Aspect

**Transforming Society Through
Social Science Innovation**

Social
Business
Model
Innovation

ASAP

Aspect Student Accelerator Programme

Pilot programme research and findings

March 2021

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Contents

An **introduction**

This Social Business Model Innovation report explores how startups with a social science and impact driven foundation ideate and evolve their business models. Primary research is based on the first cohort of 19 startups from the cross–university ASPECT accelerator as well as selected later stage social entrepreneurs. The report is intended for university leaders who are developing programmes for commercialising social science–based businesses.

Social enterprise model theory is still in its infancy (Dentchev, et. al., 2018; Wolfgang et. al. 2015) and there is limited research on the interplay between a theory of change and profit generation. Social-science based start-ups create unique combinations of activities not found in traditional business model approaches to sustain their mission and impact.

The ASPECT accelerator was the first of its kind to source early-stage social science-based ideas from across UK universities. Running this accelerator afforded unique insights into how social science rooted startups are commercialising at the earliest stages. Their long-run sustainability requires a differentiated and creative approach to business model development from the outset.

This report draws on primary data and interviews from the accelerator cohort as well as later stage social entrepreneurs and is complemented by wider reading on Theory of Change and current social business model development tools.

Three primary archetypes were used to segment businesses based on where they currently create competitive advantage in their business models

(1) Technology and Data (2) Operational Model (3) Customer and Product Innovation.

This was also used to structure our interviews, preliminary findings and finally recommendations on future interventions to be built on in further research.

Economic growth accompanied by worsening social outcomes is not success**.**

It is failure.

Jacinda Ardern
Prime Minister of New Zealand

1

The **Aspect Accelerator Social Entrepreneurs and Commercialisation Programme**

ASAP Social Science Entrepreneurs

The ASPECT accelerator focused on supporting early-stage social science entrepreneurship with a diverse commercialisation programme. Social science is, in its broadest sense, the study of society and the manner in which people behave and influence the world around us.

Social science entrepreneurship is the creation of ventures, services or products i) by founders with a background in the social sciences, or ii) by multi-disciplinary teams with businesses models and processes that are rooted in social sciences.

To that end, the first and second stage of the selection criteria for a final cohort of 19 businesses to enter the accelerator as a startup were designed to evaluate founder and business alignment with the programme thesis respectively:

Stage 1: Screening – focused alignment on the founders

ASAP focused on finding coachable founders with a relevant background and skillset to execute their desired projects. Relevant experience either lived, employment or academic that contributed towards their motivation, passion and understanding of their problems and/or market.

Founders had to be impact-driven and align with at least 2 UN SDGs, either through the socially-responsible running of the business or the impact created through the business operations. They should have launched within the last 2 years and be pitch ready with less than a seed-round capital raise.

Stage 2: Pitching – focused more on the businesses

Following initial screening, applicants were asked to pitch their businesses. Each startup was judged on its present business potential, but also the extent to which they could benefit from the program and community on the accelerator to advance their mission.

Business alignment with the Aspect mission (social impact, social sciences, SDGs) was a key criteria along with a view on progress in team and product development, traction/ customer discovery and market evaluation.

A key component of the recruitment process was focused on diversity and inclusion. At each stage of the application process, we reviewed potential bias and applied processes to ensure accessibly for applicants, encouraging women, BAME, and disabled founders to apply and monitoring diversity at every level.

This work resulted in a truly varied cohort with founders and business representing stakeholders from all geographies, races and socio-economic levels. Multiple research studies have shown that such cognitive diversity also leads to improved business results.

Matthew Syed - Rebel Ideas. The Power of Diverse Thinking

There were five key industries of focus by which all cohort members were operating within or in tandem with outlined below.

- Health
- Equality
- Education
- Economy
- Environment

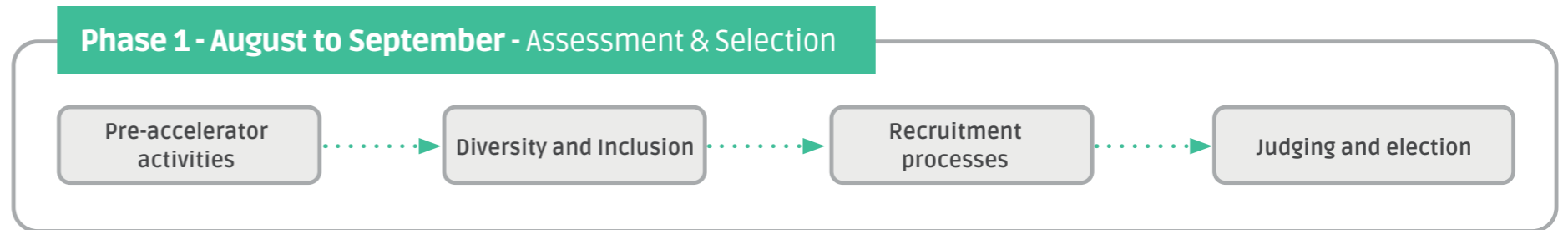The Framework

ASAP Commercialisation Programme Overview

Social sciences research commercialisation comes with its own unique set of challenges, the pilot accelerator framework was therefore was adapted to provide a bespoke and holistic curriculum for social entrepreneurs starting from the assessment process through to post program coaching

Phase

1

- Selection criteria for social science entrepreneurs
- Emphasis on D&I for the cohort and choice of delivery partners

Phase 1 - August to September - Assessment & Selection

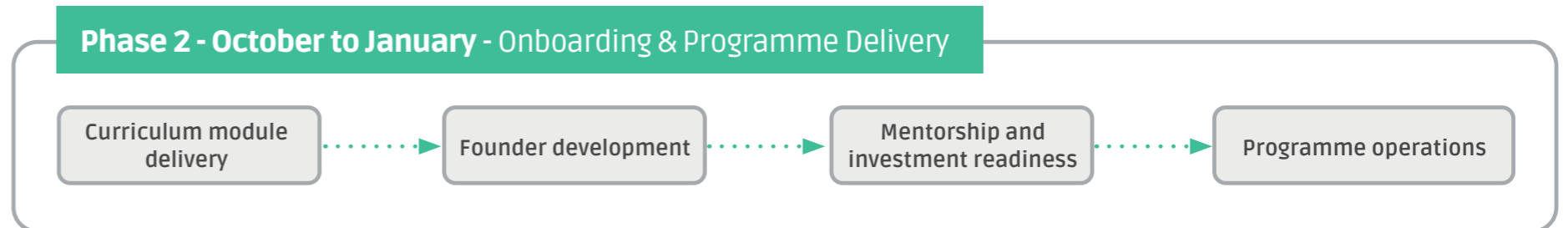| Pre-accelerator activities | → | Diversity and Inclusion | → | Recruitment processes | → | Judging and election |

Phase

2

- Social Bootcamp Kick Off to ensure startups understood concepts including Theory of Change and Data ethics
- Selected social business modules, facilitators and speakers

Phase 2 - October to January - Onboarding & Programme Delivery

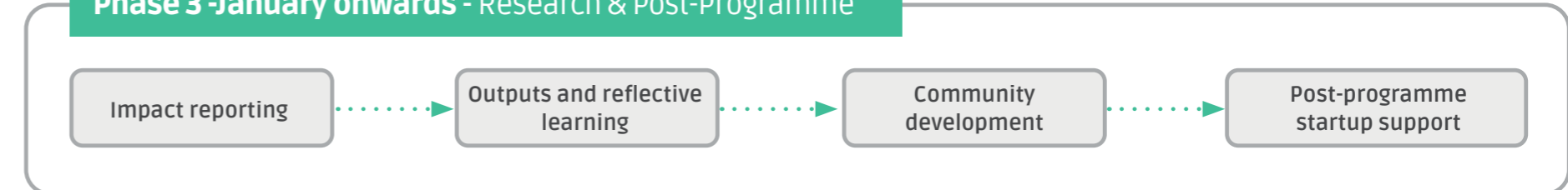| Curriculum module delivery | → | Founder development | → | Mentorship and investment readiness | → | Programme operations |

Phase

3

- Primary research on startup impact, founder development and social business models development
- Coaching from a leading social entrepreneur

Phase 3 -January onwards - Research & Post-Programme

| Impact reporting | → | Outputs and reflective learning | → | Community development | → | Post-programme startup support |

The Framework

ASAP Commercialisation Programme
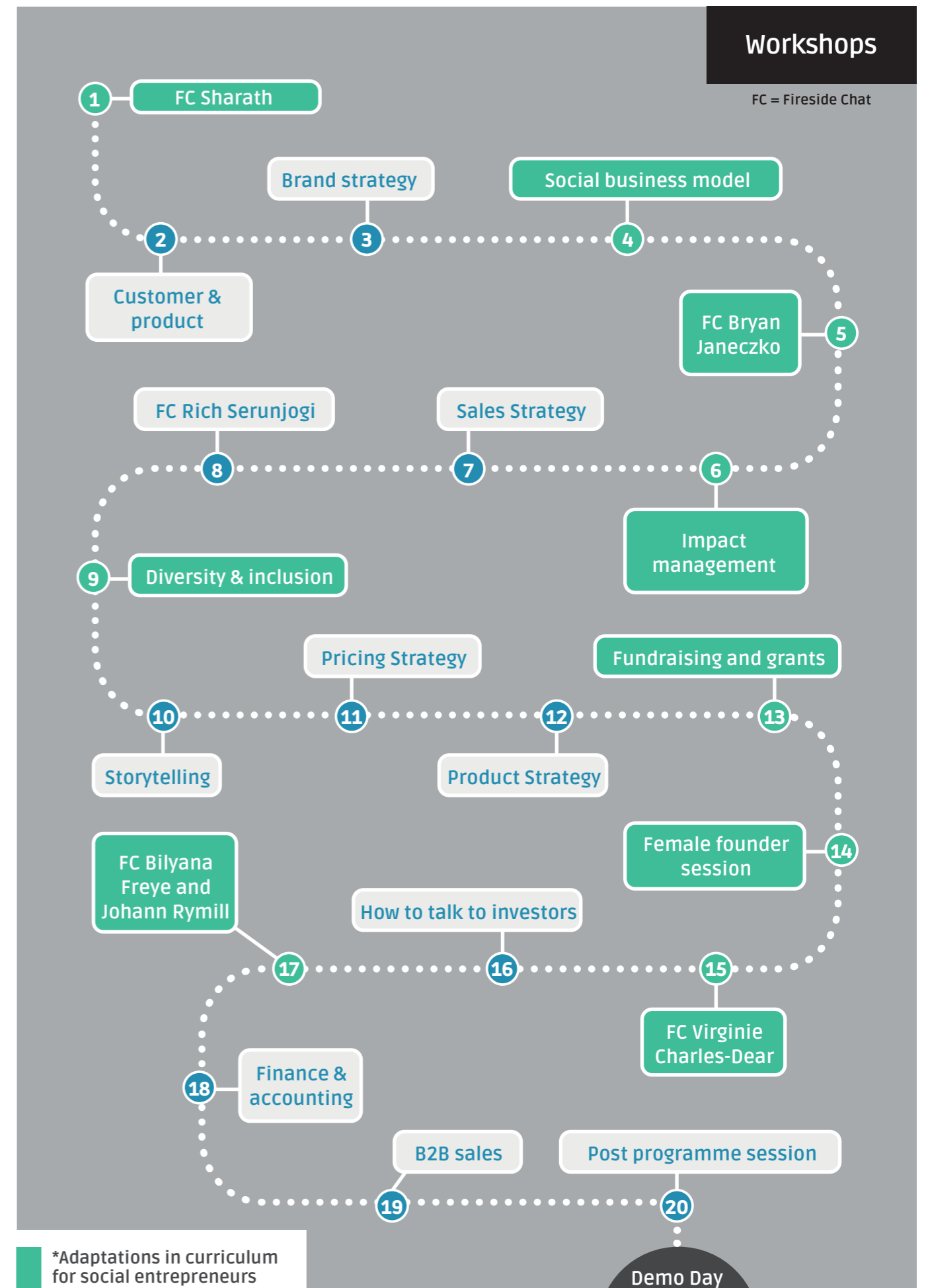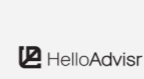## Phase 2 Delivery

The accelerator curriculum was adapted to incorporated social business across the curriculum. Throughout core business modules such as brand strategy„ facilitators tailored teachings for social entrepreneurs. Through mentorship, coaching and the wider community there was exposure to successful role models in social entrepreneurship.

16 bootcamps tailored to social sciences

150 hours 1:1 founder support

2 month mentorship programme

12 founder peer roundtables

Workshops

FC = Fireside Chat

1 FC Sharath

Brand strategy

Social business model

2 Customer & product

3

4

FC Bryan Janeczko 5

FC Rich Serunjogi

Sales Strategy

8

7

6

Impact management

9 Diversity & inclusion

Pricing Strategy

Fundraising and grants

10

11

12

13

Storytelling

Product Strategy

Female founder session 14

FC Bilyana Freye and Johann Rymill

How to talk to investors

17

16

15

FC Virginie Charles-Dear

18 Finance & accounting

B2B sales

Post programme session

19

20

The Framework

🟩 *Adaptations in curriculum for social entrepreneurs

Demo Day

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2
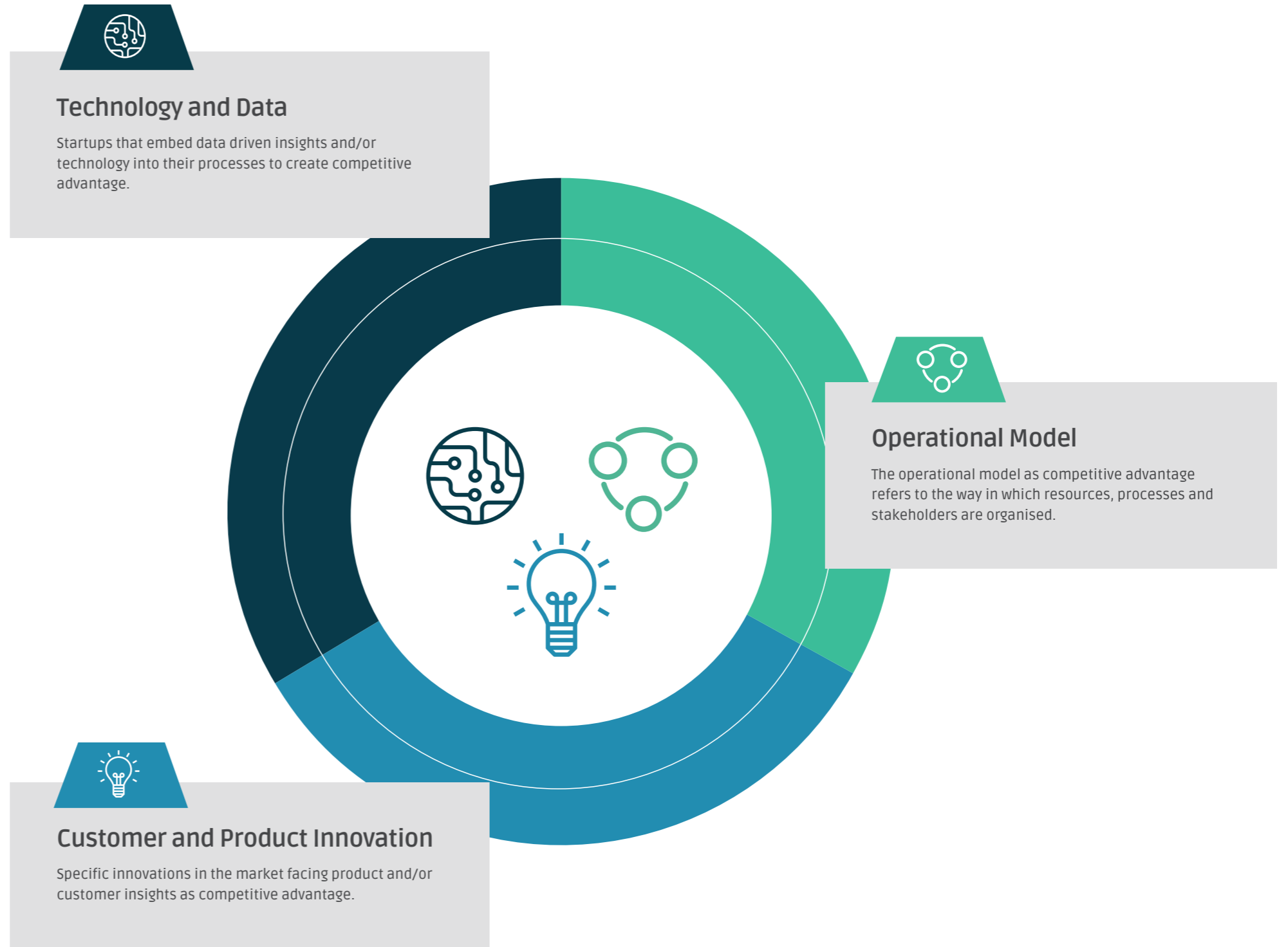# Research Methodology and Approach

Social Business Model Archetypes

During our data collection, each company was asked to rank where they currently create competitive advantage in their business models:

1. **Technology and Data**

2. **Operational Model**

3. **Customer and Product Innovation**

Archetype categories were chosen based on observations of the businesses over the accelerator program and their core strength areas. The categories are not mutually exclusive but rather, they allow a route to distilling and testing of preliminary findings that support future focused commercialisation interventions.

Technology and Data

Startups that embed data driven insights and/or technology into their processes to create competitive advantage.

Operational Model

The operational model as competitive advantage refers to the way in which resources, processes and stakeholders are organised.

Customer and Product Innovation

Specific innovations in the market facing product and/or customer insights as competitive advantage.

Research & Methodology

Research methodology and approach

A sample set of 7 accelerator cohort early-stage businesses were interviewed to understand their commercialisation journey targeting three main areas:

- The core influencing factors that led the founder towards starting a business and the legal structure chosen
- How the business model evolved to integrate and translate social science research or evidence
- Their key commercialisation challenges and opportunities

Later stage social entrepreneurs were interviewed with a focus on which legal structure they chose and why, how they integrated social science research and impact into their businesses models, integration of business and impact metrics and how they overcame commercialisation challenges.

Each interview was conducted online and were between 30 and 60 minutes in duration.

Early Stage Social Science Commercialisation

- Data collection questionnaire sent to the cohort on their commercialisation journey and to help shortlist companies to interview

- Interviews with 7 cohort founders to establish business model evolution

Later Stage Social Science Commercialisation

- 6 interviews with later stage social entrepreneurs to understand how more mature business models evolve

Learnings for future commercialisation framework

- Combining learnings to pinpoint areas where commercialisation can be accelerated at the early stages for social science entrepreneurs

Research & Methodology

Interviews. Understanding the Social Business Model Journey

Early Stage entrepreneurs

Company name	Business Stage	Company Structure	Customer & Product Innovation	Technology & Data	Operational Model	Interview
Nunbelievable	Revenue	C-Corp	✓			12/1 Founder and CEO, Bryan Janezcko,
Toucan Box	Revenue	Private ltd	✓			22/2 Founder and CEO, Virginie Charles Dear
Mojapay	Pre-Revenue	C-Corp		✓		20/1 Founder and CEO, Tarig Hilal
Business Score	Post Seed Revenue	Private ltd		✓		15/1 Founder, Rich Serunjogi
My Mind	Revenue	Social Enterprise			✓	15/1 Founder Krystian Fikert
Stir Education	Revenue	Charity			✓	14/1 Founder, Sharath Jeevan

Later Stage entrepreneurs

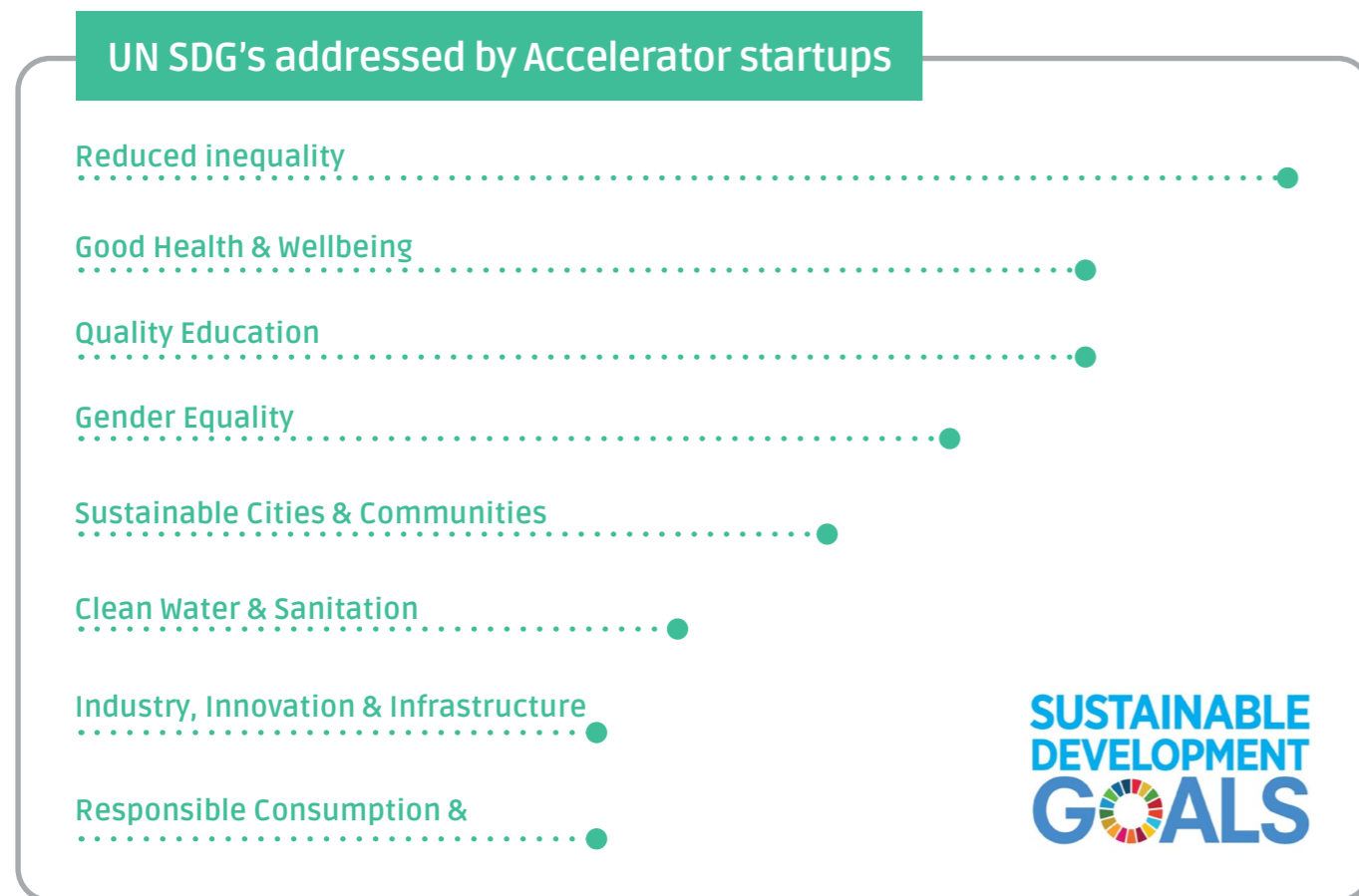| Company name	Business Stage	Company Structure	Customer & Product Innovation	Technology & Data	Operational Model	Interview
Level Up	Post Seed Revenue	Private ltd	✓			19/01: Co-Founders, Daniel Gordon Hall and Russell Indradjaja
I Speak Mental Health	Revenue	Private ltd	✓			15/01: Co-Founders, Alejandro Serrano Saunders and Ana Isabel Bacallado Almandoz
Neumind	Pre Seed Revenue	Private ltd		✓		20/01: Co-Founders: Ellis Parry and Rufus Russell
Satis	Pre Revenue	Private ltd		✓		20/01: Co-Founders, Hazel McShane and Amber Probyn
TXC	Revenue	NGO/ Simplified Shares Corp. (Col)			✓	15/01: Co-Founder and CEO, Sebastian Jaramillo
CAUKIN Studio	Revenue	Private ltd			✓	19/01: Co-Founder, Harry Thorpe
Yellownest	Pre Seed Revenue	Private ltd			✓	19/01: Founder and CEO, Kannan Ganga

Research & Methodology

3
Commercialisation Challenges and Opportunities

Social Business Models
Challenges & Opportunities

Prior to interviews, a short questionnaire was sent to the all cohort companies to understand both the challenges and opportunities of developing social business models aligned to their specific UN SDG's.

A mapping on UN SDG's as well as the most frequently cited challenges and opportunities are highlighted here.

UN SDG's addressed by Accelerator startups

Reduced inequality

Good Health & Wellbeing

Quality Education

Gender Equality

Sustainable Cities & Communities

Clean Water & Sanitation

Industry, Innovation & Infrastructure

Responsible Consumption &

SUSTAINABLE DEVELOPMENT GOALS

"Our impact focus means we will be able to better position ourselves to pitch to impact and sustainability-oriented investors and customers"

Impagro Farming Solutions

Challenges

- Effective go to market routes

- Balancing impact and short-term

- Establishing optimal pricing

- Measuring and communicating impact

- Navigating impacts of COVID

Opportunities

- Recruiting high quality mission driven talent

- Growth in number of impact investors

- Ability to attract more diverse customers and stakeholders

- Pandemic re-focusing business narrative on UN SDG's

- Customer sentiment shifting towards purpose/ impact

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4
Social Business Model Innovation
Case Studies

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Early and Later Stage Social Entrepreneur case studies focused through:

Technology and Data	**Operational Model**	**Customer and Product Innovation**
1	**2**	**3**

Social Business Model Innovation
Technology and Data

Data Analytics Research Engine

Of the cohort businesses surveyed – only 10% indicated technology and data as a primary area of competitive advantage. Interviews with both early and late-stage entrepreneurs showed that embedding data analytics engines and creating an efficient loop to integrate customer insights, secondary research to translate into business products could be better leveraged across all social science businesses. In time, this data could evolve to products and revenue streams in their own right.

Early Stage

- Prior exposure to **lean start up methodologies** supported more rigourous and effective customer discovery

- Competitive advantage gained from being able to quickly filter and aggregate disparate sources of research into the product/services

- Ability to be able to access real time data on customer testing and insights allows founders to prioritise product/service iterations

- Traction and credibility gained from being able to provide feedback and data to customers and other stakeholders

Later Stage

- Develop a real time and **quick data analytics** to aggregate and act on customer research and insights

- Customer insights **enabled service to a broader market** with a more scalable business model

- Hire **specialist data science** expertise in the team

- As data analytics becomes more sophisticated, develop **new data products** as revenue growth opportunities

- Symbiotic and **integrated revenue and impact metrics** and measurement leveraging "quick data analytics" and communication of results to all stakeholders
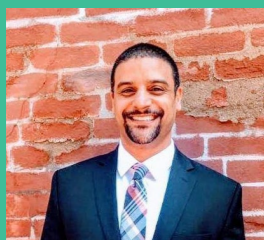
Innovation Case Studies

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Case Study: MojaPay
Financial inclusion

Technology and Data

Startups that embed data driven insights and/ or technology into their processes to create competitive advantage.

Moja takes the pain out of pooling money allowing family and friends to send, receive and pool money where ever they are in the world.

Tarig Hilal
Founder & CEO

About us

Year Started: **2018**
Structure: **C Corp**
Stage: **Pre-Revenue**
UN SDG: **Reduce inequalities**
Customer: **Young Entrepreneurial Africans**
Target Outcome: **Enable family and friends to access finance**
Impact Metrics:
Volume of transactions and number of users

MojaPay originally had a goal to support refugees and financially displaced people on financial inclusion. At the early stages, they focused on development organisations to partner with but through rigorous customer research found a more efficient and scalable business model.

Evolution through Customer Data

Mojapay initially started with a niche value proposition to impact the value chain of the humanitarian sector by targeting development support agencies. Following extensive customer research combined with key pieces of secondary research, the business model evolved to target the customer directly.

'We initially targeted refugees and IDP's and found through customer research their challenges were similar to the general working population. We evolved to target a much larger customer base that included refugees and IDP's

Competitive Advantage

MojaPay's pooling financial lending app was developed directly from customer data and a few key pieces of secondary research. The ability to translate customer data and secondary research into viable business products was reinforced by a co-founding team with complementary skills in social sciences, business and technology. To augment MojaPay's strengths in these areas, a priority hire will be a data scientist to provide improved insights into customer behaviour on the mobile app.

Integrating Business and Impact

Metrics In the short term, standard business metrics also capture impact metrics as the product inherently incorporates financial inclusion metrics. Longer term however, robust data analytics may be used to develop more inclusive, transparent and fairer credit scores to further the impact of MojaPay's financial inclusion mission.

Innovation Case Studies

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Cohort Case Study: Neumind
Financial inclusion

Technology and Data

Startups that embed data driven insights and/ or technology into their processes to create competitive advantage.

Neumind is a contextual prompting smartphone app to help people with neurological conditions improve memory, executive functioning and independence.

neumind

Ellis Parry
Co- Founder

Rufus Russell
Co- Founder

About us

Year Started: **2018**
Structure: **C Corp**
Stage: **Pre-Revenue**
UN SDG: **Reduce inequality**
Customer: **Young Entrepreneurial Africans**
Target Outcome: **Improve patient independence and functioning**
Impact Metrics:
8,000 prompts have been sent to people suffering from serious neurological injuries and conditions using Neumind's Alfred application.

Neumind connected personal experience, academic resources, gaps in existing products and key pieces of secondary research to develop their initial product. With a growing user base, quickly testing and iterating customer data became a core area of competitive advantage.

Founder Commercialisation Journey

The founders started with a core problem from personal experience and followed the start-up route primarily due to the expertise of the team, prior exposure to lean start-up methodologies and the absence of robust digital tools on the market. Greater openness and a pro-entrepreneurial culture over the last 5 years at Oxford helped to promote start-up creation.

Business Model Evolution

Neumind benefited from a research report evaluating the size of the brain injury rehabilitation market and as well as existing products on the market they realised could be improved upon. Translating this evidence required filtering and prioritising the major problems the new business and digital product needed to address. With the founding team and advisor expertise, they were then able to validate each problem, hypothesis and test in an agile fashion to enable quick product development.

> *"Our competitive advantage is that we can draw together ideas and information from various sources and move and test quickly through strong data analytics"*

Key Early Stage Commercialisation Challenges

The credibility to speak to potential customers and investors relied on being able to quickly acquire and test customer data to gain traction. There were resource constraints in primary research but Neumind is now working with a university to develop more primary research to accelerate new features and customer traction.

Innovation Case Studies

Social Business Model Innovation
Operating Models

Channel Scaling through Business and Impact

Of the 15 cohort businesses surveyed – 50% indicated that their businesses create a competitive advantage through their operational model. At both the early and late stages, this relies on rigorous customer testing combined with effective go to market strategies. It requires them to source channels and partners with existing infrastructure to help the startup scale most efficiently and not "reinvent the wheel" in-house. 'Channel scaling' was a term that captured both components of this go to market decision making.

Early Stage

- Development of **symbiotic relationships between all business stakeholders** for disproportionate value gains

- Anticipated **growth in the use of technology to scale** but a strong configuration of the operational model around the problem came first

- Sourcing experts and **partners who complemented their unique proposition** and running experiments to find the optimal go to market

Later Stage

- Develop a business and operating model with minimum efficient scale by utilising the most efficient go to market channels

- Find **channels and partners with existing infrastructure, resources and relationships** to scale from the start and create impact faster

- Create a **dedicated function** in the operational model that combines research and delivery to improve processes and impact over time

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Case Study: STiR Education
Equal Opportunity

Operational Model

The operational model as competitive advantage refers to the way in which resources, processes and stakeholders are organised.

STiR Education re-ignites intrinsic motivation in teachers and education systems

Sharath Jeevan
Founder & CEO

About us

Year Started: **2012**
Structure: **NGO**
Stage: **Revenue**
UN SDG: **Quality Education**
Customer: **Governments and school**
Target Outcome: **Lifelong learning for 10 million teachers and 300 million children.**
Impact Metrics:
The # of schools and children served through the program.

STiR Education sought to improve lifelong learning through education systems in Uganda and India. Several key elements of their operational model allowed Stir to reach 200,000 schools and 35,000 teachers.

Evolution through Operational Model

STiR was a donor-based organisation primarily from private funding. The team initially targeted individual schools but quickly pivoted to target Governments with existing budgets that wanted to improve schools. There is a myth that scale equals impact, StiR configured the organisation to minimum efficient scale after which growth and impact would compound disproportionately. The process involved "channel scaling" picking the go to market route efficiently to reach as many schools as possible and working with partners that complemented STiR's offering and removing duplicative efforts.

Competitive Advantage

Through social science and impact STiR set up a Program Design function to translate insights from primary evidence, academics, secondary research into actionable program design. In essence this function acted as that bridge between program delivery and the external world . In STiR's case, the speed and skillset of the people in this function acted as a catalyst to scaling impact and empowering local governments to improve education systems.

> *Social science approaches aren't easily codified – they're usually pretty messy. As there is no technical solution, the bet has to be on ongoing improvement in our case on the process and delivery.*

Integrating Business and Impact Metrics

The team made a decision to secure private donations each year to cover the operational costs and harness Government existing spending and infrastructure. This translated to a key efficiency gain metric - one dollar of spent at Stir leveraged $30 of public spend.

Innovation Case Studies

Cohort Case Study: TxC
Health and wellbeing

Operational Model

The operational model refers to the way in which resources, processes and stakeholders are organised.

TxC are working to reduce the poverty cycle caused by unwanted teenage pregnancy through delivering Sexual and Reproductive Health Intervention at schools with the use of AI.
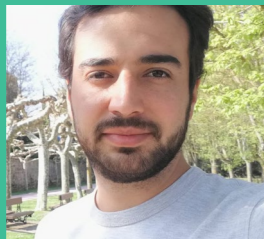
Sebastian Jaramillo
Founder & CEO

About us

Year Started: **2018**
Structure: **Simplified Shares Corp**
Stage: **Seed, Revenue**
UN SDG: **Good health and wellbeing**
Customer: **Schools, Corporates and Local Municipalities.**
Target Outcome: **Decrease barriers for teenagers to access their sexual and reproductive rights.**
Impact Metrics: **192 teenagers trained on their sexual and reproductive rights in Colombia, with TxC's chatbot learning solution.**

TxC founders connected their lived experience, market knowledge, academic research and technical skills to develop their programme, content and product offering. Alongside fostering key relationships with their customer base, local governments and corporates to create a functional ecosystem that was able to navigate the social taboo of reproductive health.

Founder Commercialisation Journey

Sebastian had social entrepreneurship experience through a previous fin-tech venture, alongside this he possessed the necessary networks within the UN and local government institutions to drive his interventions forwards. The second part of his experience that greatly shaped his start-up journey was becoming a Chevening Scholar where he was able to conduct further research to bolster his certainty in the market and problem.

Business Model Evolution

TxC leveraged secondary market research conducted by a variety of institutions on the market size and opportunity of high unwanted teenage pregnancies. After completing a thorough competitor review, Sebastian was able to identify an opportunity amongst sexual health teaching. Through the initial part of the programme the founders were able to build, test and iterate on their model, successfully monetizing their programmes and offering to local schools. For TxC, the next stage of the business is ensuring the product evolves to produce a repeatable and sustained impact on the business core metrics.

"We were iterating on how best to drive value and mass adoption for our solutions to reduce the stigma around sex. We executed experiments and, in the end, when we saw cash flow and things were happening, we just followed the impact and followed the cash."

Key Early Stage Commercialisation Challenges

These challenges revolved around a few activities, clear application of western academic theory into the Latin market, there was great difficulties initially in understanding who stakeholders were and what their motivation was and aligning their most relevant narrative accordingly. When balancing impact outcomes there were also challenges on maintenance of sustained cash flow from corporates and schools.

Innovation Case Studies

Social Business Model Innovation
Customer and product

Purpose Product Market Fit

Of the 15 cohort businesses surveyed – 40% indicated the external product as their competitive advantage. At the early stage, there was scope to improve that core product through applied data allowing customer insights to be a greater influencer of the product development. For both early and later stage entrepreneurs, purpose was at the heart of the product so creating a flywheel effect between the purpose product and market with simple impact driven customer messaging.

Early Stage

- Early product features driven by academics, customers, R&D and expert input

- Scope to improve product **through applied data and technology** for example through impact measurement that translate to product improvements

- Impact is well integrated into the core products so are not considered as 'separate' entities to be balanced

Later Stage

- Keep the **purpose imperative core** in all customer messaging and utilise a **simple and easy to understand impact message**

- **Customer centricity and relentless focus on commercial sustainability** in the early stages enabled impact acceleration

- A purposeful and authentically communicated company mission affords second order benefits throughout the business such as higher loyalty and lower attrition of talent

42

43

Case Study: Nunbelievable
Food Security

Customer and Product Innovation

Specific innovations in the market facing product and/or customer insights

Nunbelievable sells baked cookies and in turn donates meals to those most in need
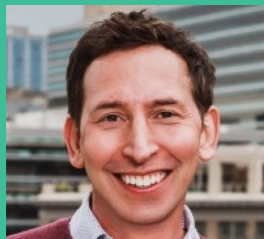
nunbelievable

Bryan Janeczko
Founder & CEO

About us

Year Started: **2019**
Structure: **C Corp**
Stage: **Revenue**
UN SDG: **No Hunger**
Customer: **Women who want to give back**
Target Outcome: **Buy one give one – cookies sold and meals donated**
Impact Metrics: **Meals Donated**

Nunbelievable started with the mission to alleviate food poverty in America and utilised the simple one for one impact model – for every box sold, a meal is donated to those in need. As the business evolved, Nunbelievable has leveraged select partners to scale its impact in line with revenue growth.

Evolution through Customer and Product Innovation

Nunbelievable started with a vision to reduce food poverty and Its founder, a serial entrepreneur in the food sector and e-commerce worked to find a business model to fit this mission. To arrive at a viable business model that would create impact they tested 3 main hypotheses:- would people buy the product? Would they buy it online? Did the mission resonate with customers? Customer centricity and product innovation combined with focus on scale from the outset allowed the company to meet its impact goals in a short space of time (300,000 meals donated).

> *There are so many elements to test at the start of a business - keep the impact metric simple and focus on the revenue stream to gain momentum, as you grow leverage the right impact partners to strengthen your impact – you don't have to build that from scratch in house"*

Competitive Advantage through social science and impact

Nunbelievable's mission drew in customers who deeply care about the mission which also drove loyalty. The company was also able to attract and retain high quality talent through its purpose – millennials care more that their time has

Integrating Business and Impact Metrics

Nunbelievable's key takeaway for early stage entrepreneurs is to keep impact metrics as simple as possible so it went through a tried and tested buy one give one business model. On the internal metrics, the company decided upfront to retain 10% of marketing spend on impact partners. This early decision created a halo effect for its key stakeholders creating a flywheel effect vs a tension between profit and purpose

Innovation Case Studies

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Cohort Case Study: I Speak Mental Health
Health and wellbeing

Customer and Product Innovation

Specific innovations in the market facing product and/or customer insights

I Speak Mental Health is working on teaching students and employees the language of mental health, so that they can help themselves while also helping others.

I SPEAK MENTAL HEALTH

Alejandro Serrano Saunders
Co-Founder

Ana Isabel Bacallado Almandoz
Co-Founder

About us

Year Started: **2020**
Structure: **Private Limited**
Stage: **Pre-Seed, Revenue**
UN SDG: **Good health and wellbeing**
Customer: **University student in the UK**
Target Outcome: **Improve student and employee mental health and resilience through learning.**
Impact Metrics: **Over 85 mental health kits distributed to university students in the UK.**

The ISMH founders were driven through friends who encountered mental health problems during their time in higher education, combined with the natural intersection of the founder studies in business and psychology. They both realised that in their home country of Spain there was a serious social taboo of mental health and a lack of understanding of the problem scope.

Founder Commercialisation Journey

After completing extensive research on launching a charity/ non-profit they realised there were many bureaucratic barriers to entry to support relevant beneficiaries, so they decided to launch a private limited company. Both founders completed international university experience, in Hong Kong and California, these journeys greatly shaped their founder experience and ambition, alongside pop-culture growth in the idea of entrepreneurship as an ideal early career choice.

Business Model Evolution

ISMH leveraged academic theory in developing their initial product range, and had a focus on scientific backing in their R&D process. There needed to be adequate evidence of value before launching any component of their product. At this early stage there has been a great deal of attention to customer development, it was key to build a robust product that can satisfy both B2B and B2C customer bases. After launching in late-2020 they realised the sales rates were lower than anticipated and decided to spend more time on understanding their metrics, in particular, focusing on customer mental health learning as they found this drove product engagement.

"Entrepreneurial rhetoric is diametrically opposed in reality. You hear that 'entrepreneurs are brilliant', thinking about Musk or Zuckerberg's fantastic ideas and conviction in their work. What we've learned is that it is so far from the truth, what is most important is actually to have very little faith in your ideas, it helps you focus on the problem not your solution and asking the right questions"

Key Early Stage Commercialisation Challenges

Remaining objective when analysing new data was identified was a key challenge of the commercialisation experience, the founders highlighted their struggle breaking away from a £5 price point for their product. Another challenge areas was push back from investors in the lack of applied technology in the product, reducing the access to data insight and scalability of products. At its core, the fundamental challenge faced was attributing time and resource effectively to balance the commercial viability and impact of their activities.

Innovation Case Studies

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5

Conclusion and recommendations

In **conclusion**

The preliminary findings from a sample set of early and later stage entrepreneurs revealed two major areas to build upon:

Secondly, through interviews and conversations with several mentors as well as wider reading on social business model concepts and tools, three main areas of intervention to accelerate early stage commercialisation emerged:

Founders Learning and development prior to the accelerator

Early-stage founder commercialisation journeys were significantly influenced by how open their respective universities were to commercialising research projects. Encouragement or lack thereof by universities to develop research into business ideas influenced the founders decision to starting a venture.

Prior entrepreneurial exposure

Similarly, prior entrepreneurial exposure through courses such as lean startup methodologies and theory of change allowed for noticeable acceleration in business model development.

Previous entrepreneurial experience and peer networks were also key influencing factors in founders deciding to convert their research into businesses.

However, when starting business there was little understanding or thought given to legal structures that would best-fit their mission and outcomes, an experience also echoed by later stage founders. Both merit further work to understand how best to help founders navigate legal structure specific to the problems they are tackling.

Build a Data Driven Translation Engine

There was a noticeable gap in the use of data and technology amongst the majority of founders. Those that did leverage data, in particular for customer discovery and insight were able to iterate products faster.

At the later stage, adoption of data driven methods allowed for quicker and more effective assimilation of customer insights and secondary research to drive product and service improvements. In some cases, new data products and revenue streams.

Given that social science research is often built around data analysis, it is essential to cultivate a data driven mindset from the start. Ultimately, each startup must develop a method by which to translate research and data from various sources to viable commercial products and services.

Beyond the translation of research to business, several startups described go to market challenges.

How should they efficiently scale whilst also balancing revenue and impact?

Traditional go to market methods often have a narrow scope of customers and customer beneficiaries.

Channel Scale for business and impact

Later stage entrepreneurs cited "channel scaling" as a way to frame ideal customers differently.

A social entrepreneur can think more broadly about its stakeholders and whether there's someone else who can pay or has complementary strengths for impact delivery.

For example, STiR Education realised that local governments had existing budgets to improve effectiveness of schools and worked with them instead of targeting schools directly. And Nunbelievable did not conduct impact research in house, they passed on their customer insights to research partners to help them create new high impact interventions.

The core philosophy was to double down on inherent strengths of the founding team and business and to reach what one entrepreneur described as "minimum efficient scale" and then select partners to accelerate impact.

The minimum efficient scale approach defies the narrative that scale is equal to impact. By adoption of technology and data as well as channel scaling, startups can create disproportionate impact sooner.

Find Purpose Product Market Fit

The final point of social business model development is how well purpose is integrated. The term "Purpose Product Market Fit" is used to capture the alignment of purpose to all aspects of the business model. Purpose answers an all-important question, "Why does a company exist?"—and the answer can serve as the beacon for all organizational decision-making.

Purpose-driven companies witness higher market share gains and grow three times faster on average than their competitors, all while achieving higher workforce and customer satisfaction. One of the top challenges cited by early stage entrepreneurs was balancing impact and short-term business results. Interviews with later stage social entrepreneurs revealed that tension need not exist if purpose is well aligned and articulated across all sectors of the business.

Adoption of simple impact messaging and A/B testing customer responses and rethinking traditional line items such as marketing spend were two ways to help find purpose product market fit.

Further research will enable more detailed analysis of other routes by which profit/purpose tensions can be converted to not only Purpose Product Market Fit but also a flywheel that facilitates high performance commercial and impact results.

Conclusions & Recommendations

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Social Business Model Archetypes Summary

For case study learnings, an initial distillation of interventions are illustrated below to both test in further primary and secondary research with a larger sample set but also detail and curate case studies, tools and methodologies on how each can be achieved to help founders create more effective social business models.

Technology and Data

Startups that embed data driven insights and/or technology into their processes to create competitive advantage.

Data Driven Translation Engine.

Customer and Product Innovation

Specific innovations in the market facing product and/or customer insights as competitive advantage.

Purpose Product Market Fit.

Operational Model

The operational model as competitive advantage refers to the way in which resources and stakeholders are aligned and incentivised.

Channel Scaling for business and impact.

Technology and Data

ARCHETYPES

Operational Model

Customer and Product Innovation

52

53

Conclusions & Recommendations
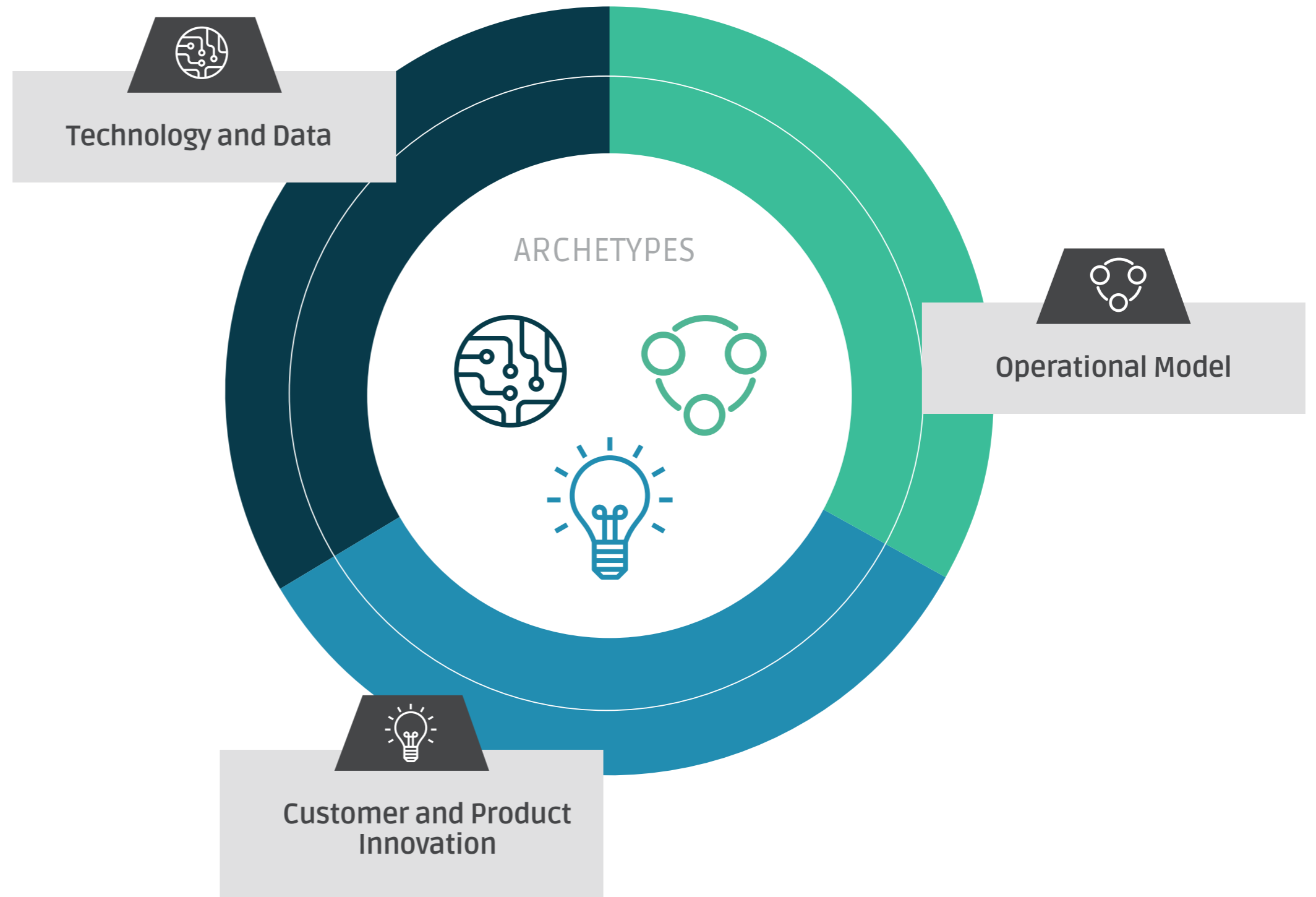
Recommendations on Future Commercialisation Support

For each of the proposed interventions described, outlined below are immediate routes to adapt commercialisation support with a focus on accelerator curriculums.
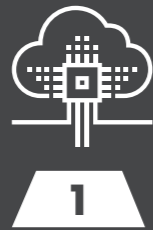
1
Build a Data Driven Translation Engine

Recommendations

- Infuse data driven management and methods early in the accelerator curriculum in particular around rigorous customer discovery and testing

- Provide social science startups with relevant technology and data learning and tools that will support them to build an efficient "translation engine" early on to incorporate social science and customer research

2
Channel Scale for business and impact

Recommendations

- Develop a case-based approach along with masterclasses from leading social entrepreneurs on efficient go to market strategies

- Deliver a module from legal experts and founders on how to find best fit legal structures for the specific business problems each venture is tackling

3
Find Purpose Product Market Fit

Recommendations

- Match each social science startup with a research mentor to support purpose/ mission alignment and measurement and communication of impact. It will also help to reinforce data driven thinking and integration of business and impact metrics early on

- Support founders lead with purpose from day one and how this can be most effectively integrated through the business where relevant - through a combination of coaching, case-based learning and leveraging tools such as the social business canvas
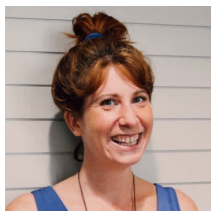
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Team & Acknowledgements

References

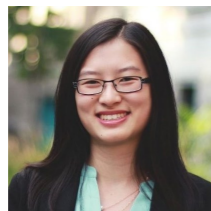Thank you to everyone that participated in our interview process:

- Level Up
- I Speak Mental Health
- Neumind
- Satis
- TXC
- CAUKIN Studio
- Yellownest

- Nunbelievable
- Toucan Box
- Mojapay
- Business Score
- My Mind
- Stir Education
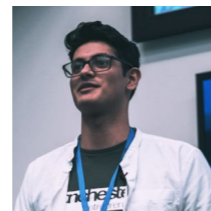
ASAP

Delivery and Knowledge Team
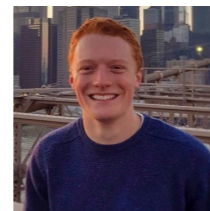
LJ Silverman
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Marketing Associate

Social Enterprise Business Models

https://westaway.co/insights/social-enterprise-business-models__trashed/

Social Business Model Canvas – Stanford Business School and Social Tech Trust

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https://socialtechtrust.org/wp-content/uploads/2018/07/Social-Tech-Trust-Canvas-Guidance-Paper_final.pdf

Impact Practices and Learning

https://www.inspiringimpact.org/

Theory of Change

https://www.thinknpc.org/resource-hub/ten-steps/Human

Centered Design

https://www.designkit.org/

Social Entrepreneurs Book Recommendations

Disciplined Entrepreneurship by Bill Aulet
Crossing the chasm by Geoffrey A Moore
Paul Graham Essays

Conclusions & Recommendations

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Transforming Society Through Social Science Innovation

Aspect (A Social sciences Platform for Entrepreneurship, Commercialisation and Transformation) is a network for organisations looking to make the most of commercial and business opportunities from social sciences research.

Supported by Research England's Connecting Capability Fund, Aspect members sit at the epicentre of discovery, imagination and progress in the social sciences. We draw together pioneering academics with innovative industry leaders to tackle the most complex societal challenges of our time.

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