

"A man is  
great by  
deeds, not by  
birth"

-Chanakya

Welcome to IIMK



INDIAN INSTITUTE OF MANAGEMENT KOZHIKODE



Working Paper

**IIMK/WPS/505/SM/2022/06**

March 2022

## **Exploiting Diverse Business Models in Social Enterprises**

**Madhurima Basu<sup>1</sup>**  
**Rajesh Srinivas Upadhyayula<sup>2</sup>**  
**Vidya Sukumara Panicker<sup>3</sup>**

<sup>1</sup>Doctoral Student, Strategic Management Area, Indian Institute of Management Kozhikode, IIMK Campus PO, Kunnamangalam, Kozhikode, Kerala 673 570, India; Email - madhurimab13fpm@iimk.ac.in

<sup>2</sup>Professor, Strategic Management Area, Indian Institute of Management Kozhikode, IIMK Campus PO, Kunnamangalam, Kozhikode, Kerala 673 570, India; Email - rajesh@iimk.ac.in, Phone Number - 0495 2809432

<sup>3</sup>Lecturer in International Business, School of Business and Economics, Loughborough University, United Kingdom; Email - v.s.panicker@lboro.ac.uk

## **Exploiting Diverse Business Models in Social Enterprises**

### **Abstract:**

This paper analyzes the profitability of social ventures vis-à-vis for-profit start-up ventures in the emerging market. Also, the applicability of technology in the business model of social ventures had been critically analyzed in such markets having severe institutional voids. Taking data of 262 Indian start-up ventures and using the lens of institutional theory, we found that owing to the absence of institutional voids in an emerging economy like India, social tech start-ups are earning lesser profitability than the traditional social ventures. Moreover, there are presence of informal institutions in these markets that are found to facilitate the easy access of resources for social enterprises. For this reason, social ventures have been found to earn higher profitability than traditional for-profit start-up ventures in India. The implications of this study have been discussed.

Research Office

Indian Institute of Management Kozhikode

IIMK Campus P. O.,

Kozhikode, Kerala, India,

PIN - 673 570

Phone: +91-495-2809237/ 238

Email: [research@iimk.ac.in](mailto:research@iimk.ac.in)

Web: <https://iimk.ac.in/faculty/publicationmenu.php>

