

# Social & Business Co-Creation: From Why to How?

Perspectives from Swiss Companies

Highlights from  
the 2017 survey



HAUTE ÉCOLE DE GESTION  
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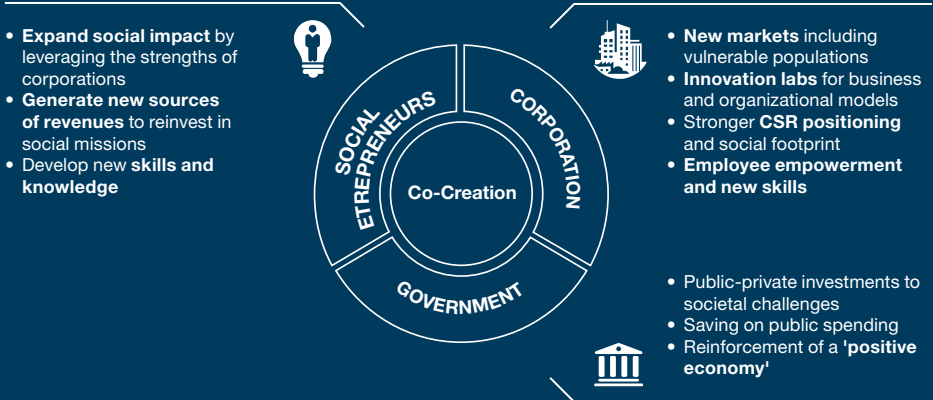
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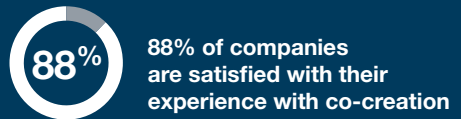
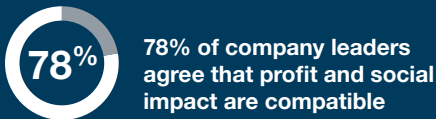
# EXECUTIVE SUMMARY

**Co-creation pools** complementary skills and expertise of social entrepreneurs, businesses and public authorities to

- meet challenges that none of these actors could have solved alone
- create value for all and gain access to new strategic opportunities



## 2017 Survey Highlights



A majority of company leaders interviewed identify as Changemakers



Perceived barriers are significantly lowered once companies actually engage in co-creation

## Top 3 Objectives of co-creation are



Customer expectations



Responsible image



Engaging employees

In 2017, Ashoka and the School of management Fribourg led the **first study in Switzerland of how companies co-create with impact-first organisations**. Through surveys conducted by GFS, this study explores how 140 Swiss companies of different sizes and sectors perceive and achieve social impact alongside profit – driven not just by social responsibility, but also growth and innovation:

- How do companies integrate a social & environmental dimension in their value chain?
- How are companies partnering externally to do this? What are key success factors?
- What are external and internal challenges, and how can they be overcome?

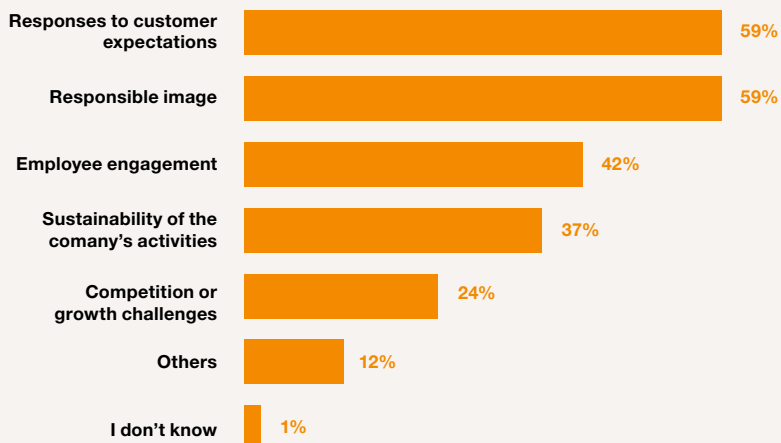
We hope this study helps businesses to strengthen co-creation leadership within their own companies and actively collaborate to drive growth and innovation to boost both profit and social & environmental impact.

## CHANGEMAKER COMPANIES: WHAT AND WHY?

**All companies have a positive impact on society, through employment and economic development** as a direct result of their activities. However, they can contribute in more ways, for example expanding access to essential products & services and improving livelihoods, building sustainable supply chains through partnering social enterprises or non-profits, reducing CO2, or fair trade.

Profitability and social impact are not at odds: **companies can do well and do good at the same time**. An overwhelming majority of companies believe that all actors, not just government or non-profits, must commit to solving the social and environmental challenges of our time.

**Figure 1:** What are the main objectives of the societal actions of your company?



**The social impact footprint of a company has moved far beyond basic regulatory compliance or pure communications strategy, to an opportunity to drive innovation and growth.** Forward-thinking companies are taking advantage of consumers' growing social & environmental awareness to create new value propositions, build a more transparent and sustainable supply chain that reduces business risk, and attract top talent who seek to align their work with their personal values.

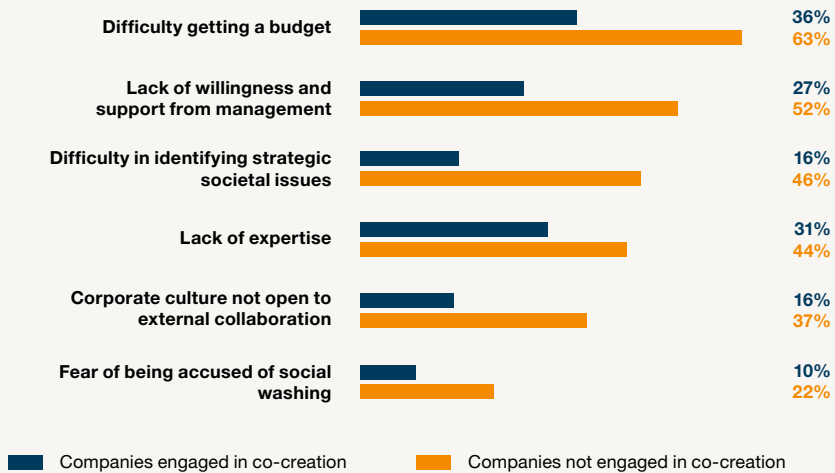
For SMEs, responding to customers is a particularly strong driver as they build competitive differentiation. For large companies, responsible image is a relatively greater concern given their higher profile and larger supply chain footprint.

## CO-CREATION: HOW?

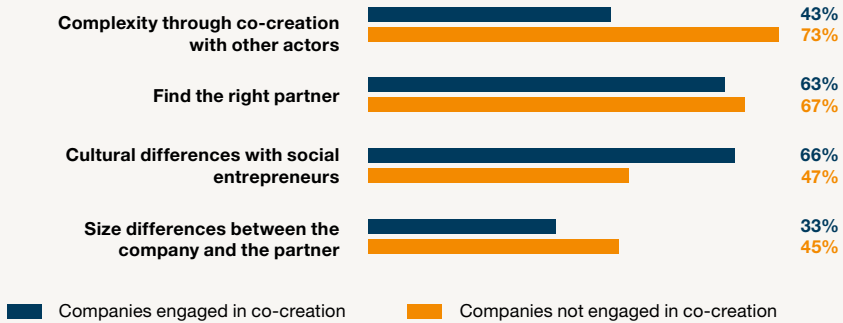
**The business-social co-creation movement is taking off.** Among companies implementing projects with a social impact, 43% are already engaged in co-creation and 16% are seriously thinking about doing it. 73% of large companies and 47% of SMEs are considering co-creation.

For companies not yet engaged in co-creation, there are significant perceived internal or organizational barriers. However, once companies engage in co-creation, these perceived internal barriers decrease very significantly.

**Figure 2:** What are the internal difficulties encountered in co-creation?



**Figure 3: What are the external difficulties encountered in co-creation?**



**Figure 4: What are the main key success factors?**



These results are very promising: commitment to co-creation comes with building the right vision, leadership and culture; identifying the right strategic issues for focus, and aligning incentives and organizational infrastructure to successfully implement and scale these innovations.

In conclusion, this study not only allows to understand the levers for co-creation, it is also very encouraging in highlighting Swiss business leaders' positive views towards co-creation and its strategic imperative for their core businesses. They must take a proactive role in navigating the diverse internal and external barriers to co-creation in order to drive long-term innovation and growth.

# CASE STUDIES



## Vodafone Farmers' Club in Turkey

Improving the access of smallholder farmers to information, markets and finance through mobile technology (numbers from 2015)



**Initiative** – Launched in 2009 by Vodafone and TABIT, a social enterprise, the Vodafone Farmers' Club (VFC) connects farmers with unique real-time and customized agricultural information via digital technology, helping to improve livelihoods. Its hybrid financing model draws funds from an initial Vodafone CSR investment and from two major operating streams: the sale of discounted mobile plans and paid content for farmers to access agricultural information. TABIT and Vodafone share generated revenues 50/50, and earnings are then used to grow the business and benefit smallholder farmers.



**Impact** – VFC has 840,000 active users, nearly one third of Turkey's 3 million officially registered farmers. VFC has contributed to farmers' improved ICT literacy, and boosting their profits through fairer prices.

For Vodafone, this has been an unparalleled model to gain farmers' trust and bring new loyal customers in a highly competitive market. Vodafone has replicated this successful model in 6 other markets: Egypt, Ghana, India, Kenya, New Zealand and Tanzania. It has also strengthened its reputation as a socially responsible enterprise.



**Insights** – Co-creation required bringing complementary strengths of both partners, and agreeing clear roles and responsibilities. At Vodafone, strong management support was critical: Vodafone leadership had prior agricultural experience and a clear vision of the potential of mobile technology for boosting farmers' profitability, and a "Social Business Department" was set up to work cross-functionally across the company.

280 K

Number of Farmers who receive daily weather forecast and weekly market price information for selected crops

9 million

Number of farmers reached by the Vodafone Farmers' Club educational truck

871 million

Number of SMS messages sent to Vodafone Farmers' Club members

## Making More Health

A global initiative by Boehringer Ingelheim and Ashoka



**Initiative** – Launched in 2010, Making More Health (MMH) is a global initiative led by Ashoka and Boehringer Ingelheim to identify, support and scale new solutions that improve access to healthcare. Boehringer Ingelheim brings its international health and pharmaceutical business acumen, and Ashoka contributes its expertise in social entrepreneurship and systems change. One of the focus areas of MMH is Social & Business Co-Creation, where Boehringer Ingelheim co-designs with social entrepreneurs innovative products and services that improve access to healthcare.



**Impact** – By working with social entrepreneurs that are pioneering new models of healthcare delivery and touching over 9 million direct beneficiaries, BI is aligning both social and business values:

1. **Insights into new markets and customers** – 87 new Ashoka Fellows supported across 30 countries, 750 health innovations sourced online globally, 2 trends analyses on social innovation in health
2. **New business models** – 3 co-creation pilots with social entrepreneurs at various stages, and the launch of an Accelerator program to support additional health pilots in Kenya, Ghana and Nigeria
3. **Attracting & developing talent** – 5000+ employees engaged (~10% of Boehringer Ingelheim's workforce), 26 senior executives placed at social entrepreneurs' organizations to support them on specific project needs. This has led to a social intrapreneurial movement inside the company.
4. **Strengthened brand & societal footprint**



**Insights** – BI and Ashoka met through a matchmaking process with the shared goal of building an initiative that brings value to both business and society. Nonetheless, co-creation can be a lengthy and ambiguous process: it requires working in a discovery mode with iterative learning and developing deep trust to understand different perspectives and to bridge social and business goals. Co-creation requires not only investment of money, but also the contribution of diverse knowledge capital across an organization – from Corporate Strategy to Innovation to HR – to make it a sustainable initiative.



<https://www.makingmorehealth.org>

<https://www.ashokachangemakeralliances.org/resources>

## APPENDIX: ABOUT THE STUDY

The study was conducted by GFS Bern between October and November 2017 across German- and French-speaking Switzerland. The objective was to sample 100 small and medium companies and 50 large companies. The base sample (n = 1200) was then randomly selected by the Federal Statistical Office.

A total of 140 responses were based on CATI telephone interviews (43%) and online answers (57%) from:



Sectors represented were service (61%), industry (20%), trade (10%) and construction (10%).

## PRESENTATION OF PARTNERS: ASHOKA & HEG-FR

**The goal of Ashoka** is to bring out a world where everyone is able to act quickly and effectively to respond to societal challenges. Anchored in an *Everyone a Changemaker* vision, Ashoka believes that the business sector can contribute positively to solve today's main global challenges. For 30 years, Ashoka has identified, supported and grown more than 3,500 social entrepreneurs pioneering social innovation, who bring large-scale solutions to contemporary social and environmental issues. Accompanying a large number of social entrepreneurs gives Ashoka a unique position and an overall vision to understand societal issues and identify the key levers for accelerating societal change.

[www.ashoka.org](http://www.ashoka.org)

**The school of management Fribourg** aims to become one of the European leaders in the supply and development of internationally recognized training programs in the fields of innovation and entrepreneurship. Regarded in Switzerland as forerunners in the field of interdisciplinary training and research, the School of management Fribourg aims to develop entrepreneurship and social innovation aimed at addressing major societal challenges.

<http://www.heg-fr.ch/>

**Do you want to explore how to leverage the power of social entrepreneurship and social innovation through co-creation?** Contact us:

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