

**EXPLORING THE SUSTAINABLE DIGITAL BUSINESS MODELS  
UTILIZED BY SOCIAL ENTERPRISES IN ADDRESSING MALAYSIAN  
SOCIO-ENVIRONMENTAL ISSUES.**

**MUHAMMAD IQMAL HAQIM BIN YAHAYA**



**2024**

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UNIVERSITI TEKNIKAL MALAYSIA MELAKA

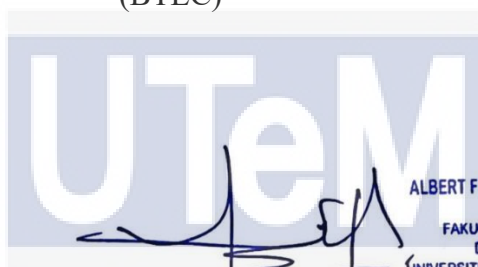
**FACULTY OF TECHNOLOGY MANAGEMENT AND  
TECHNOPRENEURSHIP**

**UNIVERSITI TEKNIKAL MALAYSIA MELAKA**

**2024**

## APPROVAL

I hereby declared that I had read through this thesis and in my opinion that  
this thesis is adequate in term of scope and quality which fulfil the  
requirement for the award of Bachelor of Technopreneurship with honours  
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## DECLARATION

“I declared tat this report entitled **“Exploring the Sustainable Digital Business Models Utilized by Social Enterprises in Addressing Malaysian Socio-environmental Issues”** is the result of my own work except for the quotes as cited in their references.



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## DEDICATION

This report is dedicated to my parents, Mr. Nordin bin Norer and Mrs. Salmani Binti Othman who has always been there for me, encouraging me through my highs and lows and providing the extra push I needed to complete my thesis. Mr. Afiq, my senior roommate from my previous residence, has been helping me and inspiring me to complete my thesis. My supervisor and panel, Mr. Albert Feisal @ Muhd Feisal Ismail and Dr. Mohd. Amin Bin Mohamad, have been directing me and inspiring me to complete my thesis. And finally, thanks to my dear classmates who have helped me. Additionally, I want to thank all of my friends who have been so supportive in getting this final year project done.

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## ABSTRACT

This research aims to explore the sustainable digital business models utilized by social enterprises in addressing Malaysian socio-environmental issues. By fusing commercial principles with a social or environmental objective, social enterprises play a significant role in fostering change. In order to comprehend how these components, work together to produce creative solutions for Malaysia's socio-environmental problems, the study focuses on the convergence of sustainable practises, digital technology, and social entrepreneurship. The incorporation of digital technologies into these models in order to produce social and environmental value will be examined. Interviews were conducted to acquire data, and authentic information was obtained from a few Social Entrepreneurs based in Semenanjung, Malaysia. The study's findings and results revealed that the majority of interviewees were motivated to develop their social businesses through the use of digital platforms or channels. These Social Entrepreneurs, Enterprises, or Businesses receive much-needed support from the community in a variety of ways, including online business, customer engagement, telling their stories, promoting their business, and determining their social mission to solve or reduce socio-environmental issues in Malaysia.

*Keywords: Digital Social Business Models, Social Enterprises, Malaysia, Socio-Environmental Issues, Digital Technologies, Sustainable Entrepreneurship.*

## ABSTRAK

*Tujuan kajian ini adalah untuk mengkaji model perniagaan digital yang berkekalan yang digunakan oleh pertubuhan sosial untuk menangani isu sosio-sekitar di Malaysia. Pertubuhan sosial memainkan peranan penting dalam mendorong perubahan dengan menggabungkan prinsip komersial dengan matlamat sosial atau alam sekitar. Kajian ini memberi tumpuan kepada pertembungan amalan mampan, teknologi digital, dan keusahawanan sosial untuk memahami bagaimana elemen-elemen ini berinteraksi untuk menghasilkan penyelesaian inovatif kepada isu sosio-sekitar Malaysia. Keupayaan teknologi digital untuk menggabungkan model ini untuk mewujudkan nilai sosial dan alam sekitar akan dikaji. Temubual telah dijalankan untuk mendapatkan data, dan maklumat autentik diperolehi daripada beberapa Usahawan Sosial berpangkalan di Semenanjung Malaysia. Hasil kajian menunjukkan bahawa sebahagian besar responden ingin membina perniagaan sosial mereka dengan menggunakan platform atau saluran digital. Usahawan sosial, pertubuhan, atau perniagaan ini menerima sokongan masyarakat yang sangat diperlukan dalam pelbagai cara, seperti berniaga dalam talian, berinteraksi dengan pelanggan, berkongsi kisah mereka, mempromosikan perniagaan mereka, dan menetapkan objektif sosial mereka untuk menyelesaikan atau mengurangkan isu sosial Malaysia.*

*Kata Kunci: Model Perniagaan Digital Mampan, Usahawan Sosial, Malaysia, Isu-Isu Sosioalam, Teknologi Digital, Keusahawanan Mampan.*

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I would like to take this opportunity to thank my boss, Mr. Albert Feisal @ Muhd Feisal Ismail, for his support and encouragement while I battled to finish this senior assignment. It was largely because of his assistance that I was able to successfully complete my senior project within the allotted time.

I also wish to thank previous researchers for their published discoveries and related methodologies. The theories and data provided were an excellent resource for this senior thesis. A gift to show the interviewees our appreciation for giving up their time to share their wisdom.





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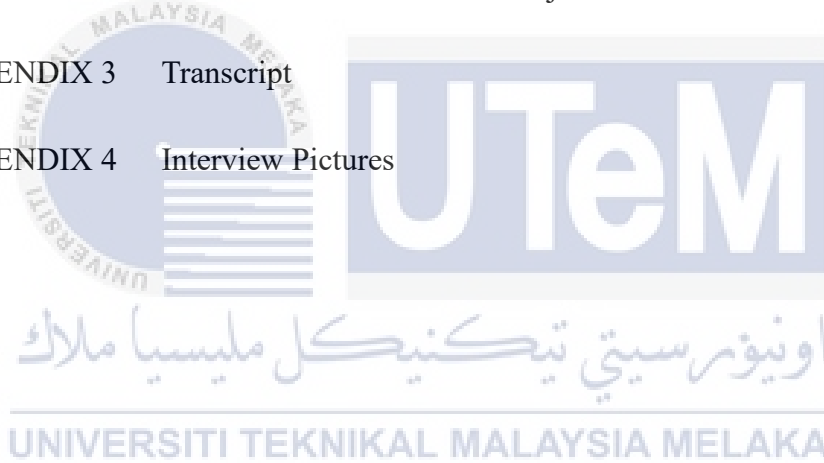


## LIST OF ABBREVIATIONS

| ABBREVIATIONS | MEANING  |
|---------------|--|
| FPTT          | Faculty of Technology Management and Technopreneurship |
| UTeM          | Technical University of Malaysia Melaka                |
| BTEC          | Bachelor of Technopreneurship                          |
| SE            | Social Entrepreneur @ Social Entrepreneurship          |
| SME           | Small Medium Enterprises                               |
| CSR           | Corporate Social Responsibility                        |
| SBM           | Social Business Model                                  |
| SDBM          | Social-Digital Business Model                          |
| DT            | Digital Transformation                                 |
| BosCo         | Borneo Specialty Coffee                                |
| TTDI          | Taman Tun Dr Ismail                                    |
| ACP           | Autism Café Project                                    |
| ASD           | Autism Spectrum Disorder                               |

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## CHAPTER 1

### INTRODUCTION

#### 1.1 Introduction

This chapter seeks to offer an overview and delve into the background of the topic, which focuses on evaluating how social entrepreneurs in Malaysia employ digital social business models to address socio-environmental challenges. It identifies essential words pertinent to the investigation and acknowledges the constraints that may affect the scope and depth of the research.

#### 1.2 Background of the Study

Malaysia's fast economic expansion over the last two decades has benefited the whole country. However, it has also resulted in issues with natural resources and the environment (Vincent, 2001). According to Rusli (2020, as cited in Chuan, 1982) The haste with which economic, social, and political goals must be met via development has considerably burdened the nation's natural resources, such as land, forests, and water, while the discharge of different pollutants has resulted in the deterioration of rivers, seas, and air quality. As of today, Malaysia aims to become a developed country by 2020.

However, such growth and development have resulted in a slew of societal issues (Abdullah, 2010). According to Kamaluddin et al., (2021) the rise in crime and other social problems such as murder, robbery, rape, domestic violence, drug addiction, poverty, extramarital sex, and online pornography has prompted severe worry among members of society, foreign visitors, and investors about security. These are the urgent issues in Malaysia that deserve effective answers.

On that note, according to Hedman et al., (2016) rapid advancements in information technology have created a rising trend of the implementation possibilities of digital technology and social business models within a firm. These are then used by social entrepreneurs in tackling social and environmental issues. In social entrepreneurship, the simultaneous pursuit of economic, social, and environmental goals by entrepreneurial companies, has progressively earned a position on the global arena as a human solution to social and environmental concerns (Noruzi et al., 2010, as cited in Haugh, 2007). According to Gregori and Holzmann (2020), social entrepreneurs are playing an increasingly important role in solving social and environmental problems. They are using their business skills and entrepreneurial spirit to make a positive impact on the world. In a recent study by George et al., (2020) digital technologies are assisting in addressing major concerns such as climate change and promoting sustainable development in communities. Social entrepreneurs and enterprises have used digital technology to develop innovative responses to apparently solve impossible societal and environmental issues.

"Social Entrepreneurship" is a word that has come to refer to activities that address a variety of social challenges in new and innovative ways (Buendía-Martínez & Carrasco Monteagudo, 2020, as cited in Nicholls, 2008) Social Entrepreneurship is a collection of cutting-edge work from leading academics, policymakers, and practitioners, is themed around emerging aims to create new, sustainable models of social sector quality and systemic impact. According to Haynes (2012), in many ways, social entrepreneurship is growing as a distinct subject in its own right, rather than merely a topic within business

studies. The significance of creating and implementing social entrepreneurship to preserve social growth and improve human well-being in dynamically changing surroundings has propelled this topic to the forefront of academic agendas (Jiao, 2011).

Despite quickly developing and receiving more attention in many industrialised nations, social entrepreneurship is still regarded new, and activities are still at the ground level within the Malaysian setting (Adnan et al., 2018). Many factors influence the growth of social entrepreneurship, including digital revolution. Technological advancements are a crucial component of a society's economic development. Information processing technologies and digital-related activities have now permeated nearly every part of business (Popov et al., 2020).

In Malaysia, the connection between digital transformation and social entrepreneurship is producing revolutionary gains across multiple sectors. According to Teoh et al., (2022) digital business model innovation (DBMI) has been hailed as a 'game breaker' for Malaysian SMEs. Small and medium-sized firms (SMEs) in both local and global markets may employ digital technology to coordinate company activities to create and offer distinctive value to consumers. Since 2014, scholars have shown increasing interest in the topic of digital transformation. The findings indicate a need for study in developing countries (Vaska et al., 2021). The findings also indicate a need for additional research in developing nations as well as greater collaboration between scholars and practitioners.

As Malaysia continues on its path to becoming a developed country, digital transformation, digital business model innovation and social entrepreneurship are key drivers of success. This research will look to identify what are the unique digital social business models used by Malaysian social entrepreneurs, its effectiveness, and major difficulties that sector has to solve socio-environmental issues in Malaysia.

### 1.3 Problem Statement

This research looks into how Malaysian social entrepreneurs are using digital social business models to address socio-environmental problems. Entrepreneurial activities are acknowledged to be important for creating innovation, fostering employment, and upholding corporate social responsibility (Daud Fhiri et al., 2021). In the context of the digital era, enterprises and entrepreneurs must adopt digital technologies and platforms in order to efficiently gather, integrate, and exploit data (Petrakaki, Hilberg & Waring, 2018). This enables them to create unique and significant solutions to the nation's mounting sustainability concerns.

According to Djuraeva (2021), The market environment for businesses has been affected by digital advances over the previous decade, and as a result, the emphasis on business model innovations has expanded fast. Globalisation has been the most major development in the world of business, requiring enterprises to make considerable adjustments to their organisational structures and long-term plans. As a result of the globalisation phenomenon, companies have shifted their attention to the worldwide market. (Abuhashesh, 2016). This is because, according to Archibugi & Pietrobelli, (2003) globalisation enables the dissemination of information at a far faster rate than previously possible through travel, media, scientific and technical workshops, the Internet, and a variety of other communication methods. As a type of human-to-human connection, one prominent form of communication that has evolved as a result of globalisation is social networking (Lee, 2014). According to Amoroso et al., (2014) integrating social media into Business Practise, Applications, Management, and Models can present the most recent research results and future perspectives for customer relationship management in modern organisations. As a result of this widespread usage, businesses harness social technologies to remain competitive in the global market (Arrigo, 2014).

The fast expansion of digital social media platforms with new functions has radically altered competitive landscapes, changing traditional company strategies and procedures (Bharadwaj et al., 2013). However, digital social media marketing is more well-known in foreign countries (America, Canada,

Dubai, and India) than in Malaysia (Narayanasamy et al., 2019). Also, according to Magendran et al., (2021) in Malaysia, business idealistic marketing plans are fairly wide, with most companies employing a typical approach to promoting and selling their products. As a result, Malaysia's technological progress is now moderate and not as advanced as that of Europe or other countries (Jayamani et al., 2022). This is because, businesses are hesitant to promote these sites and use digital technology in media marketing owing to concerns such as legal and content control difficulties (Deshmukh, 2013). The present research also offers little insights into the efficacy and variables determining the success or limits of digital social entrepreneurship approaches in Malaysia (Vaska et al., 2021).

However, recent research has adopted the notion that digital technologies can be supportive for tackling the challenges sustainable entrepreneurs face (George et al., 2020; Parida and Wincent, 2019). This assumption builds on the transformative capacity of digitalization that alters the nature of entrepreneurship (Nambisan, 2017; Yoo et al., 2012 as cited in Gregori & Holzmann, 2020) and changes approaches to issues of sustainability. Such technologies also enable new forms of collaboration, resource leveraging, product or service design, development, and deployment based on open standards and shared technology (Markus & Loebecke, 2013). Digital technologies have also affected the mindset of entrepreneurs at the microlevel (Di Domenico et al., 2014) and consequently, their decision-making processes are influenced (Shepherd et al., 2014). According to (Li, 2015) digital technology have permitted extensive changes in business models in all areas of the creative industries, allowing businesses to employ a broader choice of business models than were previously available to them. By investigating how long-term entrepreneurs incorporate these digital technologies into the value proposition, value generation, and value capture components of their company business models (Gregori & Holzmann, 2020), this research can fill the gap give a greater knowledge of the digital social business models used by Malaysian social entrepreneurs, their efficacy, and the key determinants determining their success and limits.

#### 1.4 Research Question

Because the goal of this study is to address a knowledge vacuum by providing a better understanding of the digital social business models employed by Malaysian social entrepreneurs, the research questions are as follows: -

1. What are the unique digital channels and technology used by Malaysian social entrepreneurs to lessen socio-environmental issues?
2. What qualifiable achievements and effectiveness have Malaysian social entrepreneurs accomplished by employing digital social business models to lessen socio-environmental issues?
3. What are the enabling factors, challenges, and best practices and tactics used by successful Malaysian social entrepreneurs in utilizing digital technology to lessen socio-environmental issues?

#### 1.5 Research Objectives

The specific objectives of this study are to: -

1. To identify and categorize what are the unique digital social business models used by Malaysian social entrepreneurs to lessen socio-environmental issues.
2. To investigate how effective are these digital social business models in Malaysia and their achievements in fostering sustainable development and to lessen socio-environmental issues.
3. To deduce what are the enabling factors, challenges, and best practices involved with adopting digital social business models in Malaysia to to lessen socio-environmental issues.

## 1.6 Importance of the Study

The importance of researching digital social business models used by social entrepreneurs in tackling Malaysian socio-environmental challenges may be expanded as follows: -

1. **Enhanced knowledge of social innovation:** This study contributes to the area of social innovation by studying how social entrepreneurs in Malaysia employ digital technologies and economic models to address socio-environmental challenges. Social innovation is the creation and execution of novel solutions to social and environmental problems. Exploring digital social business models gives insights into the creative techniques and approaches used by social entrepreneurs to produce positive impact, promoting a greater knowledge of social innovation processes.
2. **Promotion of sustainable development:** The study adds to the larger conversation on sustainable development by showing how digital technology may be used to effect good socio-environmental change. Sustainable development attempts to fulfil the demands of the present without jeopardising future generations' ability to meet their own needs. The research throws light on creative and sustainable practises that contribute to the achievement of the United Nations' Sustainable Development Goals (SDGs).
3. **Information sharing and replication:** The findings of this study may be used to share information among social entrepreneurs, policymakers, and other stakeholders. The study gives insights into effective methods, lessons gained, and possible obstacles faced by social entrepreneurs in Malaysia by documenting successful digital social business models. This information exchange can promote the replication and modification of these ideas in other situations, resulting in a larger spread of sustainable practises and a higher effect.



4. Implications for policy and regulation: Understanding the digital social business models used by social enterprises may help policymakers and regulators establish supporting frameworks and rules. Policymakers can create an enabling environment that fosters the growth of social businesses and enables their contributions to socio-environmental challenges by recognising the facilitators and obstacles to the adoption and scaling of these models. This research can help drive policy conversations and actions focused at creating a favourable environment for digital social entrepreneurship.
5. Economic and business perspectives: Examining the digital social business models used by social entrepreneurs in Malaysia can give significant economic and business insights. It provides a chance to investigate the financial sustainability, income generation strategies, and value creation procedures used by social entrepreneurs. Understanding the economic sustainability of these models can help to establish a better business case for sustaining social entrepreneurship, attracting investment, and driving sector growth.

#### **1.7 Scope of the Study**

This study focuses on conducting a qualitative research study to investigate the digital social business models used by social entrepreneurs generally to solve socio-environmental challenges. To gain comprehensive insights and in-depth understanding, the research will mostly rely on interviews as the primary data gathering method. To guarantee the rights and well-being of participants, ethical concerns will be followed throughout the study process. While the research is mostly focused on Malaysia, the conclusions may rely on examples and experiences from various nations to give a greater knowledge of the issue. The study intends to gather varied viewpoints and experiences of social entrepreneurs, offering insight on the tactics, problems, and benefits of digital social business models in lessening socio-environmental issues.



## **1.8 Definition of Terms**

In this research paper, this section gives brief definitions of important ideas and words connected to the topic. This section is included in the paper since it helps the general readability and comprehension of the study, especially for readers who are not specialists in the topic. The following definitions can be offered to establish a definition of words for this topic:

### **Entrepreneurship**

Entrepreneurship is the process of starting and running a new business. It entails spotting possibilities, taking risks, and organising resources in order to convert unique ideas into profitable enterprises (Costa, D, 2022). According to Stanford (n.d.), An aspiring entrepreneur deliberately searches out a certain business endeavour, and it is the entrepreneur who bears the majority of the risk involved with the initiative. As a result, if the idea is successful, this person stands to profit the most.

### **Entrepreneur**

The entrepreneur is the person or team that recognises an opportunity, gathers the required resources, establishes, and is ultimately accountable for the organization's performance (Carton et al., 1998). According to Hébert & Link (1989) an entrepreneur can be described as someone who takes responsibility for and makes decisions that change the location, form, and usage of commodities, resources, or institutions.

### **Social Entrepreneurship**

Social entrepreneurship is the application of entrepreneurial ideas and practises to the resolution of social and environmental concerns. Social entrepreneurs investigate social issues and propose new solutions to make a positive social effect (Coursera, n.d.). Their major goal is to create long-term social change, frequently through building social businesses or organisations

that prioritise social objectives above financial survival. According to Nicholls (2008) social entrepreneurship addresses a variety of societal challenges in fresh and original ways centred on the new initiatives for creating superior, long-term social sector models with systemic effects.

### **Social Entrepreneurs**

Individuals that spearhead social entrepreneurship efforts are known as social entrepreneurs. According to Reay, (2009) An individual who starts, runs, and expands a business with a social objective is referred to as a social entrepreneur. To address social and environmental concerns, they combine business abilities with a strong sense of social responsibility. Social entrepreneurs are motivated by a desire to positively affect society, frequently via the development of novel business models that solve social issues and contribute to long-term development.

### **Social Enterprises**

Social enterprises are businesses that strive to fulfil social, environmental, or community-oriented goals while still making money. They use business tactics to address social challenges, and their revenues are reinvested back into their goal. The OECD defines social entrepreneurship as "any private activity conducted in the public interest, organised with an entrepreneurial strategy, whose main goal is not the maximisation of profit but the achievement of certain economic and social goals, and which has the capacity to bring innovative solutions to the problems of social exclusion and unemployment."

## **Social Innovation**

The process of creating, gaining support for, and putting into practise new solutions to societal demands and issues is known as social innovation (Phills, 2008). It entails developing new solutions to social issues, improving social well-being, and promoting long-term growth. Individuals, organisations, or collaborations can promote social innovation in a variety of domains.

## **Digitalization**

The integration of digital technology into many elements of business and society is referred to as digitalization. According to Gray & Rumpe, (2015) Digitalization is the use of digital technology to alter a company model and offer new prospects for generating income and adding value. Retailing exchanges are changed by digitalization in many different ways and in many different aspects of trade, including communications, transactions, and distribution (Hagberg et al., 2016). Digitalization includes the digitalization of information, task automation, and the use of data-driven insights to improve efficiency, innovation, and connection.

UNIVERSITI TEKNIKAL MALAYSIA MELAKA

## **Digital Social Business Models**

Digital social business models are novel techniques that use digital technologies to make a positive social effect. These models combine social entrepreneurship principles with the potential given by digitization. According to Verhoef & Bijmolt, (2019) markets are changing due to strong digital advances, and businesses may adopt a digital business strategy to deal with these trends. Businesses can also solve social issues, stimulate cooperation, and create long-term value for stakeholders by leveraging digital platforms, data analytics, and internet connection.

## **Socio-Environmental Issues**

Socio-environmental issues are problems that occur as a result of the interplay of social and environmental elements. The fast economic growth of Malaysia in the two decades after its independence has benefited the whole country. However, it has also led to issues with the environment and natural resources (Chuan, 1982). These concerns deal with the social and economic consequences of environmental challenges such as climate change, pollution, resource depletion, and social inequality. For long-term solutions, they require integrated methods that take into account both social and environmental factors.

### **Social Impact**

The assessment and management of the intended and unforeseen social repercussions of planned interventions such as programmes, policies, and strategies is referred to as social impact. Social Impact evaluation (SIA) is a method that analyses the human component of settings with the goal of providing a systematic evaluation of the consequences on the day-to-day quality of life of persons and communities affected by a proposed project, plan, or policy change (Hassan, 2018)

The Malaysian Association of Social Impact Assessment (MSIA) is an important advocate for best practises in SIA. They organise seminars and conferences to promote information exchange and capacity building among Malaysian SIA experts (Malaysian Association of Social Impact Assessment, n.d.). However, owing to a government mandate, the scheduled workshop on SIA and socioeconomic assessment described in the published material has been postponed.

## 1.9 Limitations of the Study

When investigating the digital social business models used by social businesses to address Malaysian socio-environmental challenges, it is critical to recognise the study's limitations.

The limitations of this study are as follows: -

1. The possible difficulty in acquiring full data on the digital social business models used by all social enterprises in Malaysia is one of the study's limitations. Due to the large number of social enterprises functioning in the nation and possible changes in their business strategies, accessing accurate and up-to-date information from all relevant organisations may be difficult. The restricted availability of data may have an influence on the depth and breadth of this study's analysis.
2. The geographical environment of Melaka is one of the study's limitations. Melaka, as a relatively small state, may have fewer social businesses than more populous or economically established districts. This geographic restriction may have an influence on the sample size and diversity of social businesses accessible for investigation, thereby restricting the findings' generalizability to other places with distinct geographic features.
3. Another constraint is the difficulty of locating and contacting social entrepreneurs in Melaka. Because social businesses may lack a centralised database or directory, it might be difficult to find and contact all relevant organisations. Some social companies may lack an established web presence or publicly available contact information, which might impede data gathering attempts.

These constraints emphasise the difficulties connected with researching social businesses in Melaka, such as the scarcity of data and the necessity for alternate techniques to gathering thorough information.

### 1.10 Summary

The first chapter of this research dives into the study's introduction and background. It gives a thorough review of the study topic, highlighting the importance of digital social business models in tackling socio-environmental concerns in Malaysia. The chapter emphasises the rising relevance of social companies in achieving sustainable development and analyses the specific problems that social entrepreneurs confront in Malaysia. It also describes the research's objectives, research questions, and general structure of the research. By establishing the context, rationale, and scope of the research, the first chapter lays the groundwork for the following chapters that delve into the qualitative study and analysis of digital social business models and their impact on socio-environmental issues in Malaysia.



## CHAPTER 2

### LITERATURE REVIEW

#### 2.1 Introduction

A literature review is an important part of research because it provides an in-depth study and synthesis of relevant academic works and data on a given topic (Purdue University, n.d.). It establishes the framework for the research, identifies research gaps, highlights important themes, and connects current knowledge to the research issue at hand. The literature review, whether as a solo work or as an introduction to a larger research piece, is critical in establishing the importance of the issue and guiding future research paths (Gullickson, 1996). This extensive study conducts a careful examination and synthesis of relevant sources, giving a discussion that adds to academic debate. A literature review also strives to give a full grasp of the issue and its different facets by critically reviewing and synthesising diverse research (Yale University, n.d.). This literature review will shed light on the issue of Malaysian socio-environmental addressed by social enterprises utilizing digital social business models. This literature review provides a complete overview of the present state of knowledge in the topic by thoroughly analysing previous research and providing important insights.

## 2.2 Conceptual and Operational Definitions

### 2.2.1 Entrepreneurship

Entrepreneurship is the process of starting and running a new business. It entails spotting possibilities, taking risks, and organising resources in order to convert unique ideas into profitable enterprises (Costa, D, 2022). According to Stanford (n.d.), An aspiring entrepreneur deliberately searches out a certain business endeavour, and it is the entrepreneur who bears the majority of the risk involved with the initiative. As a result, if the idea is successful, this person stands to profit the most. In addition, an entrepreneur is the person or team that recognises an opportunity, gathers the required resources, establishes, and is ultimately accountable for the organization's performance (Carton et al., 1998). According to Hébert & Link (1989) an entrepreneur can be described as someone who takes responsibility for and makes decisions that change the location, form, and usage of commodities, resources, or institutions.

Entrepreneurship is the process of seeing possibilities, taking calculated risks, and starting and running a business endeavour with the intention of making money and adding value (Tripathi et al., 2022). To start and expand a firm, it requires coming up with creative ideas, planning and mobilising resources, and accepting the risks involved. Entrepreneurs are essential for advancing economic development and prosperity. They encourage innovation, produce new goods and services, and help to create jobs (Stahl, 2022). Entrepreneurs give value to customers and support economic growth by spotting market inefficiencies and meeting unmet needs. According to Heyward (2020) the capacity to discover and grasp opportunities, as well as inventiveness, adaptability, and resilience, are all necessary for successful entrepreneurship. Strategic planning, sound judgement, and potent leadership skills are also necessary. Entrepreneurs that are successful are frequently motivated by a love for their concepts and a desire to have a significant effect on their business or society.



Although entrepreneurship is frequently thought regarded as having great qualities, there can occasionally be ethical issues. Entrepreneurs can exaggerate or lie in an effort to launch and expand their businesses, which can cause incorrect resource allocation and misunderstanding among stakeholders (Jensen et al., 2021). However, adopting moral philosophy and upholding integrity and honesty can assist businesspeople in striking a balance between ambition and moral behaviour. According to Vatavu et al., (2021) In order to promote entrepreneurship and propel economic growth, government policies and assistance are also very important. Governments establish laws to promote and encourage entrepreneurial activity because they understand how important entrepreneurship is in generating job opportunities and promoting economic growth. These regulations may include programmes to support innovation, open up the financial system, strengthen the entrepreneurial ecosystem, and foster an advantageous business climate (Auguste, 2020).

To better explain the connection between entrepreneurship and socio-economic issues. This study will also examine the history of entrepreneurship and how it relates to inequality, or as in other terms economic disparity. Connection between entrepreneurship and inequality is complex and multifaceted. According to some research, large levels of economic disparity may enhance the rate of entrepreneurship, for example, high economic disparity within countries often have high rates of entrepreneurship. According to Lippmann et al., (2005) inequality may be linked to a number of variables, including class structures, governmental policies, foreign investment, sector movements, economic development, and labour market features within a specific country. This is due to the fact that the amount of entrepreneurial activity varies greatly between nations, (Kolaja, 1980) from those where huge employers and the state dominate labour markets, to those where small businesses and independent craftspeople play a significant role.

The degree of economic disparity among nations also varies greatly, (Dunn & Holtz-Eakin, 2000) from those where affluent families control the economy to those where income is evenly distributed and extravagant shows of wealth are frowned upon. People from lower socioeconomic classes could encounter obstacles and limitations while trying to acquire resources and possibilities for entrepreneurship (Brändle & Kuckertz, 2023). There is cause to think that these two phenomena are related. The same social and economic factors that exacerbate economic inequality in society the unequal allocation of a nation's financial resources among its citizens can also boost the rate of entrepreneurship (Burton et al., 2002). But it's crucial to remember that entrepreneurship alone cannot ensure a decrease in inequality because it may potentially exacerbate wealth inequalities instead (Lecuna, 2019).

The prospects and entrepreneurial behaviour are impacted by inequality which is a social problem in many countries. Entrepreneurial self-efficacy views, for instance, might be influenced by social class beginnings. According to Bruton et al., (2021) The prospects and entrepreneurial behaviour are impacted by inequality. Entrepreneurial self-efficacy views, for instance, might be influenced by social class beginnings. This highlights the relationship between social class, inequality, and entrepreneurship. According to (Packard & Bylund, (2017) the degree to which entrepreneurship is inclusive of and accessible to various societal groups will determine how it affects income disparity.

This comes to show that, entrepreneurship is essential to the expansion and development of the economy. According to research, entrepreneurship fosters innovation, employment development, and productivity improvements, all of which have a favourable effect on economic growth (Díez-Martín et al., 2016). In order to fully grasp the function of entrepreneurship in an economy, we must be aware of how entrepreneurs came to be, how they make decisions, and the intricate

dynamics of their actions across many industries and nations (International Differences in Entrepreneurship).

Entrepreneurial activity in a nation is greatly influenced by institutional variables, including market restrictions, government backing, and the presence of an entrepreneurial culture (Lerner & Schoar, 2010). For instance, the legality of business owners and private companies inside a nation can influence their access to capital and resources. Entrepreneurial activity tends to be more prevalent in nations with higher levels of entrepreneurial legitimacy (Dheer, 2016). Furthermore according to Bosma & Schutjens, (2010) cultural variables also influence entrepreneurial activity. People's tendency to engage in entrepreneurial activities can be influenced by the prevalent attitudes, beliefs, and norms in a society. Additionally, regional economic and demographic factors also might have an influence on entrepreneurship (Nanayakkara, 2013). Understanding the factors that influence entrepreneurial activity is crucial for policymakers, stakeholders, and researchers in order to foster an environment that fosters and promotes entrepreneurship (Acs et al., 2008). This may entail putting in place encouraging regulations, opening up funding and resources, encouraging an entrepreneurial culture, and supporting entrepreneurship education and training programmes.

In conclusion, a variety of variables, such as economic conditions, institutional variances, cultural influences, and support systems for entrepreneurs, can be blamed for the discrepancies in entrepreneurial activity among different countries. For fostering entrepreneurship and accelerating economic growth and development, it is essential to comprehend these components and how they interact.

### 2.2.2 Social Entrepreneurship

In social entrepreneurship, opportunities to create social value are identified and pursued by developing novel solutions to pressing societal problems (Centre for Advancement of Social Entrepreneurship [CASE], n.d.). Social entrepreneurs are creative, goal-oriented people who combine the greatest ideas from the for-profit and charity sectors to increase their social impact. They work in a variety of organisations in the social sector with the same goals of fostering positive change that commercial entrepreneurs do for the expansion of the economy.

According to Dees Gregory (2001), the concept of social entrepreneurship includes extraordinary actions that ought to be praised and rewarded. Social entrepreneurs are exceptional leaders who are essential in developing novel approaches to advancing society. As society navigates into the future, taking social entrepreneurship seriously is ensured by acknowledging their unique status.

The Turner Family Centre's director, Mario Avila, emphasises that social entrepreneurs seek to solve societal problems while offering products or services. They are comparable to non-profit organisations, although they employ distinct models and structures. Social entrepreneurship entails switching from conventional non-profit structures to commercial models that make money to fund beneficiary solutions (Starks, 2022). With more conferences, contests, and courses devoted to the subject, interest in social entrepreneurship is expanding quickly (Seelig, 2011). But it's still unclear how a social entrepreneur differs from a traditional businessperson. Entrepreneurship is essentially social because it creates jobs and boosts the economy in general. There are numerous ways for businesses to show their social responsibility. The increase in applications for social business plans is proof that social entrepreneurship is becoming more widely accepted.

In general, social entrepreneurship entails people or organisations in the social sector taking on the purpose of producing social value, exploring new opportunities, continuously innovating, acting aggressively, and placing a priority on accountability (Levitt, 2020). They address social and environmental concerns using corporate techniques, bringing about change and maximising societal impact.

### **2.2.3 Social Innovation**

The phrase "social innovation" refers to a wide variety of organisational and inter-organizational activity that is purportedly intended to address some of society's most pervasive "problems," such as poverty, inequality, and environmental degradation (Tracey & Stott, 2016). According to Phills, et al (2008), social innovation is also referred with the creation and application of innovative, workable solutions to social, environmental, economic, or political problems is By questioning accepted norms and bringing about modifications to social structures and organisations, it seeks to increase the welfare and well-being of both individuals and communities.

Social innovation spans a wide range of issues, including working conditions, education, community development, health, and environmental sustainability (Waterloo Institute for Social Innovation and Resilience, 2014). It entails the use of novel approaches, methods, and tactics, such as open-source practises, activism, crowdsourcing, telemedicine, distant learning, and time-based currencies. The goal is to increase effectiveness, efficiency, sustainability, and impact while strengthening societal coherence. According to Balamatsias (2018), Social innovation has the potential to be transformative, offering not just new methods to complicated issues, but also successfully modifying the social structures that led to those problems. Social innovation aims to address pertinent social concerns by the

implementation of innovative practises, the promotion of collaboration among the government, corporate, and nonprofit sectors, and the promotion of good social change. (Joan B. Kroc School, 2021).

To summarise, social innovation entails the creation and implementation of novel and effective solutions to fulfil social needs, promote positive social change, and enhance the well-being of individuals and communities (Nicholls et al., 2015). It covers a wide range of topics, adopts innovative practises, and strives for increased effectiveness, efficiency, sustainability, and impact while strengthening societal coherence.

## **2.3 Socio-Environmental Challenges**

### **2.3.1 Social Challenges**

Societal problems are concerns that influence communities and societies, impeding their well-being, advancement, and overall functioning. These issues come from numerous facets of social life and can have negative consequences for people, groups, and the social fabric as a whole (Kulik, 2023).

Poverty is one of our society's biggest issues. Worldwide, poverty has an impact on people's ability to access necessities like food, shelter, healthcare, and education. It makes it difficult for those who are affected to change their situation since it feeds a cycle of inequality and poverty (Vaghefi, 2023). Comprehensive approaches that include social safety nets, economic growth, and an equal distribution of resources are needed to combat poverty.

Climate change is a significant issue for society as a whole. Significant risks to ecosystems, economy, and human well-being are posed by the global climate catastrophe. Environmental deterioration, harsh weather, and rising temperatures have far-reaching effects on population displacement, food and water scarcity, and ecological imbalances (Spacey, 2021). Collective action, sustainable behaviours,

and the switch to renewable energy sources are necessary to combat climate change.

Inequality between men and women is another major social issue. Gender inequities continue in sectors including education, employment, and representation in positions of power despite advancements in recent decades. The lack of chances, unfair treatment, and prejudice that women and girls frequently experience prevents them from fully participating in society (Berkowitz, n.d.). Dismantling social norms and prejudices, empowering women, and securing equal rights and opportunities for all genders are necessary for achieving gender equality.

Civil rights breaches and racial discrimination continue to be major societal issues. Discrimination based on race, ethnicity, or nationality can result in systematic injustices, social exclusion, and unequal treatment in a variety of contexts, including the criminal justice system, the workplace, and education. For society to be more just and equitable, civil rights must be upheld, diversity and inclusion must be encouraged, and discriminatory practises must be fought against (Sabol, 2021).

Another critical societal issue is access to high-quality medical care. Uneven health outcomes can result from disparities in the accessibility and affordability of healthcare, especially for marginalised people. To improve social wellbeing, it is imperative to guarantee everyone has access to healthcare services, eliminate healthcare disparities, and encourage preventive care (Dave, 2017).

In short, societal concerns are complicated issues that call for group effort and all-encompassing solutions. The numerous issues that civilizations currently face include poverty, climate change, gender inequity, racial discrimination, and healthcare inequities, to name just a few. We can endeavour to create a more egalitarian, sustainable, and inclusive future for all by comprehending and tackling these issues.



### 2.3.2 Environmental Challenges

Environmental difficulties are the complicated problems and issues brought on by human activity and its effects on the environment. These issues have a big impact on ecosystems, biodiversity, and the planet's general health and well-being. According to Robinson (2023), climate change is one of the most urgent environmental issues. The rapid rise in global temperatures caused by the overproduction of greenhouse gases, mostly from the burning of fossil fuels, has altered weather patterns, raised sea levels, and increased the frequency and severity of extreme weather events (Erum & Daud, 2021). Switching to renewable energy sources, cutting emissions, and implementing sustainable practises across multiple industries are all necessary for climate change mitigation.

Loss of biodiversity is another serious environmental issue. Ecosystems have been destroyed and species populations have significantly declined as a result of human actions such deforestation, habitat degradation, pollution, and overexploitation of resources. In addition to endangering species' chances of surviving, biodiversity loss disturbs the ecological equilibrium and lowers ecosystems' capacity for resilience (Singh et al., 2020). Sustainable land and resource management techniques, habitat restoration, and conservation activities are all necessary for biodiversity protection.

The problem of pollution is one that affects the environment in many different ways. The burning of fossil fuels, industrial activities, and automobile emissions all contribute to air pollution, which in turn causes climate change and respiratory illnesses (Palardy, 2021). Aquatic ecosystems, drinking water supplies, and human health are all threatened by water pollution, which results from the release of pollutants into water bodies. According to Zimmermann (2016), the ecosystem and human health are harmed by soil pollution, noise pollution, and light pollution. Adoption of cleaner technologies, stricter



laws, and sustainable waste management techniques are all necessary to combat pollution.

The over exploitation of natural resources is a serious environmental issue. According to (Li, 2020), unsustainable consumption habits put a burden on ecosystems and jeopardise their capacity to deliver vital services, including excessive mineral extraction, overfishing, and the depletion of freshwater resources. The key to addressing this issue is implementing resource-efficient practises, supporting a circular economy, and encouraging sustainable agriculture (Nasir & Fom, 2020).

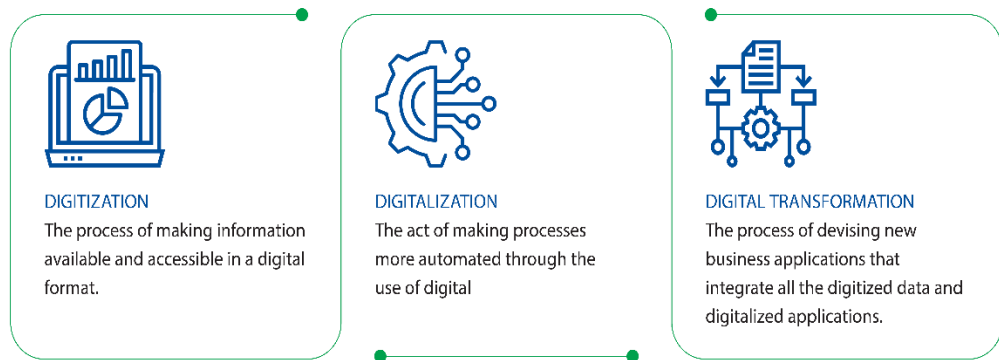
A significant environmental concern is deforestation, especially for agricultural purposes in tropical areas. The habitats of many species are in danger, irreplaceable forest ecosystems are lost, and climate change is caused by the release of carbon dioxide (Agbim, 2020). Fighting deforestation and its related environmental effects requires promoting sustainable land use, safeguarding forests, and aiding replanting initiatives.

Finally, environmental challenges include a variety of intricate problems that demand immediate attention and action. The urgent environmental issues we confront on a global scale include things like climate change, biodiversity loss, pollution, over use of natural resources, and deforestation. As stated by (Cao & Orrù, 2014), international collaboration, regulatory changes, sustainable practises, and personal commitment to preserving the environment for current and future generations are all necessary to address these difficulties.

## 2.4 Digital Transformation

To promote innovation, increase efficiency, and create value, Digital Transformation (DT) in business refers to the process of integrating digital technology and capabilities into many areas of an organization's operations, strategies, and business models (Mueller & Lauterbach, 2021). It entails utilising digital tools, data, and technologies to modify established business procedures, consumer experiences, and offerings. According to Kraus et al., (2022) digital transformation is embracing and utilising digital technologies to enhance consumer experiences, advance company operations, and spur innovation. Businesses can open up new opportunities, acquire a competitive advantage, and adjust to the shifting demands and expectations of customers through digital transformation (Hess, Benlian, Matt, and Wiesböck 2016).

Prior to examining the thematic development of the research on digital transformation in business and management, it is important to distinguish digital transformation from other concepts that are frequently used synonymously (Hagberg et al., 2016, Hess et al., 2016, Horváth and Szabó, 2019, Parviainen et al., 2017). Digitization, Digitalization, and Digital Technologies are three of them. The transition from analogue to digital form is referred to as digitalization, according to the Gartner IT Glossary. Process automation made possible by information technologies is referred to as digitalization by Hess et al. (2016) as well as Horváth and Szabó (2019). Schwarzmüller, Brosi, Duman, and Welpé (2018) argue that it also fosters a climate for digital commerce. According to McGrath and Maiye (2010) and Vial (2019), the term "digital transformation" refers to the process of integrating digital technology into all facets and functions of an organisation. This process results in infrastructure changes that affect how the organisation operates and provides value to its clients.



**Figure 1.** The Differences between Digitization, Digitalization, and Digital Transformation

According to certain scholars (e.g., Bouncken, Kraus, & Roig-Tierno, 2021 and Vial, 2019), digital transformation goes even farther and fundamentally alters corporate operations, goods, and procedures, sometimes leading to whole new business models. All organisations, regardless of their size and kind, must be ready to align or even replace their present business processes with new ones that they may not first find comfortable (Horváth & Szabó, 2019). This has to happen quickly, claim Kane et al. (2015). Kane et al. (2015) also emphasised that digital transformation calls for a shift in leadership, culture and mindsets, attitudes towards risks, as well as new ways of working, new technology, and a readiness to tolerate ambiguity and rapid change.

According to Matt et al. (2015), effective digital transformations may result in increases in sales and productivity, innovations in value creation, as well as unique ways of interacting with consumers. According to Heavin and Power (2018), digital transformation introduces technology like machine learning and analytics, which may lead to many chances for organisational solutions and improved internal efficiency. Although the discussion surrounding digital transformation frequently has a positive connotation and has been heavily supported by major consulting firms like McKinsey and Boston Consulting, potential negative effects are also being addressed more frequently. Examples include the relevance of responsible digital transformation management strategies (O'Halloran & Gryphon, 2019) or in addressing societal and ethical concerns (Royakkers, Timmer, Kool, & van Est, 2018).

According to the extant literature, digital transformation research tries to document current trends and advances; in general, it constitutes a growing field of study. But, not unexpectedly, there isn't a consensus definition of the word “digital transformation” as of yet (Knudsen, 2020; Kraus et al., 2019; Schallmo et al., 2019b). The definitions of digital transformation that were found in the business and management publications examined in the current study are listed in Table 1 below:

| Authors(s)                         | Definition  |
|------------------------------------|---|
| Liu, Chen, and Chou (2011), p.1728 | In a digital economy, digital technology and business processes are integrated through a process called "digital transformation" of an organisation.  |
| Matt et al. (2015), p. 339         | Strategies for digital transformation have a different viewpoint and aim to accomplish various things. These strategies, which are centred on the company, concentrate on how new technologies are transforming organisations, processes, and products. |
| Hess et al. (2016)                 | But digital transformation—also called digitalization—focuses on the adjustments that digital technology may make to a company's organisational structure, economic strategy, and range of goods and services.  |
| Parviainen et al. (2017), p. 64    | The use of digital technology in an organisation or in the operational environment of the organisation results in changes to working practises, job functions, and business offerings.  |
| Bondar, Hsu, Pfouga, and           | All economic sectors are connected consistently via digital transformation, and players are adapting to the new conditions of the digital economy.  |

|  |  |
|--|--|
| Stjepandić<br>(2017), p. 33                          |  |
| Schallmo et al., 2019b, Schallmo et al., 2019a, p. 4 | The DT framework encompasses the use of new technologies as well as the networking of players, such as companies and customers, across all parts of the value-added chain. As a result, DT demands knowledge and abilities in data extraction, data interchange, analysis, and conversion into usable information. To allow choices and/or launch operations, this information should be used to compute and assess possibilities. A company's performance and market reach are increased by DT, which includes businesses, business models, processes, connections, partnerships, goods, etc. |
| Hinings, Gegenhuber, and Greenwood (2018), p. 53     | In organisations, ecosystems, industries, or fields, new actors (and actor constellations), structures, practises, values, and beliefs that alter, threaten to displace, or supplement the status quo can be referred to as "digital transformation."  |
| Heavin and Power (2018), p. 40                       | While the digital phenomenon presents obstacles, it also offers opportunities for innovation and redefining how organisations conduct business. Technology and the consumer or user are the two fundamental components of digital transformation.  |
| Vial (2019), p. 121                                  | Using a mix of information, computer, communication, and connection technologies, digital transformation is a process that tries to enhance an entity by causing major changes to its attributes.  |

|                              |   |
|------------------------------|---|
| Warner & Wäger, 2019, p. 344 | A continuous process of strategic renewal called "digital transformation" makes advantage of developments in digital technology to create capabilities that may either replace or update an organization's business model, collaboration strategy, and culture. |
|------------------------------|---|

**Table 1.** The Definitions of Digital Transformation

The focus of digital transformation definitions varies, as shown in Table 1, from the adoption and use of new technologies to improvements in processes, operations, customer relations, and performance to the development of new business models, all the way to potential outcomes and impacts on a variety of actors and environments. It is anticipated that digital transformation will serve as the catalyst for the growth of new organisations. This can take the shape of both new market entrants and established organisations that have the chance to inspirationally move their businesses to the next level. After laying a foundational knowledge of digital transformation, the next part will outline the business models used to achieve the paper's overarching aims which is to solve socio-economic issues.

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## 2.5 Sustainable Digital Business Models

In the context of the digital economy and the rising significance of social and environmental sustainability, sustainable digital business models have gained popularity. These business models make use of digital technologies like social media platforms, online communities, and data analytics to develop and offer goods, services, or experiences that meet social needs and produce profit (Bell, 2020).

A new trend in the study of business models is slowly emerging around sustainable business models (Li et al., 2020). Life and societal improvements are significantly possible thanks to technology and digital business methods (Dembek & York, 2020). For sustainable growth and advancement, impact

investment, which prioritises attaining favourable social and environmental outcomes, is essential. Both academics and the business community have shown a greater interest in company sustainability initiatives over the past two decades [18–20]. Throughout their lifespan, investment processes should take social, environmental, and ethical factors into account. Modern company models primarily rely on funding, especially for startups. Companies' investment appeal may be increased by fusing impact investing with sustainable business strategies.

Future generations will benefit more from investing in business models that create value and benefit society, such as reducing poverty, enhancing quality of life, combating climate change, and promoting renewable energy, as opposed to solely focusing on profit maximisation and sustaining social inequalities. Impact investing is a notion that goes beyond standard charity or donation-based funding by taking into account both social benefits and financial rewards. Impact investment seeks to accomplish financial gain as well as social or environmental goals (Millar & Hall, 2013).

The goal of investment in the form of impact investing is to produce socio-environmental improvements in addition to financial gain. Investors who are socially conscious are ready to accept lower returns and even higher risks in exchange for the accomplishment of particular social goals. This results in the formation of a novel value generation strategy (Viviani & Maurel, 2019). Businesses that are motivated by the development of social value are developing in addition to investments with a social focus (Mersland et al., 2020). In this way, social business models are developed, whose elements are designed to strike a balance between economic profit and social effect (Jabłoński & Jabłoński, 2020). Such a strategy necessitates considering organisations and investments in light of the requirements of many stakeholders (Alijani & Karyotis, 2019).

Impact investing is a strategy for doing good deeds that benefit the larger community as a whole, not just investors. Additionally, the biggest investors in the world are becoming more conscious of the impact that their investments have, and impact investing has emerged as a fresh and quickly



expanding investment field (Jabłoński & Jabłoński, 2020). One may anticipate that these developments will enhance the involvement of technology companies in socially conscious activities. Though not all technology firms prioritise social effect, some do. Although the link between financial success and corporate social responsibility has been studied in the literature, this is a distinct phenomenon where social issues become the main emphasis of business strategies.

The possibility presented by digital transformation allows for the development of business projects, the impact of which, in many instances, may quickly rise to the level of a global influence. Digital technology adoption has an impact on what occurs outside of an organization's boundaries, namely the development of a business ecosystem. The type of organisation and supply chain using digital technology (i.e., an existing market player or a new market entrant) determines the nature and possible influence on business models (Vendrell-Herrero et al., 2018). A new method of using economic and technical breakthroughs is represented by digital business ecosystems. Numerous cooperative business users, services, or other parties can communicate and create a new kind of interaction with the help of a certain infrastructure and software (Lenkenhoff et al., 2018). Modern business model solutions are built on a configuration strategy that integrates organisational, technological, and community-building solutions. company models' undeniable power and the reason management theorists and practitioners are interested in them is because they give a comprehensive approach to creating company solutions. The three main pillars of business models as a whole make up of;

1. Value Proposition
2. Value Architecture
3. Financial Sustainability

The value proposition of a business includes its product offering, market segmentation, and revenue model. The value architecture focuses on discovering and creating value through sensing, capture, creation, and value distribution. Financial sustainability is crucial for maintaining the business model's equilibrium, considering the objectives of various stakeholders. The



business model depends on value creation, delivery, capture, and retention to accomplish monetization (Millar & Hall, 2013 as cited in; Jabłoński & Jabłoński, 2020). Building a community and a commercial environment around the concept achieves this. The size of this community and its effect on revenue flow define the monetization potential and profitability of the business model, which in turn raises shareholder value.

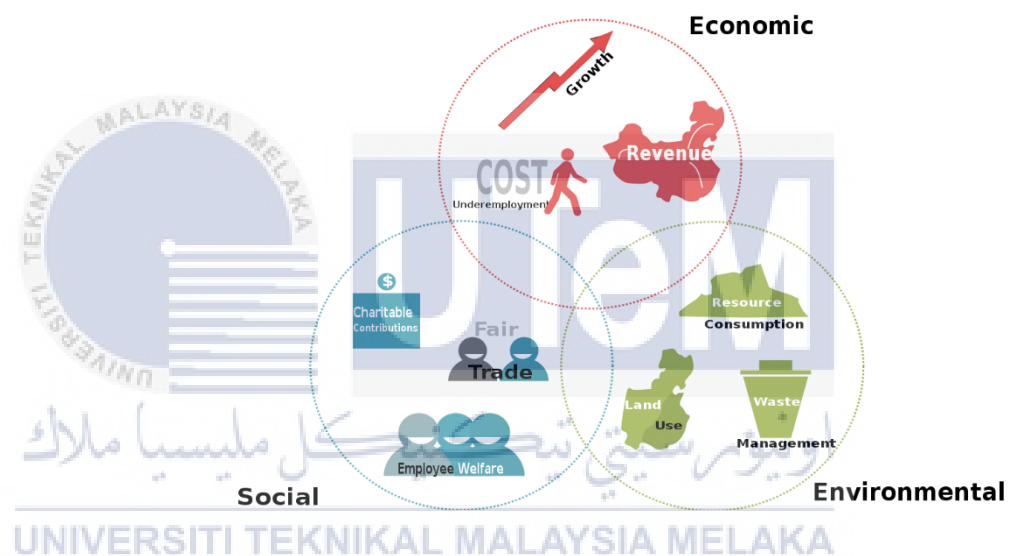
Business models in the sharing economy, which is a subset of the digital economy (Katsamakos, 2022), should not only provide cash benefits but also social values that appeal to the participants. This values-based strategy aids in attracting new residents and stimulating community growth. According to (Danarrahmanto et al., 2020), by building a community around a key idea is prioritised in digital business models, which use a communication platform to link supply and demand. This community-driven strategy makes the company model more monetizable.

### **2.5.1 Constructing Sustainable Digital Business Models**

According to Schaltegger et al., (2016), numerous studies have been conducted with the goal of developing and acquiring sustainable company concepts. They are known as "Business models for sustainability" and are regarded as the "foundation of organisational model" that helps to the sustainable growth of the organisation. According to Sosna et al., (2010), a company may be regarded to have established a sustainable business model if it can develop a novel combination of trade content, structure, and governance while generating value for all stakeholders and obtaining value for itself. The fundamental goal of the sustainable business model, according to Abdelkafi and Tauscher (2015), is to improve the cycle of adding value for consumers, obtaining value for businesses, and adding value for the environment (Bocken et al., 2014).

A sustainable business model is a "business model that creates competitive advantages through exceptional customer value to enable sustainable development of enterprises and society," according to

Boons and Lüdeke-Freund, (2013). They took inspiration from the idea of business models as "market tools" and thought of them as a means of achieving sustainable innovation. Business models can offer a fresh viewpoint for environmentally friendly innovation. According to the triple bottom line theory, Joyce and Paquin (2016), examined the economic, social, and environmental sustainability of Nescafe's business strategy. For creating sustainable business models, they suggest a triple-layered business model canvas that incorporates the three layers.



**Figure 2.** The Triple Bottom Line of Sustainability

The three layers include economic, social, and environmental values into a comprehensive analysis of an enterprise's business model based on stakeholder theory and the product lifecycle. We can observe from the previously mentioned literature study on the sustainable business model that early findings have been made in the field of sustainable business models. Numerous studies are built on the concepts and methods for developing sustainable business models. According to Joyce and Paquin (2016), the components of a sustainable business model are defined differently by academics, but the majority of them go beyond and include the social and environmental aspects of the "value proposition, value architecture and financial sustainability"

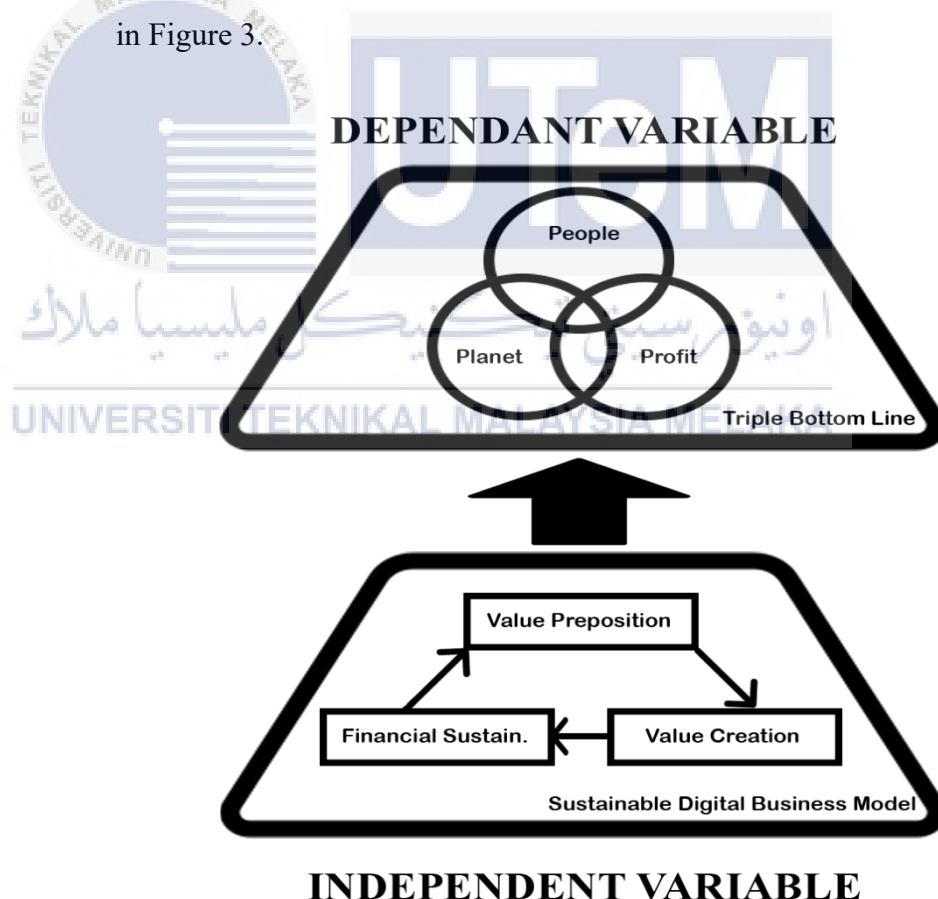
definitions. Secondly, while there is currently some study on sustainable business models, it mostly focuses on the innovation route, the specific product life cycle, dimensions, and components. To combat this, Sun and Zou (2019), proposes integrating knowledge across several product generations can help businesses innovate. Therefore, more research is needed to determine if information integration across various life cycle connections improves business performance.

In the past, there are various studies looking at the connection between dimensions from the standpoint of the business model alone. According to Morris et al., (2005), the business model is a reflection of how the elements of a company's strategy, economy, and organisational structure interact to provide it a lasting competitive advantage in a given market. A business model requires coordination and consistency between its many components in addition to its multi-element structure. According to Giesen (2007), the balance and strong compatibility between internal and external parts, as well as ongoing coaching of internal and external elements, are essential for the creation of a business model to be effective.

Sorescu et al., (2011) emphasises that the business model has a clear and interrelated structure, which is represented by the revenue model, cost structure, resource, and value proposition. This structure serves as the organisational logic of producing value for consumers and transferring it to companies and their partners. This basically represents how businesses tailor these actions to the environment and adapt to it. Clarify the value proposition, identify the market segment, specify the production and distribution process, describe the financial model, and fully explain the internal relationships and structure of the components of a successful business model. However, the majority of research are conducted at the level of the economy. To examine the coupling connection of sustainable business model dimensions, it is required to extend the coupling of business model dimensions to the social and environmental level.

### 2.5.2 Conceptual Model for Sustainable Digital Business Models

Based on a review of the literature, a model was created that outlines the components of sustainable digital business models, such as initiatives aimed at making a positive social effect. This model is founded on three main areas that describe the presumptions for developing strategies for the fundamental components of a sustainable digital business model: the value proposition (pro-social), engaged resources like network data, people, the technology platform, and the customer segment (consisting of responsible customers). The outcomes of putting the sustainable digital business model's underlying presumptions into practise and engaging in socially conscious activities demonstrate the extent to which social profit and economic profit are realised, forming the third component of the established model shown in Figure 3.



**Figure 3.** Sustainable Digital Business Models Conceptual Model

### 2.5.2.1 Value Proposition (Pro-Social)

One of the most important components of setting up consistent company models is the value proposition. In some circumstances, the value proposition should expand its qualities to include social dimensions in addition to economic ones. This circumstance arises when economic factors alone cannot persuade customers to take advantage of this value offer, and in order to make the business model more attractive to investors, it must include elements that highlight social issues. Building a community around pro-social ideals and revealing social profits, particularly in the context of digital company, requires that both economic and social values be compatible in order to draw consumers and investors to the business model. Non-economic elements, such as ethical and ecological concerns in particular, are frequently the key value drivers responsible for the success of the digital business model.

As a result, they shouldn't be given an excessive amount of weight while creating and implementing creative business strategies. It is necessary to do research on the business models of companies that operate in the fields of the new economy's principles, specifically the Sharing Economy (Dillahunt et al., 2017), Big Data, and the Circular Economy, in order to validate both the actor-network theory and the network theory. Product-service systems (PSS), which facilitate the creation of circular and/or product system value propositions in connection to business model innovation, also applicable to the digital economy (Fernandes et al., 2020). Businesses participating in the digital economy typically use innovative business models that try to influence the factors that determine corporate social responsibility as well as maximise earnings. The goal of innovative business models used by companies in the digital economy is often to maximise revenues while

simultaneously having a beneficial impact on the factors that determine success. societal accountability of businesses. This results in the creation of the value proposition for a large number of business model stakeholders, including clients, suppliers, partners, and shareholders, as well as for society and the environment (Baldassarre et al., 2017).

A contrasting perspective on how the requisite dynamic capabilities for SBMI are produced through elements of organisational design is offered by the perspective of organisational projects and dynamic capabilities (Bocken & Geradts, 2020). This is essential for their commercial acceptance within the social criteria as a requirement for attaining long-term success on a worldwide scale. A need for putting into practise a plan to build and enhance sustainable digital business models is a pro-social value proposition.

#### **2.5.2.2 Value Creation (Resources Involved)**

The structuring of business models using contemporary resources encourages the development of novel features for business solutions. They influence particular business ecologies that are not part of the conventional value chain. Business ecosystems currently handle technical data platforms and coordinate all processes with people using a synergistic, networked connection of Big Data sets. The establishment of new company monetization formulae, as well as the development of social effects such as community development and the production of social profit, are made possible by the business ecosystem. Opportunities to co-create and establish a variety of values in the B2B and B2C relationship system originate from the development of complicated technological and commercial systems (Wirtz, 2019).

Because of digitalization, economic science theories have not yet fully held up, necessitating the search for new premises in order to conceptualise and implement business models. The assumptions of the digital economy, especially the Sharing Economy, which is defined as a socio-economic system centred around the distribution of human and material resources, are in opposition to A. Smith's classical economics, which is represented by the theories of free market economies and economic policy, the theory of economic growth, the theory of exchange value (market prices), and the theory of foreign trade. According to Jabłoński & Jabłoński, (2020) this theory includes the typical creation, distribution, trade, and consumption of commodities and services by a variety of individuals and organisations. Ecology theory, evolution theory, resource-based theory, complex network theory, competing values theory, actor-network theory, spectral graph theory, Claudio Ciborra's theory, and Markov chain theory are the key ideas that underpin the digital economy. These ideas highlight how intricate the mechanisms are that support the digital economy.

Value in this perspective is the end result of deliberately implemented data that make up a sophisticated business system. The distinctiveness of the data utilised should be looked for to find creative formulae for delivering value through the setup of a business model. In order to emphasise activities based on corporate social responsibility presumptions, the business model should connect with people in this way, particularly through social media (Fortunati & O'Sullivan, 2019). Digital information services fall under this as well (Chowdhury, 2013). By providing possibilities to utilise the full potential of existing technical and organisational solutions, comprehensive activities carried out via the use of the proper configuration of system activities based on the

optimal use of digital technology establishes the digital identity of firms. Businesses, which are the real engines of the world's economy and development, can encourage the use of digital technologies based on AI in manufacturing processes, increase investment in these and related fields of technology, take advantage of the data economy's potential, and improve educational opportunities for AI at all levels (Di Vaio et al., 2020).

### **2.5.2.3 Financial Sustainability (Loyal Customers)**

Customer segmentation is a key component of putting marketing strategy into practise. In terms of corporate social responsibility, the objective is to find consumers who are responsible, that is, who consider ecological, ethical, and social aspects when selecting a service or product as well as how value is provided. The voluntary adoption of a particular technological platform by the consumer is the basis for customer segmentation in the context of the digital economy. It is crucial for technology businesses to steadily compile enormous amounts of time-stamped data on all different types of client interactions (Böttcher et al., 2009). Regarding generating value for stakeholders, this engagement may differ. The customer's adherence to the social and economic principle that underpins a certain business model serves as the value driver, and is frequently what prompts them to select a particular digital platform. A user of a certain digital platform does consumer segmentation. As a result, at the stage of building the business model, its functionality, as well as the value proposition and the manner of value distribution, customer segmentation is already created. When aligning the characteristics of the company model to its beneficiaries, the choice of the target client group is a crucial consideration.



Their volume is frequently influenced by user knowledge of prosocial behaviour and the surroundings.

Economic considerations are not a priority in this situation; hence monetization frequently happens after acquiring the anticipated number of customers. To acquire users and subsequently accomplish the desired outcomes in the monetization arena, there must first be a fit between the values of the business model supplier and consumers. Users' social and ecological responsibility makes these issues crucial when looking for new business models to improve people's quality of life and the environment, particularly in times of climate crisis, epidemic outbreaks, issues resulting from social inequalities, as well as people's migration.

#### **2.5.2.4 Creating Social Impact (Social Investments)**

When looking for investments with a high rate of return, digital economy investments are now the most common. Short-term investments do not guarantee the long-term success of businesses, and they may even result in their bankruptcy in the long run, according to informed and ethical investors. They look for investments that are, first and foremost, socially acceptable (they don't harm the environment), as well as appealing in terms of opinions and the influence of various stakeholder groups on the commercial intents followed (Edward Freeman & Phillips, 2002).

It is very important to consider how investment activity will affect social development of the digital economy. The social component has a favourable effect on current business presumptions if the digital economy alters the corporate landscape of today (Schaltegger et al., 2012). First of all, investments constrained by financial resources should add value to the company environment represented by important

stakeholder groups, not just to shareholders or management. Economic and social interests should be balanced while developing company solutions (Brenner & Cochran, 1991).

The digital media industry serves as an illustration of how new technologies affect the adoption of sustainability methods (Fortunati & O'Sullivan, 2019). This appears to be the only strategy for surviving in the risk-filled climate of contemporary business. Pro-social and pro-environmental behaviour should be encouraged in organisations run by conscientious managers who adhere to CSR values. This is what societies anticipate, which often only accept firms or public solutions that point in the right directions for maximising the use of natural resources and benefiting the environment.

## **2.6 Summary**

In conclusion, The preservation of the environment appears to be a top priority right now, so this kind of initiative should be incorporated into business solutions that are appealing to investors and that also encourage the joining of larger and larger user groups who share the same values, which are typically pro-ecological, in order to ensure the survival of businesses and the achievement of a positive social impact, such as that which is anticipated by both contemporary users of digital platforms and regular citizens. The use of so-called impact investment is the operationalization of strategies that demonstrate the pro-ecological and social attitude of businesses functioning in the digital economy. This idea, as it was previously explained, establishes priority in the identification of these elements in the process of putting into place investments that have a favourable influence on both the internal and external aspects of the growth of digital firms, with the condition that in this notion, the influence on society, people, their social trust, their pro-environmental attitude, etc., should be measurably considered and taken into account in both short- and long-term strategic decisions.

## **CHAPTER 3**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

An essential component of research is the research methodology, which will reveal more about the methods used to perform this study. It consists of the following: study design, methodological choice, data collecting, and data analysis. Through the design of interview questions, pilot testing, and thematic analysis, the researcher also discussed in this chapter where the study would be done.

The approach provided for the research prioritizes qualitative research methodologies in order to investigate the efficacy and implementation issues of digital social business models in solving socio-environmental concerns in the Malaysian setting.

#### **3.2 Research Design**

The framework of the study methodologies and techniques a researcher selects is known as the research design. The layout enables researchers to conduct study using an appropriate methodology. Explanatory research, exploratory research, descriptive research, and evaluative research are the four types of study design. In order to perform this study, the researcher employs descriptive research. Interpretation or understanding are key concepts in qualitative research

(Blumer 1969; Strauss and Corbin 1998; Denzin and Lincoln 2003; Frankfort-Nachmias and Nachmias 1996 as cited in Aspers & Corte, 2019). It is a "multi-method," requiring the gathering and use of a range of empirical data (Denzin and Lincoln 1998; Silverman 2013). Through methods like interviews, focus groups, and content analysis, the qualitative approach will enable in-depth study and analysis of viewpoints, experiences, and perceptions (McCombes & George, 2022).

### **3.3 Methodological Choice**

In this study, the researcher used exploratory research. Exploratory research was very beneficial in this sense since it helped people understand issues, issues, or occurrences more clearly. to investigate the potential and difficulties of sustainable digital business models to minimise Malaysia's socio-environmental problems. Exploratory research, according to Saunders et al. (2016), entails asking open-ended questions to find out what happened and develop understanding of the research issue. In addition, research was fluid and adaptable, requiring the researcher to shift course as new data or information was presented.

An in-depth investigation and analysis of certain social businesses operating in Malaysia that have effectively applied sustainable digital business models to solve socio-environmental concerns is made possible using a case study methodology. In order to understand the tactics, practises, and results of these social businesses, this strategy requires analysing actual situations. Researchers can pinpoint common trends, difficulties, and best practises in the context of sustainable digital business models in Malaysia by looking at a variety of situations. The case study approach can involve gathering data using a variety of techniques, such as conducting interviews with important social enterprise stakeholders (such as the founders, managers, and employees), observing how they operate, analysing

pertinent documents and reports, and perhaps conducting surveys or questionnaires to gain additional insights.

The Researcher can offer a thorough examination of the sustainable digital business models used by social businesses in Malaysia by using a qualitative case study technique. This approach makes it possible to fully comprehend the distinct tactics, tools, alliances, business models, and community-building programmes used by these social businesses to solve socio-environmental problems over the long term.

### **3.4 Primary Data Source and Secondary Data Source**

An extensive study methodology will be utilised to examine the sustainable digital business models used by social entrepreneurs in Malaysia to address socio-environmental problems. To acquire insightful information, the study will make use of semi-structured interviews, ethnographic observations, and secondary data analysis. The goal of the study is to comprehend the strategies, challenges, and original solutions used by social entrepreneurs in Malaysia while using digital platforms to address socio-environmental issues.

Conducting semi-structured interviews with social entrepreneurs in Malaysia will be the main way of data collecting. Participants will have the chance to express their ideas, opinions, and experiences on the use of sustainable digital business models (Gregori & Holzmann, 2020). These in-depth insights regarding the use of digital technology by social entrepreneurs to provide social and environmental value will come from the interviews.

Additionally, in order to comprehend the social ties that exist within the community, anthropological observations will be made in unstructured settings. The researchers will obtain crucial qualitative data by being fully immersed in the community and monitoring interactions. This strategy will give a comprehensive grasp of the

environment in which social entrepreneurs operate and the interactions among many stakeholders.

A detailed examination of peer-reviewed articles will be done to augment the main data. In order to analyse secondary data, we will look at published studies that have discussed sustainable digital business models and entrepreneurship in Malaysia. The study can gain from a thorough grasp of the subject by evaluating and synthesising the results from prior studies.

The combination of these research techniques will allow for a thorough investigation of the sustainable digital business strategies used by social entrepreneurs in Malaysia. The difficulties encountered, creative tactics used, and viable remedies for socio-environmental issues will all be made clear. The results of this study can further knowledge of the connection between digital technologies, sustainability, and entrepreneurship while offering useful information for social entrepreneurs, decision-makers, and scholars in the sector.

Additionally, firms must prioritise sustainability if they want to succeed over the long run (George et al., 2020). Investigating sustainable digital business models in Malaysia will thus have an impact on company that aims to address socio-environmental challenges while embracing digital transformation as well as academic expertise.

### 3.5 Location of Research

The study will mainly take place in the state of Melaka, Malaysia. This is due to the fact that In the last few years, social entrepreneurship activities have grown in the Malaysian state of Melaka. In Melaka, social entrepreneurs are using entrepreneurial concepts to build long-lasting companies that put social objectives first and have a good effect on society. There are activities and programmes fostering social entrepreneurship in the area, despite the lack of easily available statistics on the precise number of social entrepreneurs in Melaka.

In addition, events like the International Young Social Entrepreneurs Competition have also been held at educational institutions in Melaka including Multimedia University (MMU) and University Teknikal Malaysia Melaka (UTeM). These programmes seek to foster innovative graduates and offer venues for education on social entrepreneurship.

According to EntrepreneurInsigt.com around 70 social businesses are listed or registered in Malaysia as a whole, tackling a range of social concerns include consumer-based associations, social upliftment programmes, youth involvement initiatives, and environmental care. Sols 24/7, Era Consumer Malaysia, and Social Enterprise Malaysia are a few examples of social companies in Malaysia. While specific information on the number of social entrepreneurs in Melaka is not provided in the available sources, these initiatives indicate that the state is experiencing a growing interest in social entrepreneurship. However, to obtain precise data on the number and scale of social entrepreneurs in Melaka, further research or local reports dedicated to the region may be necessary.

One noteworthy project is the Morten Walk Entrepreneur Hub, a partnership between UDA Holdings and the Ministry of Entrepreneur Development and Cooperatives (Medac). This programme intends to increase entrepreneurial activity and raise Melaka residents'

socioeconomic standing. The hub would give varied enterprises access to rental lots and reward qualified entrepreneurs with benefits including below-market rental rates and management cost incentives.

### **3.6 Research Strategy**

A research strategy is a methodical plan that directs the researcher while they carry out their investigation. It guarantees a methodical, organised approach to doing research. scheduling and carrying out interviews with the people that were chosen. The researcher will seek informed permission and build a relationship to foster a relaxed and open atmosphere where participants may freely express their ideas. To learn more about participants' comments, use effective interviewing strategies like active listening and probing.

### **3.7 Types of Interviews**

The researcher will engage with a subject in an interview to learn more about it. One responder asks questions and claims to comprehend the dialogue differently from the other. You might conduct an interview over the phone or in person. A growing trend is having people do interviews online (Easwaramoorthy & Fataneh, 2006).

Structured interviews consist of predefined questions that are asked in a precise order. These inquiries are frequently closed-ended, requiring respondents to pick from a specified range of response possibilities. Structured interviews give quantitative data and enable for pattern recognition and answer comparison. They are appropriate for researchers who have limited time or money and need regular environmental conditions.

Unstructured Interviews: Unstructured interviews do not have a predefined organisation or set of questions. They provide people more flexibility to express their ideas and feelings. Unstructured interviews are adaptable and enable in-depth examination of the research issue.



They are, nevertheless, time-consuming and may necessitate competent interviewers to successfully explore for crucial information.

**Semi-Structured Interviews:** Semi-structured interviews are a hybrid of structured and unstructured interviews. They involve an overall strategy or collection of questions while allowing for freedom in question order and language. Semi-structured interviews give a framework for researchers to lead the interview while yet allowing participants to discuss their experiences and thoughts in depth. These interviews are often utilised in qualitative research because they provide a nice combination of framework and flexibility.

### **3.8 Time Horizon**

In terms of temporal periods, cross-sectional studies and longitudinal research are the two types of approaches used. The cross-sectional approach is a positivistic strategy for simultaneously collecting data from many settings. This method only collects data once during a brief time period, providing a snapshot of an ongoing event.

In order to determine if there are correlations between variables in large samples, the cross-sectional technique is the methodology that is most frequently employed in the literature (Al-Ababneh, 2020). The longitudinal approach, on the other hand, aims to look into how problems change over time (Al-Ababneh, 2020). Since the case studies in this study were based on interviews that were performed over a short period of time and the time allotted to complete the research was limited, the researcher decided to use cross-sectional studies. The study will be conducted by the researcher over a brief (10 period of 10 months from JULY 2023 until APRIL 2024).

### 3.9 Data Analysis

A contextual content analysis will be used for this study, (McTavish & Pirro, 1990) in order to delve deeper into the replies, the interview segments were coded using an inductive technique, where the coding and theme creation are guided by the content of the data (Braun & Clarke, 2006; Saunders et al., 2009). This method proved particularly beneficial for determining the generalizability of conclusions and producing more lively and nuanced interpretations of a phenomena (Eisenhardt & Graebner, 2007). MAXQDA Analytics Pro, a qualitative analysis programme, was used to conduct the interview analyses. Using several built-in capabilities, the tool assisted in organising key code arrangements and providing visualisations of critical aspects (MAXQDA, 2019).

In order to find patterns, themes, and links within the data, a thematic analysis technique will be used in the data analysis. To create the initial codes that encapsulate key concepts, ideas, and experiences connected to the digital social business models, open coding will be employed. Then, these codes will be grouped into bigger categories to create themes that highlight important facets of the study question.

Data will be regularly compared and contrasted across topics using comparative approaches to hone emergent patterns. Techniques like immersion and crystallization will make it easier to thoroughly explore and analyze data. Providing detailed descriptions, contextual knowledge, and explanations of digital social business models and their effects on socio-environmental challenges in Malaysia will be the main goals of data interpretation in qualitative study. To provide meaningful interpretations and add to the body of information already known in the subject, the analysis will rely on theoretical frameworks, pertinent literature, and the researcher's experience.

### 3.10 Thematic Analysis

Thematic analysis is a qualitative research method for identifying, analysing, and interpreting patterns of meaning, known as "themes," in qualitative data. It entails analysing data, such as interviews, transcripts, or texts, to identify reoccurring themes, concepts, or patterns that emerge from the material (Crosley, 2021). Thematic analysis is distinguished by its ease of use and efficiency in organising data into relevant and helpful summaries.

Thematic analysis often consists of multiple phases. One frequently used six-step procedure devised by psychologists Virginia Braun and Victoria Clarke comprises familiarisation with the data, coding, topic generation, theme evaluation, theme definition and labelling, and analysis writing (Caulfield, 2023). Researchers become acquainted with the data by reading and rereading it to obtain a thorough grasp. They then assign codes to data segments that correspond to certain notions or ideas. These codes are used to find and build themes, which are patterns or repeating subjects that arise from the coded data. To effectively capture the significance of the themes, researchers evaluate and develop them, identifying and labelling them. Finally, the analysis is written up, creating an interpretative tale relating to the study topics.

Thematic analysis may be used to answer a variety of research topics and areas of study. It is appropriate for qualitative data-based research aimed at understanding people's ideas, opinions, experiences, or values. For example, it may be used to investigate healthcare workers' perspectives at a hospital, individuals' dating site experiences, non-expert opinions on climate change, or the construction of gender in high school history instruction.

Braun and Clarke (2006) explain the phases of thematic analysis as allowing for a methodical approach of viewing as well as processing qualitative information utilising "coding." The following describes the several steps of theme analysis as employed in the current study (Braun

& Clarke, 2006); data familiarisation includes copying the data, reading and re-reading the data, and taking notes on the initial thoughts. For each transcript, major concepts were marked and written down. "Coding interesting features of the data in a systematic fashion across the entire data set, collecting data relevant to each code" (Braun & Clarke, 2006, p. 87). Features were classified as a brief phrase or keyword indicating a single notion during translating and transcribing. To maintain track of the reduced information, memos were written down. Finding themes in the data involves "collating codes into potential themes, gathering all data relevant to each potential theme" (Braun & Clarke, 2006, p. 87). To reduce the number of codes and group them into recognisable themes, the data were reviewed and reread numerous times in this cycle. Following analysis, the codes were categorised into four main themes, which are described in the following section. Reviewing themes entails determining if they relate to the coded extracts at the first level and the full data set at the second level, resulting in the creation of a thematic map of the study (Braun & Clarke, 2006, p. 87). To verify the codes, the entire interview data set was read again. Thematic maps were created using built-in MAXQDA technologies that were utilised to identify patterns in the data. In addition, "the final analysis; selection of vivid, compelling extract examples, the final analysis of selected extracts, relating to the analysis to their search question and literature, producing a scholarly report of the analysis" (Braun & Clarke, 2006, p. 87) is described as the process of producing the report. To demonstrate the outcomes both as statements in the form of ideas and sentiments and as graphic representations produced utilising linkages between codes, some key statements reflecting the data were retrieved.

While thematic analysis has grown in popularity, there is still disagreement over whether it should be regarded a separate approach or a general collection of analytic processes. It includes a variety of techniques, each with its own set of philosophical and conceptual assumptions, as well as procedural distinctions. The primary purpose,

however, remains the same to uncover and evaluate meaning patterns within qualitative data in order to obtain insights and comprehend the phenomena under research.

### **3.11 Observation**

A key technique in qualitative research is observation, which involves carefully and subjectively seeing, listening to, and observing things. It is a crucial research tool in the social and behavioural sciences (Smit & Onwuegbuzie, 2018). In qualitative investigations, observation enables researchers to get deep insights into difficult-to-quantify complex or subjective events.

Direct observation, interviews, focus groups, case studies, and ethnographic inquiry are a few different ways to do observation in qualitative research (Mahaffy, 2013). In order to comprehend behaviour, attitudes, perceptions, experiences, cultural practises, and nuances, researchers may study individuals, events, or physical qualities in their natural surroundings Krosel et al., (2023). Researchers can capture the traits and characteristics of the event under study and get a deeper knowledge of its intricacies by carefully monitoring and recording qualitative data (Smit & Onwuegbuzie, 2018).

Researchers can study and characterise events using qualitative observation rather than quantitative measurements or numerical data. It offers a chance to investigate and analyse irrational elements such cultural practises, attitudes, and perceptions. Through direct interaction with participants or by monitoring their behaviours and interactions, researchers can become fully immersed in the research situation and acquire firsthand knowledge (Jamshed, 2010). In qualitative studies, observation generally plays a intermediate role in producing rich and complex data that contribute to a thorough understanding of the research issue. It gives researchers important insights for qualitative analysis and interpretation by assisting them in capturing the essence

of irrational feelings, actions, and social phenomena that are difficult to quantify.

### 3.12 Summary

In conclusion, this chapter provided a brief review of the research technique used in this study. To acquire reliable results, an appropriate study strategy was necessary. The descriptive research approach was utilised for this investigation. The qualitative technique was used in this study, and an interview was done. To enhance and validate the original data, the researcher collected primary data from expert interviews and secondary data from web sites, newspapers, and journals. Melaka was the location of the interview.



## CHAPTER 4

### DATA ANALYSIS AND FINDINGS

#### 4.1 Introduction

This chapter focuses on analysing the outcomes of the study titled "Exploring the Sustainable Digital Business Models Utilised by Social Enterprises in Addressing Malaysian Socio-Environmental Issues." The researcher intended to carry out interviews with three seasoned social entrepreneurs in Melaka, designated as respondent A, B, and C. The aim of this study is to identify and classify the distinct digital social business models employed by Malaysian social entrepreneurs in order to mitigate socio-environmental problems. In addition, this study aims to examine the efficacy of digital social business models in Malaysia and their accomplishments. Furthermore, it seeks to identify the key factors, obstacles, and optimal approaches associated with the adoption of digital social business models in Malaysia to address socio-environmental concerns. Therefore, the analysis will focus on the effectiveness of the implemented business models, evaluating their accomplishments, identifying any shared characteristics, and drawing conclusions regarding the reasons why social enterprises adopt these models and the difficulties they face during their execution.

The data for this research is mostly acquired through semi-structured interviews with social business owners. The selection of this methodology was based on the objective of obtaining detailed qualitative insights into the specific experiences and viewpoints of the chosen companies. This approach enables a more comprehensive understanding of the phenomenon being studied compared to quantitative methods. The findings of this case study will be given in three separate sections, each highlighting a vital element of digital social business models utilised by Malaysian social entrepreneurs to tackle socio-environmental issues. The first stage is to identify and characterise the unique digital social business models deployed by Malaysian social entrepreneurs. A thorough taxonomy will be constructed, encompassing the diversity and range of approaches employed in the context of Malaysia's distinctive socio-environmental landscape. The second half dives into the effectiveness of these models, applying rigorous analytical approaches to examine their impact on alleviating socio-environmental concerns. The last portion dives into the fundamental elements that favour or hinder the development of digital social business models in Malaysia. This inquiry will uncover enabling legislation, infrastructure requirements, and cultural trends that support their adoption. Additionally, best practices acquired from successful situations will be emphasised, delivering significant insights for future businesses and legislative initiatives.

#### **4.2 Respondent Background**

This case study employed a qualitative research methodology, utilizing semi-structured interviews with a purposefully selected group of social entrepreneurs active in the food manufacturing and service sectors. This approach enabled in-depth exploration of their perspectives and experiences related to their ventures, providing richer insights than quantitative methods could offer.



## **Respondent A**

The first respondent that the researcher had interviewed is Adli Yahya. Adli Yahya is not a conventional businessman. While others focus on earnings and market dominance, Adli's ambition goes beyond balance sheets, striving to make a difference in the lives of people with autism. As Director of the Autism Café Project (ACP) in Malaysia, he brings to life the often-misunderstood world of neurodiversity, utilising the comforting warmth of coffee and pastries to bridge the gap between acceptance and inclusion. His journey was not without hurdles. Navigating the world of social entrepreneurship while advocating for a cause fraught with misunderstandings needed constant perseverance and dedication. Nonetheless, Adli persisted, his trust in the ACP's potential becoming stronger with each barrier overcome. He turned societal ambivalence into active support by forming alliances, collecting funds, and assembling a team that shared his vision of a society in which neurodiversity is not only accepted, but cherished. Today, the Autism Café Project is a monument to Adli's unwavering commitment. It's a bustling hub where the aroma of freshly made coffee and cupcakes blends with customer laughter and the quiet joy of young baristas with autism spectrum disorder (ASD) perfecting their art.

## **Respondent B**

A well-known personality in the field of social entrepreneurship, Vivantie Unyil is listed as BosCo Borneo Specialty Coffee's co-founder. Her work with BosCo Coffee, a Malaysian social enterprise, demonstrates her dedication to promoting technology, innovation, and creativity in Sabah. BosCo's cafés in Cyberjaya and TTDI are happy to serve coffee made from beans grown by B40 Sabahan farmers, demonstrating their commitment to uplifting local communities and fostering positive social change. As evidenced by her partnership with Gojek Indonesia and her posts featuring Teuku Mufizar Mahmud, Head of Strategy at Gojek Indonesia, Vivantie's influence goes beyond the

local sphere. Her path, which parallels both her own and her husband Don's, is captured in a case study that tells the tale of their social impact company, Borneo Specialty Coffee, which is proof of the transformational potential of community involvement and entrepreneurship. The work of Vivantie Unyil, who successfully changed the coffee industry by fusing social responsibility and financial acumen, is an inspiration.

### **Respondent C**

Rayniel is a committed supporter of peace and constructive change. Situated in the centre of Melaka, at 37 Jalan Hang Lekiu, Kampung Dua, Rayniel makes a substantial contribution to the goals of Kneading Peace, a social company that uses its refugee aid programmes to promote unity. In his capacity as the communications officer for Kneading Peace, Rayniel creates stories that cut over linguistic divides. Through interpersonal interactions as well as press releases and social media, he creates engaging portrayals of the bakery's goals. He forms alliances with other companies and groups, creating a network of support that fosters the expansion of the bakery. But his influence extends beyond press clippings and spreadsheets. Under Rayniel's guidance, a loaf of bread can represent hope and become a communal experience that dispels bias and promotes comprehension. He sees people's lives being changed: local youth discovering the genuine meaning of acceptance and empathy, and migrants discovering a feeling of belonging via fulfilling work. Rayniel's story now represents Kneading Peace's rising dough. His commitment has enabled the bakery to grow into a ray of hope, demonstrating that even the most basic ingredients can be used to knead a future in which mankind rises as one, warm and golden brown, and compassion is the rising agent.

### 4.3 Identifying and Categorizing What Are the Unique Digital Social Business Models Used by Malaysian Social Entrepreneurs to Lessen Socio-Environmental Issues.

Digital technology integration is now essential in the quickly changing social company market to improve sustainability and impact. The researcher conducted several interview sessions with experienced respondents to identify the specific sorts or categories of digital, social, or hybrid digital-social business models utilised by social entrepreneurs. The researcher discovered that three out of five often utilised tools among social entrepreneurs are e-commerce, social networking, data-driven assessment, blockchain transparency, and digital advocacy. These categories enable social entrepreneurs to expand their objectives, improve transparency, and have enduring beneficial impact.

Table 2: The Digital-Social Business Model Categories used by the Social Entrepreneurs

| Categories           | Respondent |   |   |
|----------------------|------------|---|---|
|                      | A          | B | C |
| E-Commerce           |            | / | / |
| Social Media         | /          | / | / |
| Data Driven          | /          |   |   |
| Blockchain           | /          | / |   |
| Digital Storytelling | /          | / | / |

#### 4.3.1 E-Commerce Platforms

Revolutionising the Impact of Social Enterprises, E-commerce platforms have emerged as game changers for social companies, redefining the landscape of social impact and financial sustainability. This digital revolution enables the growth of

social enterprises in unprecedented ways. First and foremost, global reach and market expansion: E-commerce platforms cross geographical boundaries, providing social entrepreneurs with a worldwide marketplace (Portales, 2019). This enhanced reach enables them to enter worldwide markets, so increasing their effect and outreach. Aside from that, cost-efficiency and resource optimisation: The use of e-commerce lowers the cost of creating, processing, distributing, storing, and selling things (Müller, 2012).

Only two business employed E-Commerce or websites of their own to govern their own business. With their own website they can keep track of their own cash flow and not rely other methods of keeping track of orders like manual listing. By owning an E-Commerce platform, respondent B, and C can also self-advertise and has no problem of getting to tell their social story to the public. As respondent C said, *“by posting promotional videos on our website Kneading Peace, by sending out broadcast messages, and posting on these platforms, we draw clients or individuals who are interested in joining our programme”*. Even though that respondent B has internet connectivity issues in Sabah with their farmers, they still hold up a site where customers could order coffee from Semenanjung Malaysia. As respondent B said, *“We discovered the power of using a few software management systems. These apps helped us track our stock levels, monitor staff attendance, and even manage orders for milk, water, and coffee”*.

This meaning efficiency, it enables social firms to better allocate resources, directing more revenue to their social purposes. Social Impact through Online shopping: E-commerce platforms promote social entrepreneurship by creating a critical area for online shopping. Social companies use these platforms not just to sell items, but also to share their social missions with a large online audience. Moreover, changing consumer

spending habits: The exponential growth of e-commerce sales, rising by 20-25% per year, represents a fundamental shift in consumer buying habits (Shahriari et al., 2015). Social companies capitalise on this trend by tailoring their products to the interests of socially concerned consumers. Digital Storytelling and Consumer Connection: E-commerce enables social entrepreneurs to participate in powerful digital storytelling. They connect with customers on a personal level by using multimedia material and interactive platforms to communicate the impact of their products and develop a sense of shared purpose. To summarise, e-commerce platforms act as catalysts for social entrepreneurs, providing a dynamic and efficient avenue for achieving their social goals. E-commerce's worldwide reach, economic effectiveness, and storytelling capabilities enable these businesses to make a significant difference on a global scale while being financially viable.

#### **4.3.2 Social Media Engagement**

Increasing impact in the digital-social model, in today's social enterprise market, social media integration has become a cornerstone for building community, boosting awareness, and driving meaningful participation. This digital-social strategy connects businesses with a worldwide audience while also amplifying the effect of their social goals. Social media platforms provide dynamic places for social companies to foster communities based on shared values and missions. Platforms like Facebook, Instagram, and LinkedIn create a virtual hub for like-minded individuals to converge, building a community that transcends geographical boundaries (Cosa, 2023).

Social media has an unmatched worldwide reach that helps social entrepreneurs spread awareness of their concerns. These businesses draw in a variety of audiences and raise important

social concerns by using captivating narrative, visually appealing material, and clever hashtag usage (Bandyopadhyay & Ray, 2019). All respondents tend to agree that social media is the most predominant tool to use for promoting and communicating to their customers. As respondent A said, *“So, for the reach out and promotion, in my opinion TV is number two now. We can reach out to our clients more quickly and affordably by using internet-based social media”*. Direct communication between social companies and their audience is made easier by the interactive nature of social media platforms. Besides that, respondent B also said, *“That’s when I saw them slowly becoming more comfortable using social media to learn more, get inspired, and so on. We used Instagram and Facebook, and we also engaged actively on WhatsApp. Our main mode of communication was WhatsApp, and it’s still just those three platforms at the moment”*. Businesses can assess audience mood, obtain feedback, and modify their strategy to better meet the requirements and expectations of their community by using comments, likes, and shares (Vijayann, 2017).

Social entrepreneurs use social media to start digital initiatives that have an impact and connect with their target audience. Whether they are movements, calls to action, or fundraisers, these initiatives use social media's virality to reach a large audience and spur group behaviour. For social enterprises, the digital-social paradigm of social media interaction acts as a dynamic accelerator. Social entrepreneurs may increase their influence and bring about long-lasting good change in the world by developing communities, spreading awareness, encouraging audience participation, launching successful campaigns, carefully choosing their platforms, and using data to encourage transparency. As in which case with respondent C with his refugees, he said *“I use social media or*

*any other online platform as a tool, not to control my life or what my company is. Yes, I put all of the information about Kneading Peace out there, but at the end of the day, I want people to come here and experience it for themselves”.*

#### **4.3.3 Data-Driven Impact Assessment**

Among social enterprises, utilising data-driven impact assessment has become a crucial tactic that leverages digital capabilities to transform how these organisations measure and improve their contributions to society. In order to track progress, collect data, analyse it, and use technology to generate insights and guide decisions that will ultimately promote sustainable development, this category includes a wide range of tasks. Social enterprises may now gather and interpret data with previously unheard-of accuracy thanks to digital tools.

By means of sophisticated analytics and machine learning algorithms, these entities are able to measure the concrete results of their endeavours, furnishing a refined comprehension of their influence on diverse social and environmental parameters (Bachmann et al., 2022). According to Alojail & Khan (2023), real-time tracking and monitoring of progress is one of the intrinsic benefits of data-driven impact assessment. As only respondent A uses this, he said *“Well, we use Facebook Marketplace, which allows us to use its financial tracking features to view our sales data for the last week, month, and year in the shape of a pie chart. In addition, we use its notification system to be informed when a new client wants to make a reservation in advance”*. Social enterprises can collect data continually through the use of technologies like cloud-based platforms like Facebook Marketplace and IoT devices, which allows them to provide quick feedback on the effectiveness of their initiatives. Impact assessments based on



data improve social entrepreneurs' openness and accountability. These organisations establish confidence with stakeholders, such as donors, investors, and the communities they serve, by offering quantifiable proof of their accomplishments (Mondejar et al., 2021). Digital tools for data-driven impact evaluation are driving social enterprises into a new era of accountability and efficacy. These organisations are optimising their operations and making a substantial contribution to the achievement of sustainable development goals by using technology to evaluate impact precisely, track progress, and make informed decisions.

#### 4.3.4 Blockchain for Transparency

Some social entrepreneurs are using blockchain technology to improve their operational transparency. This promotes trust among stakeholders and contributors by guaranteeing the traceability of every transaction and activity (Portales, 2019).

Originally intended to serve as the foundation for cryptocurrencies, blockchain technology has evolved and found significant uses across a range of industries. Specifically, social firms are utilising blockchain technology to transform operational transparency. This creative use of technology builds trust among funders and stakeholders by making sure that every transaction and procedure within a social enterprise is traceable and creates an immutable ledger. This is true to the fact that respondent B uses blockchain to convince the Sabah farmers to adopt technology in their daily lives. She said, *“I came up with the idea of identifying community builders in each region who could act as our representatives and ambassadors for innovation or social entrepreneurship. These individuals would serve as mediators, providing information about their communities, such as the number of people, their demographics (age, occupation), and specific needs”*.



According to Aljumah (2023), Through the blockchain, every stage of the operational or supply chain process may be tracked back. Because it enables stakeholders to confirm the legitimacy of each transaction or operation, traceability improves accountability. By utilising blockchain technology, social enterprises may demonstrate a degree of transparency that increases trust and credibility with partners and donors (Giesel & Nobre, 2021). Blockchain technology is revolutionising the way social enterprises that aim to improve transparency operate. These organisations satisfy the increasing expectations for accountability by utilising their decentralised and transparent nature. They also establish a foundation of trust, which is necessary for long-term growth and significant social effect.

#### **4.3.5 Digital Storytelling for Social Enterprise Advocacy**

Social entrepreneurs now have at their disposal a potent instrument in digital storytelling, which provides an exciting and captivating means of conveying their message, promoting advocacy, and winning over supporters. Social enterprises can tell powerful stories that connect with stakeholders and help them better understand their goal by using multimedia content like podcasts, films, and interactive materials.

Every respondent seems to agree that they use some sort of saddening tactic to make people more transparent of sympathetic towards their business. Some of them use to tell stories of how strong, achievable, and the dedication of their social targets. Respondent B said, *“I want to share how I learned from my experience. During my first year, I realized I was selling a sad story about the coffee farmers. While that worked initially, I felt uncomfortable exploiting their struggles. Instead, I wanted to showcase their skills and potential”*.

Respondent A also said this, *“We don't think of this business as a means to generate money; rather, we do it for our boys, and we have to do everything in our power to ensure that they have the same opportunities to succeed”*. This statement highlights that respondent A's dedication to not put pressure upon its staff is highly accommodated in their Facebook and Instagram post. By receiving orders, the Autist boys have plenty amount of time to complete orders on time. The owner uses this message as not to ridicule his boys, but to empower the non-autistic and give motivation to those who are. By telling them that, with enough practice and dedication they can do anything.

According to Musfira et al (2022), social enterprises can communicate more effectively than just through text by utilising multimedia assets. For example, they can present actual impact stories through videos, showcasing the people or communities that their programmes have positively impacted. The audience and the social enterprise have a stronger emotional bond because to this visual storytelling. Because digital storytelling makes difficult social concerns approachable and relatable, it is an effective tool for advocacy. Narratives can be used by social enterprises to emphasise the significance of their mission, addressing the issues they address and the beneficial changes they hope to bring about. This in turn motivates others to take up the role of advocates for the cause, raising awareness and fostering support (Lutz & Hoffmann, 2013). By employing an array of digital forms, such as podcasts, interactive information, and videos, social entrepreneurs may accommodate a wide range of tastes and learning styles. Quizzes and immersive experiences are examples of interactive content that increases engagement and gives stakeholders a more participative experience, making the communication more memorable and powerful (Dwivedi et al., 2021).

#### 4.4 Effectiveness of Digital Social Business Models In Malaysia And Their Achievements In Fostering Sustainable Development And To Lessen Socio-Environmental Issues.

Digital marketing platforms are essential for increasing social enterprises' reach, impact, and visibility. Using a variety of channels guarantees a thorough plan that meets the needs of various audiences. The efficacy of using different digital marketing platforms for social companies is as follows:

Table 3: Measuring methods for measuring effectiveness of Digital-Social business models used by Social Entrepreneurs

| Categories         | Respondent |   |   |
|--------------------|------------|---|---|
|                    | A          | B | C |
| Website Traffic    |            |   | / |
| Engagement Metrics | /          | / | / |
| Conversion Rates   |            | / |   |

##### 4.4.1 Website Traffic

An essential tool for comprehending the dynamics of website traffic is web analytics. Businesses can obtain important insights on how well their digital channels are drawing visitors by examining the traffic sources. This essay examines the value of traffic source analysis and how it can be used to evaluate the effectiveness of digital tactics.

Data about website visitor activity is gathered and analysed as part of web analytics. It is a complete tool for assessing user interactions and behaviours on a website, going beyond simple online traffic measurement. It is important to know the source of website traffic for a number of reasons:

### 1. Channel effectiveness

Website traffic is influenced by a variety of digital sources, including social media, paid advertising, organic search, and referrals. Determining the best routes for attracting visitors is made easier by analysing traffic sources.

### 2. Marketing ROI

Companies make investments in a range of digital marketing platforms. By calculating the return on investment (ROI) for each channel, traffic source analysis enables businesses to make sure resource allocation is in line with performance.

### 3. User Behaviour Insights:

Data from traffic sources sheds light on user behaviour. For example, traffic from organic search might represent people actively looking for a certain piece of information, but traffic from social media might represent visits motivated by participation.

Several methods are available to help with traffic source analysis, including: By adding UTM parameters to URLs, it is possible to track particular sources and campaigns and get detailed information about how effective they are. Understanding the entire customer journey is facilitated by assigning website conversions to the relevant traffic sources through the use of conversion attribution models.

Monitoring and evaluating traffic sources on a regular basis enable organisations to continuously adjust and improve their digital strategies. It makes it possible to recognise new trends and modify marketing strategies accordingly. To sum up, web analytics traffic source analysis is an essential tool for

companies trying to assess how well their digital channels are performing. Organisations may optimise the effectiveness of their online presence, improve user experiences, and hone their plans by having a thorough grasp of the sources of website traffic.

#### 4.4.2 Engagement Metrics

Metrics from social media are essential for evaluating the success and influence of digital marketing initiatives. Impressions and engagement stand out among these measures as important markers that offer insightful information about the interaction and reach of social media material. The total number of times a post appears on a user's screen is measured in impressions. This metric calculates the potential reach of a piece of material based on the number of users who have viewed it. Monitoring impressions is critical to comprehending the exposure and visibility of postings on social media. Track impressions on social media to see how far your postings are reaching. Likes, comments, shares, and other engagement metrics are used to measure audience interest and activity.

Most of the respondents use this type of measurement method to track how effective are their promotion and marketing efforts thus far. For respondent A, he says *“the target population and our excellent outreach truly complement the medium that we use. We actually got through to them by using social media. Regarding our fan base, we don't have very many. I believe we have roughly 50,000 followers on each social media platform, such as 50,000 on Instagram and 50,000 on Facebook. Though small, it's still rather satisfactory”*. So, by keeping track of his followers he can get a glimpse of what his business is going for in the future, for example if the number of followers, likes and comments rises, then his business will be more popular. Even

by something that's small like a poster can change the effectiveness of the way a business is operated, as with the case of respondent B, *“Wargasdeas for example. During my final project with them, their social media presence was minimal. So, I offered to help with their internship and created posters, captions, and stories highlighting their impact. This resulted in a 30-40% increase in rice production and orders. Digital impact doesn't just mean social media; it can also involve technology like machines”*. By posting a poster into social media, the business's orders straight jumped about 30-40% thus increasing its effectiveness.

### Engagement Metrics

Likes, comments, and shares are examples of engagement metrics that reveal how users engage with content.

#### 1. Likes

Likes indicate gratitude or approval. They provide people with a quick and simple way to express their gratitude for a post.

#### 2. Comments

Direct communication and engagement are reflected in comments. They display user comments, queries, and debates over the information.

#### 3. Shares

Users who share content throughout their networks increase its reach. Content that is shared suggests a greater degree of interest and support.

Increasing audience connection to the business is important. Active engagement is demonstrated by likes, comments, and

shares, which show a relationship between the audience and the material. In addition, content quality relevant and engaging material is frequently correlated with higher engagement. So, a thorough understanding of the performance of content can be obtained by integrating engagement and impression measurements with social media analytics. Businesses may improve the impact and audience satisfaction of their social media initiatives by gaining insight about audience involvement and reach.

#### **4.4.3 Conversion Rates (Transactions)**

Conversion rates are essential for evaluating the efficacy of digital marketing tactics since they provide information about how well lead conversion campaigns are working. This essay explores the significance of conversion rates, their measurement, and how they affect the general efficacy of digital channels. The percentage of website visitors that complete a desired activity, like completing a form, making a purchase, or accomplishing another predetermined goal, is known as the conversion rate. It is a crucial indicator for assessing how well digital channels convert leads into paying clients (Storm, 2019).

#### **Metrics and Conversion Measurement**

##### **1. Calculating Conversion Rates**

Conversion rate is calculated by dividing the total number of visitors by the number of conversions, then multiplying the result by 100 to obtain a percentage.

## 2. Macro and Micro Conversions

The conversion rate can be computed as a percentage by multiplying the result by 100 after dividing the total number of visitors by the number of conversions.

To sum up, conversion rates are an essential indicator for assessing the effectiveness of digital marketing initiatives. Businesses may optimise their strategy, improve user experiences, and ultimately increase the success of turning leads into valuable customers by tracking the percentage of visitors who do desired actions.

### 4.5 **Deducing What Are the Enabling Factors, Challenges, And Best Practices Involved with Adopting Digital Social Business Models in Malaysia to Lessen Socio-Environmental Issues.**

Exploring the landscape of digital-social business models involves a look at the enabling elements, difficulties, and best practices connected with their implementation. The researcher have investigated the mechanisms that promote the successful integration of digital and social features in modern company models. Through extensive research, the researcher has discovered critical variables that support the seamless adoption of digital-social business models, problems that organisations may face in the process, and best practices for navigating this complexity. This detailed investigation helps to a better understanding of the changing business landscape by putting light on the complex interplay of digital technologies and social factors in defining modern corporate strategy.



Table 4: Enabling factors, challenges, and best practices involved with adopting digital-social business models.

| Categories                       | Respondent |   |   |
|----------------------------------|------------|---|---|
|                                  | A          | B | C |
| Increasing Digital Literacy      | /          | / | / |
| Funding Constraint               |            | / |   |
| Data Privacy                     | /          |   |   |
| Community and Impact Measurement | /          | / | / |

#### 4.5.1 Increasing digital literacy

In Malaysia, the convergence of rising digital literacy and increased access to technology is creating a disruptive landscape for enterprises seeking to address socio-environmental concerns through digital social models. According to Ammeran et al (2022), the spread of digital literacy among Malaysians is a major driving force behind the adoption of digital social business models.

The most reasonable reason and enabling factor that we can see here is the increase in digital literacy. As the world continues to develop, so does technology getting advanced and people whether they like it or not, will have to start learning how to use them. As respondent A said, *“Thus, I believe that to be the only issue we are now facing. Since we can promote directly to consumers through social media—which, as you noted, is a fantastic mainstream medium these days—we can bypass radio and TV sponsorships and promotions”*. This point proven by

respondent A states that almost everyone nowadays uses social media as a form of mainstream media, either for entertainment, work, business deals, and many other things can be done using today's most popular mainstream media which is social media marketing. Now for respondent B, she says, " *This is where they started using social media as a medium to promote or talk about coffee, or even to get inspiration from other parts of the world about coffee. That's when I saw them slowly becoming more comfortable using social media to learn more, get inspired, and so on*". By using the tactic, she calls 'handholding', the coffee bean farmers in Sabah started to like and like social media more and more, which in turn makes her business grow because of the expanding scalability of technology potential. She can now message her workers, check on them, and even give them pays via telephone or online banking.

As people become more skilled at navigating the digital realm, there is a growing knowledge and comprehension of technology's potential impact on tackling societal and environmental concerns. Digital literacy enables Malaysians to connect meaningfully with digital initiatives, resulting in a more responsive audience that understands the importance of these models in effecting positive change. Ammeran et al (2022), also specifies that the growing accessibility of technology, which includes mobile devices and extensive internet connectivity, acts as a driver for enterprises looking to incorporate digital solutions for socio-environmental issues. With more Malaysians able to engage digitally, businesses may use these channels to communicate information, mobilise support, and undertake initiatives with a greater impact. This increased access allows for the effective deployment of digital social business models, ensuring that their impact is felt across a wide range of demographics.

This convergence of increased digital literacy and enhanced access to technology creates a fertile field for innovative and impactful digital social initiatives, putting Malaysia at the forefront of using technology to effect positive socio-environmental change.

#### 4.5.2 Funding Constraints

Securing appropriate finance for digital social activities is a multidimensional task that necessitates strategic thinking. The complicated terrain of financing constraints needs a methodical strategy to assure the long-term viability and sustainability of these programmes. To solve these problems, organisations must first examine their existing financial status, then define clear goals and benchmarks, and finally select digital activities that are aligned with their mission (Paul, 2023). This challenge mostly affects respondent B because she has to live with poor coffee farmers in Sabah, in one statement she said, *“Okay, regarding the challenges, I can outline three. The first one, especially in Sabah, is the Internet infrastructure and the mountainous geography, making it very difficult. It's not just a challenge to bring internet; even supplying electricity is challenging”*. The implementation and monitoring phases are equally important, requiring a close eye on resource allocation and performance evaluation. As financial deficits persist, organisations must consider new ways to fund sustainability programmes, forcing them to think outside the box. This is significantly true, respondent B also said, *“People fail to realize the importance of the internet because it's challenging to make them aware when the internet is hard to access”*.

Exploring a variety of finance possibilities, such as innovative collaborations, impact investment, and alternative financing channels, can provide the necessary funding.

Furthermore, the integration of digital transformation techniques can unleash long-term value, as demonstrated by efforts promoting environmental and social well-being. Organisations should use digital sustainability to fulfil ESG objectives, resulting in significant cost reductions, resource optimisation, and increased customer responsiveness (Cgma, 2023). Despite the hurdles, strategic financial planning and a commitment to digital transformation can help overcome budget limits and promote effective digital social programmes.

#### 4.5.3 Data Privacy

In the fast-changing landscape of digital social models, data privacy has arisen as a major concern. As organisations utilise digital technology to support social projects, appropriate data management becomes increasingly important. The ethical and secure handling of personal information is not just a moral obligation, but also a necessary condition for preserving public trust. In an era where data breaches and privacy violations make news, organisations must take strong precautions to protect user information. Transparent data practices, informed consent methods, and strict security protocols are all part of a holistic plan to address these concerns. Furthermore, data privacy policies play an important role in defining the digital environment. A well-defined regulatory framework establishes clear principles for data protection, reaffirming the commitment to responsible data use. Organisations navigating the digital social arena must prioritise these characteristics in order to not only maintain ethical standards but also assure compliance with changing data protection legislation (Wang et al., 2021).

Furthermore, the confluence of digital technologies and social efforts needs a fine line between innovation and privacy. As digital platforms become conduits for social change, it is critical

to grasp data privacy issues. Striking the proper balance entails integrating technology breakthroughs with ethical considerations, as well as creating an atmosphere in which people feel safe when engaging with digital social models (Nubani, 2023). Organisations that proactively handle data privacy problems differentiate themselves as ethical stewards, paving the stage for long-term and trustworthy digital social activities. In this environment, the expanding debate on data privacy reflects not only the development of digital ecosystems, but also emphasises organisations' responsibility to shape a future in which innovation coexists peacefully with privacy and public trust.

#### **4.5.4 Community and Impact Measurement**

In the area of digital social business models, the twin pillars of community participation and impact measurement are critical in guaranteeing the success and sustainability of programmes.

Community engagement is the foundation, requiring active participation of local communities throughout the planning and implementation processes. Digital efforts can be adjusted to solve the unique issues that communities confront by first identifying their individual needs and objectives. This collaborative approach not only develops a sense of ownership among the local population, but it also guarantees that the programmes are culturally and contextually appropriate (Kale, 2023).

This is the most agreed upon impact and challenge that the respondents face, for example respondent C said, *“We are very fortunate; I would say we only receive positive comments; however, you can read our Google reviews and see that we receive mostly positive reviews, and while I would call it negative, I would call it something that we can learn from”*. The

community and impact measurement deviates heavily from respondent to respondent. Respondent A's feedback is mostly positive and Respondent B is mixed same goes for Respondent C. Even with positive or negative comments, the respondents use those comments to further improve themselves and their business to reach beyond further heights. It is apparent that some problems are shared within the community with the social enterprise. Respondent B said, *"Even if the state government makes significant mistakes, trying to build smart cities without solving the basic problems, it's a unique challenge for Sabah. The state's geography poses a different set of issues compared to the peninsula. Sabah's problems are somewhat unique; it's become a running joke for us, a situation we no longer get upset about"*. Running problems with the community is good for Social Enterprises because the business can work together with the people to solve their problem while also solving theirs, hence making this challenge also an enabling factor.

To supplement community engagement for the problems, the installation of comprehensive effect measurement mechanisms is required. These mechanisms look beyond typical performance measures to examine the social and environmental impacts of digital activities. Organisations can demonstrate the tangible advantages of their initiatives in a transparent manner by measuring and qualitatively assessing effect. This not only boosts credibility, but also provides a captivating narrative to entice further support from stakeholders, investors, and the general public. In summary, including community involvement and impact measurement transforms digital social business models into agents of positive change that are firmly based in the needs of the people they seek to serve.

#### 4.6 Summary

The results and analysis of the study, which were based on information obtained via the interview approach, were covered in this chapter. Three respondents were chosen for the interviews, which took place in Semenanjung, Malaysia. Every respondent discussed their understanding and experiences about the categorization, effectiveness, enabling factors, and best practices that involves unique digital social business models used by Malaysian social entrepreneurs to lessen socio-environmental issues. The outcome was illustrated with figures and supported by secondary data. Furthermore, recommendations and conclusions will be discussed in Chapter 5. Figures were used to demonstrate the conclusion, which was backed up by secondary evidence. In addition, Chapter 5 will provide conclusions and recommendations.



## CHAPTER 5

### CONCLUSION AND RECOMMENDATIONS

#### 5.1 Introduction

The discussion in this chapter is based on the data analysis results for the subjects discussed in chapter four. The study's goals and research questions have both been appropriately addressed. The first research objective is to identify and categorize what are the unique digital social business models used by Malaysian social entrepreneurs to lessen socio-environmental issues. The second research objective is to investigate how effective are these digital social business models in Malaysia and their achievements in fostering sustainable development and to lessen socio-environmental issues. The third one is to deduce what are the enabling factors, challenges, and best practices involved with adopting digital social business models in Malaysia to lessen socio-environmental issues. Furthermore, proposals for additional research are evaluated with the purpose of continuing the study on the exploring the sustainable digital business models utilized by social enterprises in addressing Malaysian socio-environmental issues.



## 5.2 Summary of Findings

Understanding the complex values held by each responder is critical, as this study digs into the world of sustainable digital business models used by social entrepreneurs in Malaysia. Social entrepreneurs, motivated by a desire to help the environment, play an important part in tackling Malaysia's diverse difficulties. The study peels back the layers of these businesses, providing light on the values buried inside them. By deconstructing the sustainable digital business models, they use, the research intends to deliver relevant insights to diverse stakeholders.

In a changing socioeconomic landscape where the convergence of digital innovation and sustainable practices is critical, this study serves as a lighthouse for stakeholders looking to understand the diverse methods used by social entrepreneurs. By revealing the distinct ways used to solve socio-environmental concerns, the study not only adds to academic understanding but also provides practical lessons for corporations, legislators, and campaigners. Finally, it promotes a complete awareness of how sustainable digital business models may be leveraged for the benefit of both company and society in Malaysia.

### 5.2.1 Identifying and Categorizing What Are the Unique Digital Social Business Models Used by Malaysian Social Entrepreneurs to Lessen Socio-Environmental Issues.

Digital Integration and social media in Social Entrepreneurship. In the ever-changing world of social enterprises, digital technology integration has become critical to increasing sustainability and impact. A researcher's examination, which included interviews with experienced social entrepreneurs, revealed common instruments used in the digital-social business models. E-commerce, social networking, data-driven assessment, blockchain transparency, and digital advocacy identified as major categories that enable social entrepreneurs to widen their goals and create long-term positive impacts.

Notably, social media integration has evolved as a key component in today's social enterprise sector, serving as a catalyst for community building, raising awareness, and promoting meaningful engagement. Platforms like Facebook, Instagram, and LinkedIn act as dynamic centres, bringing together people who share common interests regardless of location. Social media's unparalleled global reach enables social entrepreneurs to efficiently raise awareness through gripping storytelling, visually appealing material, and judicious hashtag usage.

Respondents unanimously recognise social media as the most effective instrument for promotion and communication, outperforming traditional means such as television. The participatory nature of social media platforms allows for direct communication between social companies and their audiences. Instagram, Facebook, and WhatsApp are popular communication methods for increasing engagement and exchanging information.

Finally, social entrepreneurs use social media to launch effective digital campaigns, movements, and calls to action. This digital-social paradigm serves as a dynamic accelerator, allowing social entrepreneurs to increase their influence, raise awareness, and effect long-term beneficial change by establishing communities, increasing audience involvement, and leveraging data for transparency.

### **5.2.2 Investigating How Effective Are These Digital Social Business Models in Malaysia and Their Achievements in Fostering Sustainable Development and To Lessen Socio-Environmental Issues.**

In the ever-changing world of the digital economy, social business models are critical in generating novel methods. A study paper addresses a gap in the present literature by emphasising the social aspects of building and implementing business models in the digital age. These models are critical for organisations seeking to adapt and succeed in the rapidly changing digital landscape.

Digital transformation, enabled by technology such as artificial intelligence and cloud computing, has far-reaching ramifications for business models. The integration of these technologies is more than just a technological shift; it represents a fundamental reworking of how firms operate. As businesses face the challenges of digital transformation, new methods arise to assist them effectively accept these changes.

A business model, at its heart, outlines how an organisation generates, delivers, and captures value, whether economic, social, or otherwise. In the context of digital and social media marketing, the combination of social and digital marketing gives substantial benefits for organisations, including cheaper costs, increased brand awareness, and increased sales.

Digital technologies play an important role in developing modern company models by facilitating digitalization and transformation. These technologies contribute to sustainable growth business models by challenging previous paradigms. As organisations face the difficulties and opportunities given by the digital economy, incorporating digital technology into the business model becomes not simply a strategic decision, but a requirement for long-term success. To summarise, the impact of digital transformation on business models is a multifaceted

phenomenon that shapes how organisations create value, communicate with consumers, and assure sustainability in a changing digital context.

### **5.2.3 To Deduce What Are the Enabling Factors, Challenges, And Best Practices Involved with Adopting Digital Social Business Models in Malaysia to Lessen Socio-Environmental Issues.**

In Malaysia, the convergence of rising digital literacy and technological availability is altering the landscape for businesses using digital social models. Ammeran et al. (2022) identify this convergence as a crucial motivator for the adoption of digital social business models. As people get more comfortable navigating the digital sphere, there is a rising recognition of technology's ability to alleviate societal and environmental challenges. Digital literacy enables Malaysians to interact meaningfully with digital activities, resulting in a receptive audience that understands the value of these models in promoting positive change.

The growing accessibility of technology, such as mobile devices and extensive internet connectivity, serves as a motivator for businesses looking to incorporate digital solutions for socio-environmental challenges. This improved access enables the effective implementation of digital social business models, assuring their influence across a wide demographic spectrum. This convergence places Malaysia at the forefront of using technology to affect beneficial social and environmental change.

Securing funding for digital social initiatives is a multifaceted task, particularly for businesses working with underprivileged coffee farmers in Sabah. Respondent B emphasises concerns with internet infrastructure and hard geography, which impede not just internet access but also electrical supply. Overcoming these problems necessitates

smart financial planning, the investigation of novel alliances, impact investments, and alternative finance sources. Integrating digital transformation strategies has the potential to unlock long-term revenue while also enhancing environmental and social well-being.

Data privacy is becoming an increasingly important topic in the changing world of digital social models. The ethical and secure handling of personal information is critical to preserving public trust. Transparent data procedures, informed consent techniques, and stringent security protocols are part of a comprehensive strategy to address these concerns. A well-defined regulatory framework is required to set clear standards for data protection and reinforce the commitment to responsible data use. As digital platforms serve as conduits for social change, striking a balance between innovation and privacy becomes increasingly important.

Community participation and effect measurement are critical to the success and viability of digital social business models. Active community participation in tackling specific concerns through digital efforts provides a sense of ownership while also ensuring cultural and contextual appropriateness. Respondents emphasise the value of feedback, both positive and negative, in encouraging ongoing progress. Running problems with the community transform into chances for collaboration, making community engagement both a challenge and an enabler.

Installing comprehensive impact measuring methods is critical, going beyond traditional performance indicators to analyse social and environmental implications. This visible evidence of project benefits boosts credibility and gains support from stakeholders, investors, and the general public. To summarise, community involvement and effect measurement transform digital social business models into positive change agents who understand the needs of the communities they serve.

### 5.3 Contribution of Research

In today's company context, implementing digital initiatives is a critical driver of transformation and success. Digital innovation is crucial in tackling various challenges and capitalising on possibilities across several sectors. Companies are strategically leveraging digital technologies to strengthen their environmental, social, and governance (ESG) efforts. For example, electric car manufacturers are using digital innovation to create and build sustainable solutions, highlighting the importance of implementing the correct digital strategy for successful transformation.

Digital transformation is especially important for social organisations, which face unique difficulties and opportunities due to their mission. Reaching new audiences, enhancing operational efficiency, promoting openness and accountability, engaging stakeholders, and fostering innovation are all important priorities. These factors contribute to the evolution of social enterprises in the digital age, when technology serves as a catalyst for social impact.

Understanding and adopting digital business models is critical for navigating the modern company world. A range of digital business models and strategies have emerged, affecting the development of successful models by 2024. The digital transformation plan prioritises the change of existing business models, with an emphasis on operational improvements, value chain dynamics, and consumer interactions.

As firms search for a balance between innovation and acceptance, digital business strategies become increasingly important. These tactics include collecting and analysing data to understand customer behaviour, market trends, and optimise operational performance. To summarise, optimising digital strategy is not only a corporate requirement, but also a transformative force that shapes industries, promotes sustainability, and drives beneficial societal impacts.

## 5.4 Limitations

1. Budget Constraints in Social companies: The study notes that social companies frequently operate on tight budgets, which limits their ability to invest in digital transformation. Financial constraints may limit the extent to which these organisations may adopt and implement digital strategies.
2. Interdisciplinary Scope: The study on Social Business Models in the Digital Economy mentions one limitation: the research is interdisciplinary. This implies that the analysis and evaluation may be limited by the scope stated inside the multidisciplinary framework. The study may not capture all intricacies within individual disciplines, potentially restricting the scope of the analysis.
3. Scope of Analytical and Evaluation Study: The study on the function of digital technology in the business model acknowledges the limitations of the analytical and evaluation study. This shows that certain aspects of digital technology's impact on business models may not have been thoroughly investigated or addressed in the research.
4. Academic Research concentration: The study on Social Media Business Models highlights a constraint about the research's concentration on academic research. This implies that the findings and conclusions may be limited to the academic arena and do not fully represent the practical features of social media business models in real-world scenarios.
5. Consumer Expectations and Behaviours: The study on digital transformation is a multidisciplinary perspective that admits that digital transformation and the resulting business model innovation have profoundly affected consumers' expectations and behaviour.

However, the study may not dive thoroughly into the specifics of these altered behaviours and expectations.

## **5.5 Recommendation for Future Research**

**Exploration of Social Business Models in the Digital Economy:** Future research should focus on the design and implementation of innovative social business models in the digital economy, filling gaps in the current literature identified in the book "Social Business Models in the Digital Economy".

**In-depth Analysis of the function of Digital Technologies:** Future research might focus on gaining a more nuanced knowledge of the function of digital technologies in value creation, delivery, and capture within business models. This research can help to shed more light on the complex interactions between digital technology and business model components.

**Investigation into Digital Transformation advice:** Research should continue to provide meaningful advice for businesses going through digital transformation. Exploring how organisations might use digital technology to create and implement new business models while rethinking existing capabilities, structures, and culture could be a profitable endeavour.

**Focus on Digital Entrepreneurship and New Business Models:** Given the scarcity of research on digital entrepreneurship's opportunities, challenges, and success factors, future studies should delve into these areas to provide valuable insights for both scholars and practitioners. **Integration of Digital Technologies in Sustainable Entrepreneurship:** Researchers can look into how sustainable entrepreneurs incorporate digital technologies into their business models to meet both social and environmental goals. Understanding the mechanisms behind digital sustainable entrepreneurship can help to create a more sustainable future. Future studies should focus on construct clarity in digital business model innovation. Exploring



options for conceptual refinement and gaining a better grasp of this topic can benefit the larger domains of strategic management and information.

## **5.6 Conclusion**

The research environment on social business models in the digital economy is changing, with major contributions addressing the innovative design and implementation of such models. The identified materials, which include a book titled "Social Business Models in the Digital Economy," emphasise the need to fill gaps in current research and investigate the social approach to business model creation in the digital environment.

Furthermore, study dives into the obstacles faced by social entrepreneurs, particularly in Malaysia, where the ecosystem is still developing and experiencing digital transformation. Digital technologies are recognized as crucial enablers for social enterprises, offering opportunities for innovative business models and revenue streams, such as e-commerce and digital products.

The importance of digital technology in business models is a hot topic, with research showing its ability to promote social inclusion, increase connectedness, and improve stakeholder integration. Furthermore, the notion of digital transformation in Malaysian small and medium-sized firms (SMEs) emphasises the importance of rethinking business processes using digital technology, which aligns with broader discussions about the influence of digitization on many sectors.

Finally, the existing corpus of research sheds light on the changing environment of social business models in the digital economy, highlighting the significance of digital technology as well as the problems and opportunities that social enterprises confront in various situations.

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## APPENDIX 1 – GANTT CHART FINAL YEAR PROJECT 1

| NO. | ACTIVITY                  | WEEKS |   |   |   |   |   |   |   |   |    |    |    |    |    |    |
|-----|---------------------------|-------|---|---|---|---|---|---|---|---|----|----|----|----|----|----|
|     |                           | 1     | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| 1   | Information for FYP 1     |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |
| 2   | Briefing for FYP 1        |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |
| 3   | Title Discussion          |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |
| 4   | Confirmation and submit   |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |
| 5   | Related Article Reviewing |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |
| 6   | Chapter 1: Introduction   |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |
| 7   | Chapter 2: Lit Review     |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |
| 8   | Chapter 3: Methodology    |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |
| 9   | First Draft Submission    |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |
| 10  | Finalize FYP 1            |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |
| 11  | Presentation FYP 1        |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |

## APPENDIX 2 – GANTT CHART FINAL YEAR PROJECT 2

| NO<br>. | ACTIVITY                           | WEEKS |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |
|---------|------------------------------------|-------|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|
|         |                                    | 1     | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 |
| 1       | Briefing for FYP 2                 |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |
| 2       | Developing Interview Questions     |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |
| 3       | Interview Sessions                 |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |
| 4       | Transcription Writing              |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |
| 5       | Data & Findings Analysis           |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |
| 6       | Chapter 4: Data Analysis           |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |
| 7       | Chapter 5: Conclusion              |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |
| 8       | Submit Chapters for Checking       |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |
| 9       | Presentation FYP 2                 |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |
| 10      | Finalize FYP 2                     |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |
| 11      | Submission of Final Year Project 2 |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |

## APPENDIX 3

|  |   |
|--|---|
|  <p>UNIVERSITI TEKNIKAL MALAYSIA MELAKA</p>  |   |
| <p><b>Bachelor of Technopreneurship (Honours)</b><br/> <b>Faculty of Technology Management and Technopreneurship</b><br/> <b>Universiti Teknikal Malaysia Melaka (UTeM)</b><br/> <b>2022/2023</b></p>  |   |
| <p style="text-align: center;">Research Project Interview Question:</p> <p style="text-align: center;"><b>EXPLORING THE SUSTAINABLE DIGITAL BUSINESS MODELS<br/> UTILIZED BY SOCIAL ENTERPRISES IN ADDRESSING MALAYSIAN<br/> SOCIO-ENVIRONMENTAL ISSUES.</b></p> <p><b>Research Objectives:</b></p> <ol style="list-style-type: none"> <li>1. To identify and categorize what are the unique digital social business models used by Malaysian social entrepreneurs to lessen socio-environmental issues.</li> <li>2. To investigate how effective are these digital social business models in Malaysia and their achievements in fostering sustainable development and to lessen socio-environmental issues.</li> <li>3. To deduce what are the enabling factors, challenges, and best practices involved with adopting digital social business models in Malaysia to lessen socio-environmental issues.</li> </ol> <p style="text-align: center;"><b>Statement of Confidentiality:</b></p> <p>All the information is confidential and it will only be used for research purposes.</p> <p><b>References:</b></p> |   |
| <p><b>Muhammad Iqmal Haqim bin Yahaya</b><br/> Bachelor of Technopreneurship (Hons.)<br/> Faculty of Technology Management and<br/> Technopreneurship<br/> <a href="mailto:haqimyahaya20@gmail.com">haqimyahaya20@gmail.com</a><br/> +601133186203</p>   | <p><b>Mr. Albert Feisal @ Muhd Feisal<br/> Bin Ismail (Supervisor)</b><br/> Faculty of Technology Management<br/> and Technopreneurship<br/> <a href="mailto:Albertfeisal2@gmail.com">Albertfeisal2@gmail.com</a><br/> +60127499799</p> |



Dear participant,

My name is Muhammad Iqmal Haqim bin Yahaya. I am currently pursuing a Bachelor of Technopreneurship with Honours at Universiti Teknikal Malaysia Melaka (UTeM). My research focuses on EXPLORING THE SUSTAINABLE DIGITAL BUSINESS MODELS UTILIZED BY SOCIAL ENTERPRISES IN ADDRESSING MALAYSIAN SOCIO-ENVIRONMENTAL ISSUES. This interview script comprises four sections (A, B, C, and D) which I kindly request you to complete. All information collected will be maintained strictly confidential and solely utilized for academic research purposes. I sincerely appreciate your time and assistance in completing this interview segment.

#### SECTION A: DEMOGRAPHIC INFORMATION

This section is related to your background in brief. Your responses will be kept in strict confidentiality.

| SECTION A:<br>DEMOGRAPHIC INFORMATION |  |
|---------------------------------------|--|
| NAME                                  |  |
| AGE                                   |  |
| WORK                                  |  |
| ADDRESS                               |  |

## **SECTION B: RESEARCH OBJECTIVE 1 (RO1)**

To identify and categorize what are the unique digital social business models used by Malaysian social entrepreneurs to lessen socio-environmental issues.

1. Beyond traditional marketing channels, how do you leverage digital platforms and tools to reach your target audience and beneficiaries?
2. Can you describe how you utilize technology to enhance your core offerings or services, and ensure their effective and sustainable delivery to the intended beneficiaries?

## **SECTION C: RESEARCH OBJECTIVE 2 (RO2)**

To investigate how effective are these digital social business models in Malaysia and their achievements in fostering sustainable development and to lessen socio-environmental issues.

1. How do you measure and track the positive changes your digital strategies have created for beneficiaries and the broader community?
2. Looking at the long-term, how does your digital model contribute to the sustainability and scalability of your social enterprise?

### SECTION D: RESEARCH OBJECTIVE 3 (RO3)

To deduce what are the enabling factors, challenges, and best practices involved with adopting digital social business models in Malaysia to lessen socio-environmental issues.

1. In your experience, what key factors in the Malaysian context have enabled the successful adoption and implementation of digital social business models?
2. What are some of the challenges you've faced in integrating digital tools and strategies into your social enterprise model?
3. Based on your experience, what are some best practices you recommend for social entrepreneurs in Malaysia looking to leverage digital tools and strategies for achieving their social missions?



| RESPONDENT A  |   |
|---------------|---|
| NAME          | Adli Yahya  |
| S. ENTERPRISE | Autism Café Project (ACP)                                 |
| WORK          | Director at Autism Café Project Malaysia                  |
| ADDRESS       | MIJ International Hub, Jalan Pekaka 8/1D, Kota Damansara. |

Interviewer: Hello and Assalamualaikum Sir, how are you doing today?

Respondent: Waalaikummusalam, I am doing just fine.

Interviewer: Before we get started, let me say how much we appreciate you taking the time to interview with us. Thank you again for this wonderful opportunity.

Respondent: No, there's not an issue; I just said in my mind that day, "Why not just accept these boys' interview, since I wouldn't be that busy anyway?" My calendar isn't that busy today.

Interviewer: Is it okay if I record? I'll just record your voice.

Respondent: Yeah, no problem.

Interviewer: So, let me start by asking: How do you use digital platforms and tools to reach your target audience and beneficiaries in addition to traditional marketing channels?

Respondent: Alright, so our project group consists of forty-three families with children diagnosed with autism. I apologise; may you please restate the question you are asking?

Interviewer: How do you promote your Autism Café Project? Do you use digital channels? Or even television (TV) in this case?

Respondent: So, for the reach out and promotion, in my opinion TV is number two now. We can reach out to our clients more quickly and affordably by using internet-based social media. In

addition, censoring exists on TV, correct? Similarly, social media allows us to say certain things without restriction, though not as much as it does with television. When we discuss difficult subjects on TV, they are immediately interrupted, so we can't even bring up those topics. To the contrary, however, if we are speaking to a broad audience, television would be a better option because it is more appealing to older generations, who still watch it in their living rooms. Even though the parents are using their phones or something else, the TV is still on in the background, meaning that any news, promotions, or advertisements can continue to play in the background without the listeners' knowledge or consent.

Interviewer: Given that social media is less regulated than television, is social media currently the mainstream media?

Respondent: Indeed, I believe that TV is gradually disappearing as people use social media far more frequently these days. As a result, our primary marketing channels right now are Facebook and Instagram. We don't use TikTok, though, because I'm too old to create humorous content that the younger generation will only find hilarious. In other words, TikTok isn't for me. Returning to the subject at hand, I do believe that social media platforms like Facebook and Instagram are quite successful. For instance, I need to locate children with autism if I want to hire some new staff, right? I simply share the request on Facebook and Instagram, and if I'm lucky, I'll receive a tonne of positive feedback the next day. TV is now second, and social media is king, as I mentioned. Even the newspaper. Newspapers are a type of outdated media that is nearly extinct these days, making TV and newspapers, which were once primary mainstream media, secondary media.

Interviewer: Thus, you believe that the mainstream media of today is social media, is that correct?

Respondent: Yes, exactly. As I mentioned before, the target population and our excellent outreach truly complement the medium that we use. We actually got through to them by using social media. Regarding our fan base, we don't have very many. I believe we have roughly 50,000 followers on each social media platform, such as 50,000 on Instagram and 50,000 on Facebook. Though small, it's still rather satisfactory.

Interviewer: Apart from that, you did bring up TV a lot, don't you think? How much more does it cost to utilise TV as a digital channel?

Respondent: That's absolutely true, even though the adverts there cost more—I believe ten times as much—than those on social media, where promotion is occasionally provided for free. On the other hand, we did have a good TV partnership company, particularly RTM. We are frequently called by RTM to cover the commercial breaks during their TV broadcast. In any case, TV remains beneficial for the general public, as you can assume that many of the major corporations' decision-makers are not just primarily elderly but also predominantly CEOs or large business bosses who continue to watch TV as their primary form of entertainment. In light of this, TV is not as horrible as social media—it still appeals to the remaining vestiges of the previous age. So it is still a good form of channel.

Interviewer: You know my father also likes to watch TV a lot? His name was also Yahya you know?

Respondent: Oh, do you see? Like I mentioned, I believe those high-ranking CEOs are in their 50s or 60s. Since TV is their favourite medium, it is advantageous that we are also available on it. As a result, we would like to expand the ways in which we reach out to our audience and spread our message. What other hobbies does your father have besides watching TV?

Interviewer: Occasionally, he plays with his smartphone as he watches television.

Respondent: [*Laughs*] I also occasionally do it, you know, like lounging on the couch and watching TV and browsing social media to see what's new.

Interviewer: On the subject of mainstream media, I was going to ask how you would use technology to improve your main services or products to ACP.

Respondent: In addition to social media and television, we also engage in what I like to refer to as mix-streaming. It's all online ordering, but we ultimately opted against using it since our boys will be stressed, and I don't want to put too much stress on them as they require particular needs due to their autism.

Interviewer: [*Interviewer nods in agreement*] I see...

Respondent: For instance, when you receive an order, it needs to be delivered within a specific time frame, or else it would reflect poorly on my company, am I correct? These boys have to take their time and work one thing at a time when they receive an order. We must avoid pushing them too much since that could make them anxious. Rather, we set up online ordering systems that allow our clients to place their orders up to one week in advance, giving us plenty of time to prepare and cook their meals. This way, we'll have plenty of time to gather all the ingredients needed for cooking. We don't think of this business as a means to generate money; rather, we do it for our boys, and we have to do everything in our power to ensure that they have the same opportunities to succeed. Do you see what I mean? If it were only about the money, I would merely use the internet to promote and market in order to increase sales, right? But the reason I don't do that is because our business strategy is to

provide our boys an opportunity and to make sure they can give it their all, not to make money.

Interviewer: Oh, wow I'm speechless, you go above and above for your guys, and I think it's a noble choice. However, I also concur that the mix-streaming approach is insufficient for your type of business. What else do you utilise, then, besides placing orders a week in advance?

Respondent: Apart from that, I believe we used to offer dine-in services, but we did it just two or three days in advance so as you know, we wouldn't stress out our boys. Therefore, in order to verify our availability at that time, our customers must phone a day or two in advance. Apart from the fact that we actively seek for clients, my spouse and I like to refer to this situation as peak customers, where a customer orders a certain type of food in huge quantities for a function, party, or other occasion. Therefore, we aggressively search for customers using various social media platforms.

Interviewer: Excuse me sir, how do you measure and track these customers?

Respondent: You ask, how do we keep track of our sales? Well, we use Facebook Marketplace, which allows us to use its financial tracking features to view our sales data for the last week, month, and year in the shape of a pie chart. In addition, we use its notification system to be informed when a new client wants to make a reservation in advance. We can also use it to monitor the status of our continuing orders and pending orders, which we are now processing to determine if they are completed or not. You realise how useful it is?

Interviewer: Why not just clock in the orders manually? And keep track your finances in a spreadsheet or by using a list.

Respondent: I'm too old and lazy to do all of that. [Laughs]



Interviewer: [*Crosstalk*] I see...

Respondent: Second of all, it would be a waste of time to do anything manually when everything on the internet already does it automatically. Furthermore, Haqim, your name is Haqim, correct?

Interviewer: Yes, my name is Haqim.

Respondent: [*Crosstalk*] When managing a business, trust me you need to heed my words. It's true what they say: time is money. You need to be extremely careful with how you use your time, making sure that every second matters.

Interviewer: Yes, I understand...

Respondent: So, do you have any more questions for me?

Interviewer: Yes, I still have two questions here I can ask you.

Respondent: Alright then go ahead don't be shy.

Interviewer: [*Chuckles*] Alright Sir, in the long run, how does your digital model support your social enterprise's scalability and sustainability?

Respondent: We don't really need to be scalable at this point, in my opinion, because as long as we continue to have a healthy cash flow, our company will still be viable. So, that is not a concern for us.

Interviewer: How about any challenges Sir?

Respondent: I believe I have already discussed the difficulties; after all, taking care of our boys comes before making money. Apart from that, the item I would like to improve is that our cash flow is robust and strong, but it is still slow because we need time to prepare our orders, isn't that right? Thus, I believe that to be the only issue we are now facing. Since we can promote directly to

consumers through social media—which, as you noted, is a fantastic mainstream medium these days—we can bypass radio and TV sponsorships and promotions.

Interviewer: Okay, Sir. Let me ask you one last question: what are some best practices you would suggest for Malaysian social entrepreneurs that want to use digital technologies and tactics to further their social missions, based on your expert knowledge?

Respondent: To be honest, I have nothing to say about that. Maybe I should tell them not to be afraid. There are businesses who fear using social media due to cyberbullying, but I can tell them that sometimes the threats are just hate and negativity, so you should just ignore it. When someone uses social media and sees the negativity, especially an elderly man like me, it can be really unhealthy.

Interviewer: I'm sorry to hear that, sir. That brings an end to our interview. I pray for your continued success and hope your business continues to grow.

Respondent: Oh, Haqim, you don't have to do that.

Interviewer: Anyway, consider it a small gesture of my gratitude for you taking the time to talk with us today. I would like to prematurely thank you for providing all of this information on behalf of my team.

Repondent: You're Welcome, and also you ARE welcome to try some of our cupcakes if you'd like.

Interviewer: *[Laughs]* Alright Sir, I will...

[End of Interview]

| RESPONDENT B  |  |
|---------------|--|
| NAME          | Viviantie Unyil                                    |
| S. ENTERPRISE | BosCo Borneo Specialty Coffee                      |
| WORK          | Co-Founder, Borneo Specialty Coffee                |
| ADDRESS       | Persiaran APEC, Cyber 8, 63000 Cyberjaya, Selangor |

Interviewer: Hello Madam Vivi, can you hear me?

Respondent: Yes I can hear you very well.

Interviewer: Alright, let me introduce myself first, my name is Muhammad Iqmal Haqim, you can call me Haqim for short. So first of all I would like to mention that, I was very moved when you were telling your story about helping those poor coffee farmers in Sabah, and hearing your story, I imagined myself being there-like- actually I have been to Sabah this year, like a month ago actually, I was attending my stepbrother's wedding [coughs], It was in Tawau. The moment I landed there was- it was at night actually, the moment I landed, the airport had barely any lights at night you know? Sabah is always dark; the roads are dark and everything.

Respondent: [Crosstalk] Oh my god, Tell me about it.

Interviewer: I understand the difficulties the farmers had, so you said, uh, I'll keep my questions brief because you've already responded to two of them. It is said that your BosCo Coffee's social aim is to "basmi kemiskinan," am I correct? In the case of coffee growers? How do you carry out that societal mission, I wonder? As in, how do you present the coffee to the public? You did say that people don't purchase the stuff, correct? However, they purchase the experience or perhaps they do it out of a sense of solidarity, like with coffee producers, for instance. How can you get people to purchase it?

Respondent: So, your question is like how do I make people buy my coffee right?

Interviewer: Yup, exactly right.

Respondent: I want to share how I learned from my experience. During my first year, I realized I was selling a sad story about the coffee farmers. While that worked initially, I felt uncomfortable exploiting their struggles. Instead, I wanted to showcase their skills and potential. We're all equal, regardless of location. The farmers in Sabah have unique strengths like their coffee farming skills, beautiful lands, and high-quality coffee. These are their tools to fight poverty, and I wanted to highlight them. Instead of directly selling coffee, I started raising awareness about Sabah's unique coffee varieties, like its Arabica and Liberica beans. Did you know the oldest coffee in Malaysia comes from Sabah? By sharing fascinating facts like these, I could grab people's attention and then highlight the capabilities of the farmers. I showcased their expertise, skills, and potential to improve their lives. The story wasn't about the farmers' poverty, but the impact they could create through their talent and hard work.

Interviewer: In response to that, you mentioned awareness, correct? bringing attention to the work of coffee farmers and showcasing their abilities? Do you ever use digital channels for that, such as social media, for communication or promotion? I mean, we're actually using one right now for a meeting and also this is the subject of my current research.

Respondent: Yes, yes, oh yes. Absolutely, absolutely. When we first started working with the coffee farmers, we wanted to get to know them well. We wanted to see their homes, what they eat, and everything. When we asked about social media, none of them had Facebook or even bank accounts. They had no experience with social media at all, so I told them, "It's going to be difficult

if we..." We couldn't take the approach of saying, "Okay, you need to get on social media." No, I think the first thing we had to do was build relationships with them, become friends with them. After three months, I decided it was time to talk about digital. The first step I used was the social media approach, because it's the fastest and cheapest medium we can use, right? So they started opening Instagram and Facebook accounts. And here's a key word I want to highlight for you, Haqim: Handholding. We couldn't just leave them on their own. We had to really hold their hands; you see. Sometimes they would chat with me and I'd think, "Ugh, this is so much work," but you really have to be patient and take an interest in what they're interested in. This is where they started using social media as a medium to promote or talk about coffee, or even to get inspiration from other parts of the world about coffee. That's when I saw them slowly becoming more comfortable using social media to learn more, get inspired, and so on. We used Instagram and Facebook, and we also engaged actively on WhatsApp. Our main mode of communication was WhatsApp, and it's still just those three platforms at the moment. We didn't need anything too complicated, you see? There was no need for Zoom or Google Meet. Even when Tun Mahathir came, we just used a WhatsApp video call, and that was enough for us.

Interviewer: Thus, the ease of technology is not always evident—some of them lack internet access, for example—but we can still use tools like WhatsApp video calls to enhance communication between two people, as you mentioned. With that in mind, you must agree that using digital channels is crucial for SEs, in your opinion and perspective. Given that you mentioned promotion, what other motivations exist for communication?

Respondent: When we talk about increasing productivity or production of social enterprise (SE) products, technology might not seem

immediately helpful. But as you grow and scale up, technology becomes unavoidable. Take Wargasdeas for example. During my final project with them, their social media presence was minimal. So, I offered to help with their internship and created posters, captions, and stories highlighting their impact. This resulted in a 30-40% increase in rice production and orders. Digital impact doesn't just mean social media; it can also involve technology like machines. Wargasdeas received funding to buy more rice processing machines thanks to their increased popularity on social media. This high demand forced them to adopt technology to boost production. It's a ripple effect – social media promotion leads to higher demand, which necessitates technological upgrades. My mission in Sabah is to promote social innovation, which includes social entrepreneurship. While integrating technology and digital strategies might take time, it's the ultimate direction for our 100+ social enterprises. I want them to embrace technological innovation and creativity, like using animation to promote courses or big data to identify coffee bean origins. Even BosCo Coffee needs to incorporate technology and innovation to achieve true scale. That's what true social innovation means to me.

Interviewer: Do you have any social innovation at BosCo Coffee, Madam?  
Perhaps a new machine or something cutting edge?

Respondent: Sorry could you repeat that?

Interviewer: Do you have any social innovation in your SE, BosCo Coffee?  
as if you're utilising any new technologies?

Respondent: Okay, now, let's talk about the simple tech tools we use. For example, during the pandemic, when we were stuck in Sabah and our staff was in KL, we couldn't manage the business normally. How could we ensure baristas showed up on time,

track sales, and manage inventory? We discovered the power of using a few software management systems. These apps helped us track our stock levels, monitor staff attendance, and even manage orders for milk, water, and coffee. I was actually surprised at how well my husband (who's here with me) managed the entire coffee business remotely from Sabah during the pandemic. Everything was recorded and tracked digitally, which really opened my eyes to the possibilities of technology. It taught me that by being open-minded and exploring different software options, we can run our business effectively even remotely.

Interviewer: That's actually very amazing. You are in Sabah, watching people in KL.

Respondent: Haqim, you're not wrong! It's stressful constantly calling and checking up on baristas to ensure they're open and on time. Adding pressure to take pictures when they might be running late just adds to the stress. We wanted to find a better way, so we tried out an app. It's affordable, around \$60 a month (RM300-400), and a complete game-changer. We can effortlessly track inventory levels, and the app automatically reminds us to reorder when stock falls below 50%. This is exactly the kind of technology I want to advocate for in Sabah, but reliable internet can be a hurdle. I fully understand and appreciate the challenges faced by businesses there.

Interviewer: Considering the geographical limitations in Sabah, especially during certain times of the year, can you expand on how digital channels, leveraged by social enterprises (SEs), can make a positive impact not only on the SEs themselves but also on the wider community or even the nation as a whole?

Respondent: Yes definitely, let's stay with Sabah as an example. It's the second largest state in Malaysia, with 29 districts and around 3-

4 million people. Getting from Kota Kinabalu to Kundasang takes 2 hours, and while reaching Kuala Penyu isn't bad, the roads might not be the best. Then there's Tenom, a 3-hour trip, and Tawau, a whopping 7-8 hours away. So how do we connect people across such distances, if not through technology and digital channels? To ensure I answer your question accurately, could you please repeat it for me?

Interviewer: How, exactly, can digital platforms benefit a country or community?

Respondent: During the pandemic, as an agency leader in Civic, I was thinking about how to reach out to Tawau, Sandakan, and other areas since physical gatherings were not possible due to mandates. I came up with the idea of identifying community builders in each region who could act as our representatives and ambassadors for innovation or social entrepreneurship. These individuals would serve as mediators, providing information about their communities, such as the number of people, their demographics (age, occupation), and specific needs. The community builders would then help us curate online programs suitable for each region. We would engage with them to identify community centers in each area where people could gather, and we would provide online programs through large screens or projectors. We've initiated collaboration with PADY (Pusat E-desas or something similar) under MCMC. If you're not familiar with PADY, it's an organization responsible for rural development under MCMC. We've requested a list of PADY centers in each district in Sabah. We're working towards conducting online programs, and PADY's role is to ensure strong internet connectivity and provide necessary technology equipment for effective virtual programs.

Interviewer: So the programme is projected by the community centres so that everyone within may hear?



Respondent: Sorry?

Interviewer: Community centres were built to inform the people and make programs right?

Respondent: Yes, that's correct, but there's a catch, the centres must have a great setup of technology. If God forbid you get two bars of cell service there, then it will be difficult for us then, right?

Interviewer: I see. Finally, what challenges exist for SEs who want to pursue technology advancement?

Respondent: Okay, regarding the challenges, I can outline three. The first one, especially in Sabah, is the Internet infrastructure and the mountainous geography, making it very difficult. It's not just a challenge to bring internet; even supplying electricity is challenging. Haqim, you can relate since you attended a family wedding without lights. And I haven't even mentioned water issues yet. Internet is a significant problem in Sabah; even 15 minutes away from Kota Kinabalu, I face internet issues. However, this is a responsibility that needs to be addressed by the relevant authorities, as Civic has limitations within its mandate.

The second challenge is mindset. Due to the lack of internet, people have developed a laid-back attitude, thinking it's okay not to bother. Viviona's case went viral; she had to travel to a hill to take an exam due to no internet. The mindset has become complacent because Sabah is accustomed to living without water and electricity, making people lazy. Annabelle, you might agree that most rural folks have this mindset – no internet, so it's not important. The first challenge is the lack of internet, and the second is the mindset. People fail to realize the importance of the internet because it's challenging to make them aware when the internet is hard to access.

The third challenge is in terms of technology and equipment. While we can bring technology to Sabah, not all of it is suitable. For instance, providing laptops to a school might not work if there's no internet cable, and many villages lack this infrastructure. That's why we're exploring grassroots and frugal innovations – solutions that are simple and effective for the local demographic. We need to consider the appropriateness of technology like AR/VR in rural areas; can it handle the bandwidth? So, we're focusing on identifying frugal innovations that are practical in places like Tawau or Kundasang. Even if the state government makes significant mistakes, trying to build smart cities without solving the basic problems, it's a unique challenge for Sabah. The state's geography poses a different set of issues compared to the peninsula. Sabah's problems are somewhat unique; it's become a running joke for us, a situation we no longer get upset about. Right, Annabelle? Those are the three challenges off the top of my head, though I'm sure there are more.

Interviewer: All right, thank you madam, I think all of my questions are all fulfilled and fruitfully answered.

Respondent: Okay that's great [Laughs]

Interviewer: I think that's all from us if no one's going to add anything.

Respondent: So, I believe I have about 5-7 minutes left. On behalf of myself, my husband, Borneo Specialty Coffee, and Sabah's Creative Economy and Innovation Centre, I want to commend the efforts of Annabelle, Haqim, and Syafiqah in managing social enterprises and social innovation. Our primary goal is certainly social innovation, but it's okay; we have to start with social enterprises first, and when we're ready, we can progress to social innovation. I extend an invitation to the three of you to come to Sabah and visit one of our centres. Cynic is something

like MDEC in Peninsular Malaysia, similar to Meranti or MAGIC. I'm inviting Cynic to come to Sabah, and I'll host you for dinner or lunch. We can also visit related social enterprises in Sabah. I used to work in Peninsular Malaysia for almost 25 years, and I've collaborated with MAGIC. I left Sabah at that time because there wasn't anything specific, I was looking for, but when I thought, "If not us, then who?" and considering Sabah's economic challenges, I felt that Cynic, SE, or SI could help eradicate poverty. Alhamdulillah, the State Think Tank, the Institute of Development Studies (IDS) in Sabah, has decided to include social enterprises in the policymaking process, which will be presented to the cabinet this year. This is a significant achievement for me because Cynic has been advocating for social enterprises since 2020, and to receive this level of support from policymakers makes me proud. It's not easy to convince everyone, and I hope the same for Melaka. Haqim, where are you from, which state?

Interviewer: I'm from Pahang.

Respondent: Pahang... Syafiqah where are you from?

Interviewer 2: From Johor.

Respondent: My father is also from Johor, from Batu Pahat, so I'm a mix of both. Annabelle, my mom is from Kuala Penyu, and my dad is from Johor, so I have a dual perspective on both Peninsular Malaysia and Sabah. I believe Haqim can promote social entrepreneurship in Pahang, and Syafiqah can do the same in Johor. How can we assist single mothers in Felda settlements? Here's some good news: recently, we participated in the Social Enterprise World Forum in Amsterdam and were invited as speakers. Insha'Allah, we are in the process of leading the SE World Forum to be held in Kota Kinabalu, Sabah, in 2025. Please remember this, and I'll remember you too. You're invited

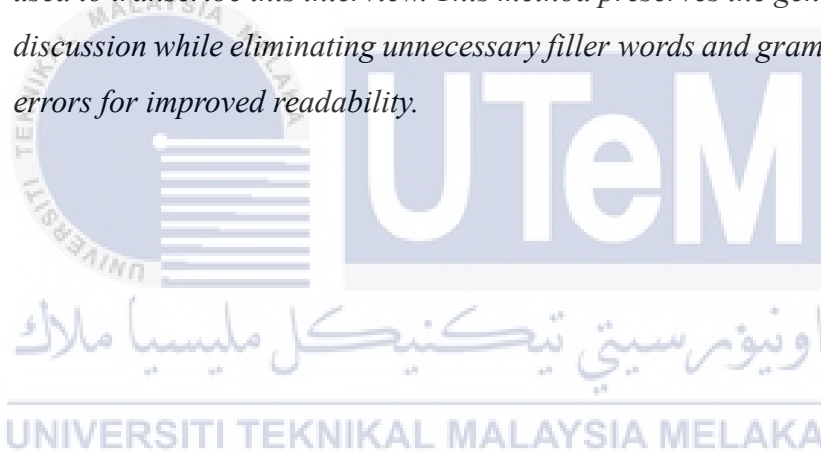
to join, and by then, we'll likely see our social enterprise sector in Malaysia two or three times larger, hopefully with better outcomes than we have now. Don't lose hope, strive for excellent results, and if you need anything from me, you know how to reach me, okay?

Interviewer: Okay, Insyaallah and thank you very much madam for your time.

Respondent: My pleasure.

[End of Interview]

*\* Please be aware that an intelligent verbatim transcription technique has been used to transcribe this interview. This method preserves the general tone of the discussion while eliminating unnecessary filler words and grammatical speech errors for improved readability.*



| RESPONDENT C  |  |
|---------------|--|
| NAME          | Rayniel  |
| S. ENTERPRISE | Kneading Peace   |
| WORK          | Partnership and Communications Officer of Kneading Peace |
| ADDRESS       | 37, Jalan Hang Lekiu, Kampung Dua, 75200 Melaka          |

Interviewer: Greetings, brother Rayniel. We are fourth-year students from UTeM, and we would want to interview Kneading Peace since we discovered that it is a social entrepreneurship-focused company.

Respondent: Hi, I apologise, but I believe you should say that again because right now my line isn't very clear. Could you say that again?

Interviewer: Alright, so we are fourth-year UTeM students now investigating social enterprises for our final year projects. That's how we discovered Kneading Peace, your shop. Kneading Peace is comparable to a café, correct?

Respondent: Social enterprise? Yes, social enterprise training café.

Interviewer: Can you tell us more about Kneading Peace and what you do on a daily basis there?

Respondent: Sorry I just assume that you want me to explain about what Kneading Peace is?

Interviewer: Yes.

Respondent: Sorry, it's raining here, and my line is a bit choppy, so I'll switch to English if that's okay with you because I'm more comfortable with it. As you know, Kneading Peace is a Social Enterprise under a mother organization called Same Skies, registered in four countries: Malaysia, Indonesia, Switzerland, and Australia. Same Skies, founded by Bradley and Julia, supports and

empowers refugees. Kneading Peace is one of their projects, and most of their initiatives are led by refugees, focusing on community support and education. For example, the Refugee Network Centre in KL and Jakarta Bersatu in Indonesia are refugee-led projects, along with others in Australia and Switzerland. Same Skies fundamentally designs refugee-led solutions projects involving training, coaching, mentoring, and creating global communities to shift paradigms. Kneading Peace is their first F&B project in Melaka, operating as a training café. The emphasis is on serving the purpose or cause rather than profit, following the principles of a social enterprise. Funding comes from donations across the four countries. The baking program at Kneading Peace is a two-month course, five days a week, eight hours a day, where refugees learn to make cakes, ice cream, bread, along with basic barista and hospitality training. Due to Malaysia not being a signatory country, refugees cannot legally work, own property, obtain licenses, or receive education. Kneading Peace addresses this challenge by teaching refugees the skills to make products they sell. After graduation, they receive a recognized certificate and ongoing support. For example, if they wish to start a business from home, they can collaborate with a bakery in KL legally. The certificate also becomes valuable if they get the opportunity to settle in a third country, showcasing their added skills. Volunteers, including two girls from France, are part of the initiative, and Kneading Peace serves as a community space with live music, events, yoga, and theatre, welcoming everyone. The goal is to bring people closer together, using food as a tool to foster learning and raise awareness about the refugee situation in Malaysia and worldwide.

Interviewer: I would want to ask you a few questions, which may or may not be the same as those of the other interviewers. Thank you for sharing your Kneading Peace with us. Since you addressed my

initial question with such detail, may we briefly discuss Kneading Peace's corporate history?

Respondent: Yeah, sure.

Interviewer: I have a question in my mind just now: where do you locate the refugees in need of your baking classes?

Respondent: Where do we find them?

Interviewer: Yes, or do they just come to you?

Respondent: They come to us, we go to the refugee network centre in Kuala Lumpur, we post on social media, WhatsApp, and other electronic platforms to share the news, and we also have friends of friends, as is customary. We know this because we have personal friends who are refugees; they have previously collaborated with us and help us spread the word. We provide lodging to persons who come here from KL, as the majority of the refugee community is in KL and not so much in Melaka.

Interviewer: So, most of the information comes from the technology and word of mouth?

Respondent: Yes, and you can get it from refugee network centres. Google it; I believe it's in Ampang.

Interviewer: So, it claims that your social mission is to help refugees, correct? So, you indicated before that the social objective is non-profit, so how do you get money aside from café sales?

Respondent: Rather than as Kneading Peace, we have donors or fundraisers from the parental companies under the same skies.

Interviewer: Okay, so my topic differs from the other interviewers' today. I genuinely want to talk about technology. Since you indicated that you need technology to locate the refugees, let me start by asking you what comes to mind when we talk about technology.

For instance, is it crucial that Kneading Peace use social media platforms like Facebook and Instagram to locate refugees and potential clients?

Respondent: Alright, let me start by introducing myself, since I didn't do so before. My name is Raniel, and I'm from Melaka. I work as the partnership and communications officer, so I'm in charge of everything and anything you want to know about the location. People come to me first if they have any questions. And while I agree that it's crucial and highly accessible—we have access to almost every online platform imaginable, including Google, Facebook, Instagram, WhatsApp, TripAdvisor, Happy Cow, Slappy, and all of this food-related stuff—I don't personally use the word "find" when referring to finding them or customers. We draw clients or individuals who are interested in joining our programme, for instance, by posting promotional videos on WhatsApp, Instagram, and Facebook, sending out broadcast messages, and posting on these platforms. We have a respectable number of followers and friends who share, so yes, it is important.

Interviewer: Why then do you select these digital channels? Would it not be more convenient to distribute pamphlets and other materials?

Respondent: One advantage of using digital is its lower cost. Two, you have to print pamphlets every time you want to promote, which is quite inconvenient. And, aside from the cause of aiding refugees, we want to make the world a little bit better. We don't want to utilise such materials, such as printing pamphlets, and let's be honest, if I gave you a pamphlet right now, what would you do with it? Will you use it again? No, you will toss it away, which is why we do not print many things.



Interviewer: Mentioning the positive impact, my second question here is how can digital channels I mentioned earlier have a positive impact upon a community.

Respondent: Upon a community? Generally, community or refugee community?

Interviewer: Any community including refugees.

Respondent: I suppose it depends on what you're looking for. If you want to indulge in negative things, you'll find negative things; if you want to indulge in wonderful things, you'll find them. So, of course, the positive for us is that they are aware of us. And it is easy to share, as it is a tool. At least for me, at work, I use social media or any other online platform as a tool, not to control my life or what my company is. Yes, I put all of the information about Kneading Peace out there, but at the end of the day, I want people to come here and experience it for themselves.

Interviewer: So there are two sides to the same coin, so there are both positive and negative?

Respondent: As I previously stated, it is up to you to decide which one you like; for me, I would go with the positive side. We cannot ignore the bad aspects of it.

Interviewer: So for the negative side, what are the challenges that you face, on social media, maybe there is some hate or?

Respondent: We are very fortunate; I would say we only receive positive comments; however, you can read our Google reviews and see that we receive mostly positive reviews, and while I would call it negative, I would call it something that we can learn from; once a review is posted, it is very difficult to remove. You need to make an appeal to Google. Or on TripAdvisor, especially when someone submits a review that is false or claims to be real, such as, "We didn't have a certain dish, but we had

someone complain about a certain dish that there was something in it." So it's in the public light, but it's like one in a thousand, or one in ten thousand, people who simply had a bad day and chose to dump all of their nasty feelings on us when it didn't actually happen. So, on the negative side, it's incredibly hard to eradicate these negative things, but like you mentioned, 'tak boleh elak'. The world is not full of sunshine and rainbows; people are not always happy, and we cannot please everyone.

Interviewer: So, my second to last question is about the appropriateness of technology. First and foremost, the appropriateness of technology is whether we should use it or not, whether we should market it on the internet, whether we should promote things on Instagram, in the case of Kneading Peace, and in the case of Same Skies, in your opinion, do you think it is appropriate to use this technology to promote it above, as you are doing now? Do you have any future ambitions, or do you intend to expand on what you are now doing?

Respondent: As of now, I believe we have all the necessary elements in place. I'm uncertain if expanding further is practical at the moment. At the very least, we have a website, Instagram, and Facebook. I'm unsure about what more could be added, whether it involves Virtual Reality (VR) or not. Interestingly, we've had some individuals approach us with ideas related to VR. They capture images of our space and transform them into an immersive, simulation-like experience. It allows people to virtually visit our café, although the experience doesn't include the ability to actually sip coffee virtually, right? All things considered, I believe we are currently performing well, and it seems realistic.

Interviewer: Alright yeah, it's like a Virtual Café

Respondent: Yes, so... Okay, if it serves a certain purpose, why not? But why would you want to see things virtually right now? Just come here bro, and see for yourself.

Interviewer: [Laughs] Yes, I believe we are not yet in an era in which everyone is cooped up in their homes. So, brother Rayniel, one final question from me: based on your experience, what are some best practices you propose for social entrepreneurs?

Respondent: So, for me, the first step is to describe clear goals: Clarify your social mission and aims. Determine what impact you want to make and link your digital initiatives with those goals. Clarity is essential for raising awareness, earning funds, or encouraging community engagement. Second, entrepreneurs today, whether they like it or not, must leverage social media: Use prominent social media networks such as Facebook, Instagram, Twitter, and LinkedIn to reach a larger audience. Share interesting content, such as stories, photographs, and videos, to engage emotionally with your audience and demonstrate your social influence. Finally, and most importantly, share captivating tales about the people who benefit from your social company. Use multimedia content to elicit emotional responses and highlight the good changes your organisation is making.

Interviewer: Okay thank you, that is all from me, I think I would like to pass the interview session to the other interviewers here today. Thanks again brother Rayniel

Respondent: Alright your welcome.

[End of Interview Segment]

*\* Please be aware that an intelligent verbatim transcription technique has been used to transcribe this interview. This method preserves the general tone of the discussion while eliminating unnecessary filler words and grammatical speech errors for improved readability.*

## APPENDIX 4

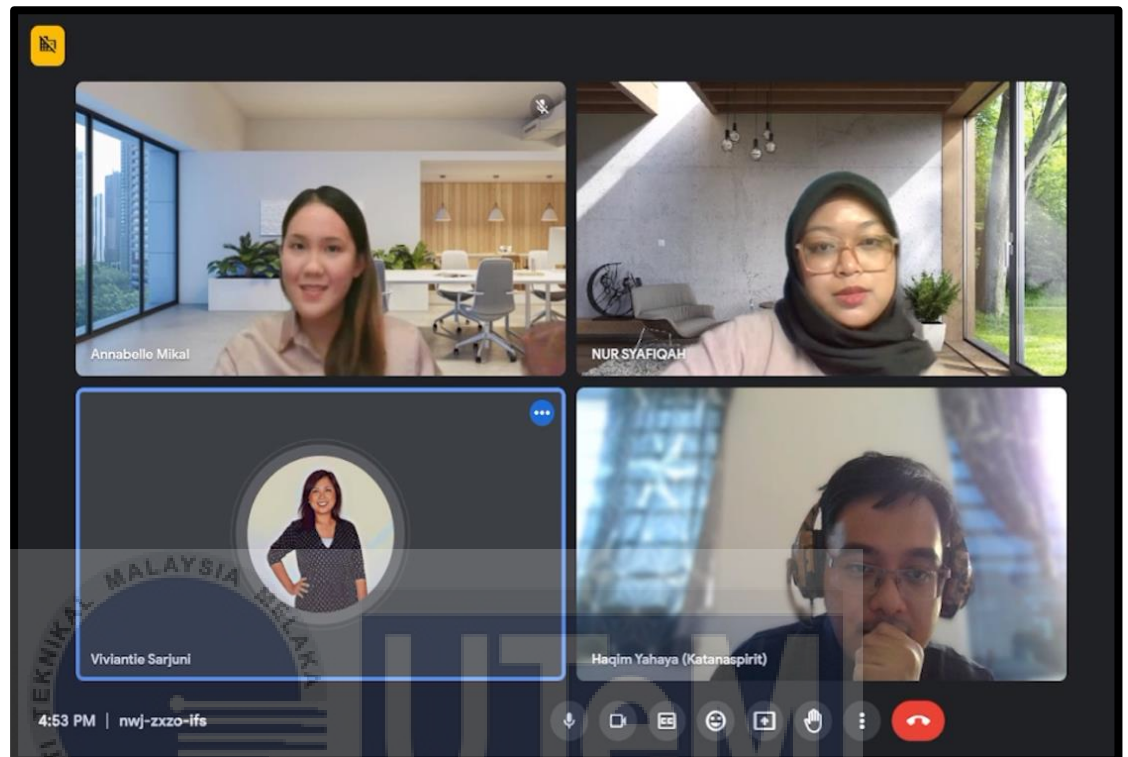
### Respondent A







## Respondent B



## Respondent C

