



university of  
 groningen

campus fryslân

centre for sustainable entrepreneurship

# When bike sharing business models go bad: Incorporating responsibility into business model innovation

Long, T.B. & van Waes, A.



Working paper series  
 2107-CSE



university of  
 groningen

campus fryslân

# Working paper series

Centre for Sustainable Entrepreneurship  
*University of Groningen/Campus Fryslân*

Visiting address:  
Wirdumerdijk 34  
8911 CE Leeuwarden  
The Netherlands

T +3158 205 5000

[www.rug.nl/cf/cse](http://www.rug.nl/cf/cse)

Editor: Niels Faber  
Academic director: Dr. Gjalt de Jong  
Design (cover): David-Imre Kanselaar

# When bike sharing business models go bad: Incorporating responsibility into business model innovation

Long, T.B. & van Waes, A.

**May 2021**

## Abstract

Innovations to business models are particularly promising for tackling societal challenges. However, innovation outcomes can be unpredictable. To minimise negative impacts and enhance the success of business model innovation processes, we argue that socio-ethical issues must be incorporated and managed. Research on responsible innovation, which seeks socially desirable and ethically acceptable innovations via the incorporation of socio-ethical issues, is well developed but has often used a technocentric lens. Consequently, it is unclear how socio-ethical issues interact with business model innovation. We explore how business model innovation interacts with socio-ethical issues and aim to understand the ways responsible innovation can help inform business model innovation processes and outcomes. We do this by exploring platform enabled bike sharing business models in the Netherlands. We construct a theoretical framework considering purpose, process and product dimensions of business model innovation. Our results illustrate how socio-ethical factors can play a key role in the success or failure of business model innovation. We argue that without including socio-ethical factors explicitly within analytical lenses, that key elements may be missed, resulting in an incomplete picture of key business model innovation dynamics.

**Keywords:** Responsible innovation, Business model innovation, Socio-ethical factors, Responsible business model innovation, Bike sharing, Micromobility, Platform