. the Base-of-the-Pyramid (BoP) literature, developing countries represent the proposition of blue ocean markets and a possible new outlet for businesses in the North to manoeuvre, given the saturated and recessive market conditions commonly found in industrialized countries today. However, it is commonplace to encounter hesitation and wariness towards a setting perceived to be seldom worth any substantial attention. For the business that *do* make forages into new emerging markets, there is additionally a difficulty recognizing the need for seeking alternative ways of doing business, much less grasp how to come up with developing innovative modes of operation that are required to succeed in such settings. As research is showing, doing business in Sub-Saharan Africa in a sustainable manner is seldom slated for success if a business in the North presumes to be able to pursue a business method merely mirroring their standard mode of operation. Adaptation of one's business model is needed, and requires a degree of disruptive innovation.

This paper reflects on the experiences of *access2innovation*, a facilitating intermediary organization and action research initiative based in Denmark that is experimenting with fostering innovative partnerships between civil society, business and academia. Focus thematic areas are within renewable energy, water and sanitation and food security, while the target markets are based in Uganda and Tanzania. With sustainability and poverty alleviation objectives acting as guiding principles in the co-creation processes facilitated by *access2innovation*, this paper deals in particular with business model disruption and innovation. What is of particular interest in reporting here are the experiences encountered when challenging and disrupting business-as-usual presumptions about being able to conduct business Sub-Saharan Africa by mirroring business models in the North; in what manner may it be possible to take business models under review and possibly change them? As well, the multi-sectorial approach inherent in *access2innovation* is of interest, as small and medium-sized enterprises (SME's) are particularly keen on latching onto partnerships with actors from other industries and sectors entirely. In lieu of the in-house capabilities that many multinational companies claim to have, *access2innovation* finds that partnerships and facilitation may help SME's especially in entering new markets. Here the challenges of goal alignment prey into business model innovation and co-creation, as e.g. objectives from development NGO's and businesses unsurprisingly may not always be compatible from the outset.

This paper delves into state-of-the-art concerning literature pertinent to businesses engaging in new emerging markets. It describes the background and theoretically founded principles in *access2innovation*, and lastly deals with business model innovation theory/practice with illustrative cases from Uganda and Tanzania.