



Business model variability and convergence process: change dynamics in a digital environment

Saltini, Yelena

Université de Genève

velena.saltini@unige.ch

Benghozi, Pierre-Jean

Ecole Polytechnique de Paris

pierre-jean.benghozi@polytechnique.edu

Résumé :

L'environnement numérique, par ses évolutions fréquentes, remet en cause la performance de l'entreprise. Mise à mal par l'inadéquation de son modèle d'affaires avec l'environnement, l'entreprise entre dans un processus d'adaptation. Ce processus a été étudié au sein des théories de l'organisation et se conclue par la convergence des entreprises vers des modèles dominants au sein d'une industrie. Cependant, la particularité du contexte numérique, appelant à une adaptation constante et offrant un large panel d'opportunités, tend à ouvrir les possibilités de reconfiguration du modèle d'affaires au sein d'une même industrie. Une variété de modèles d'affaires qui trouve sa source au cœur du processus d'adaptation. Pour comprendre ce phénomène, nous proposons un cadre fondé sur l'équilibre ponctué et la strategy-as-practice combinant changements disruptifs, incrémentaux et des « mouvements de fond ». Ces trois facteurs sont les déterminants de la variabilité des chemins d'adaptation et supposent une relative déconnection entre la stratégie et la reconfiguration du modèle d'affaires. L'étude de cas de deux médias suisses confirme la présence de cette double tendance entre modèle dominant et variabilité des modèles d'affaires à travers des mécanismes d'adaptation distinctifs.

Mots-clés : Adaptation, Business Model, Strategy-as-practice, équilibre ponctué, environnement numérique

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1. INTRODUCTION

Technology development offers numerous opportunities to innovate and improve firms' performance. The possibility of renewing the value proposition has increased in the digital age. This phenomenon is due to the characteristics of this environment that continuously evolve through intermittent disruptions. For instance, the Internet and ICT (Information and Communication Technology) have been conducted to renew the value chain (Simon, 2020). However, technology by itself does not propel market opportunity. The advantage emerges from how new technology is valorized through a business model and strategy (Chesbrough, 2010). The digital environment's opportunities require a capacity to transform the activities to create and capture value. The digital advent does not only offer new opportunities but disrupts the environment and conducts to the disequilibrium of firms' business models. The cultural industry is still faced with a decrease in firms' performance, which propels the company's need to adapt. For instance, the press is confronted with the redefinition of production, distribution, and consumption. The main threats are that consumer behavior has changed, and the competition of the information aggregators (e.g., Google and Facebook) have decreased the press revenue. To cope with this disruption, press companies are adapting and reconfiguring their business model. The reconfiguration of the firm's activities could emerge from two different processes. The firm could valorize a new technology through a business model (Chesbrough and Rosenbloom, 2002). Or, a company could (without integrating a new technologic discovery) create value through innovative ways to do business, such as Pokémon Go or Netflix (Zott and Amit, 2017). Competitive advantage could emerge as much on the innovation of a product or service as on how the product or service is provided. This phenomenon (the increasing reconfiguration possibility in a digital environment) supposes a bursting and diversification of the business model configuration. However, regarding the press, the literature asserts the emergence of dominant business models and convergence toward them (Badillo and Bourgeois, 2015; Benghozi and Lyubareva, 2012; Lyubareva, Benghozi, and Fidele, 2014; Lyubareva, Rochelandet, and Etienne, 2016). This issue regarding variability or isomorphism is a traditional topic of organizational theories. The digital environment spurs a

review of these traditional theories to understand how the business model evolves. In line with change theories, environmental shock generates variability of the configuration and then convergence toward main models. These theories provide a static and macro perspective of the change process (Hannan and Freeman, 1977). These approaches do not explain the nature of a firm's responses to environmental jolts and the dynamic of transformation that result in a specific configuration. They are challenged by the extended modalities of the business model by the uncertainty of the environment, the continuous adaptation, and the opportunities that offer various paths of adaptation. Indeed, the practices and the path of adaptation support the variability of the business model configuration (Chesbrough and Rosenbloom, 2002). In a context of constant transformation, continuous adjustment could lead to variability. This variability, therefore, depends on the mechanism of adaptation that occurs. This research contributes to understanding the change mechanism of the Business model and, thus, *how does a firm perform business model reconfiguration?*

Our research provides a framework that appreciates the diversification of the business model configuration. We consider the digital environment's specificity that combines incremental and active changes based on the contingency theory. Following this, we regard the transformation model of the strategy, namely punctuated equilibrium and strategy-as-practice. We suggest that the transformation emerges following incremental, disruptive changes and continual "basis motion." This process produces the variability of the business model configuration.

To support the theoretical background, we provide evidence-based on two Swiss press monographies. This longitudinal analysis captures the dynamic changes by revealing sequential states and the chronologies of strategic decisions and transformations. The results provide insights regarding the variability of the adaptation path and the disconnection between the strategy and the results.

2. THEORETICAL BACKGROUND

2.1. WHAT IS A BUSINESS MODEL AND STRATEGY?

The business model is a term widely used in research and business. Its expansion has led to various interpretations depending on the context (Massa, Tucci, and Afuah, 2017). In this paper, a Business Model is an activity system to set the framework. The firm logic and "how a firm does business" are interpreted through the activities and their interdependencies (Massa and Hacklin, 2020; Massa and Tucci, 2021; Zott and Amit, 2010). The overall activities web that composes the activities system is a source of competitive advantage (Massa et al., 2017).

The strategic choices and the activities are indissociable (Albert, Kreutzer, and Lechner, 2015; Massa and Hacklin, 2020; Zott and Amit, 2010). The strategy is the choices that define a distinctive Business model to compete and determine the organization's position (Casadesus-Masanell and Ricart, 2010). However, the Business Model is not the exact reflection of the strategy but the results of the consequences of the strategic choices.

2.2. BUSINESS MODEL EVOLUTION

Digital environment conducted to the multiplication of business model configurations. To understand how a firm evolves and adapts to a new environment, we focus on how an organization performs the process of change. Van de Ven and Pool (1995) determined four ideal-type organizational change theories: *life cycle*, *teleology*, *dialectics*, and *evolution theories*. One of these approaches is related to the population ecology approach's evolution. To face environmental disruptions, a firm adjusts its organization to fit with the environment (Hannan and Freeman, 1977). The adaptation process occurs by imitation behavior. Thus, the organization imitates the dominant logic to avoid risk-taking and misalignment. The organization engages in strategic changes to be in line with the environment. The population ecology is linked to natural selection, meaning Darwinism. A firm that is not sufficiently performant in a specific environment and is not able to adapt will disappear (Hannan and Freeman, 1977). Isomorphism is also linked to norms pressure (DiMaggio and Powell, 1983). A firm tends to imitate the dominant logic to match the environment. Mainly, this approach suggests a process toward increasing business model variability and an effect of convergence. These scholars assume that the adaptation mechanism succeeds when a dominant and performant model is defined in a new environment (Hannan and Freeman, 1977; van de Ven and Poole, 1995). More precisely, the change mechanism occurs in two steps: 1. the incoherence with the new environment 2. the convergence, by definition, is the dominant model in the new environment.

These theories explain organizational change and the main driver of this process. They support various pictures of the organizational transformation (van de Ven and Poole, 1995). However, the literature on this issue supports a static perception of the process and considers only the macro-activities to understand how firms adapt to the environment. To understand the emergence of the variability of the business model configuration, the focus should be on the construction of responses toward the environmental change and the dynamic of adaptation activities. This perspective allows comprehending how the dynamic of change occurs and

conducts to a specific business model. The following section discusses this dynamic perspective.

2.3. DYNAMIC OF CHANGE

Understanding convergence and isomorphism remains at the macro-activity level and is global. These approaches do not allow grasping the precise dynamics of the strategic evolution and business model transformation. To understand the variety of the business model configuration, the dynamic of adaptation and the process of the strategic shift should be considered. We consider 1. Specificities that combine disruption and minor evolutions and the contingency with the business model to address this issue. 2. Strategic model regarding the micro-activities (e.g., strategy-as-practice) and the dynamic of adaptation (e.g., punctuated equilibrium) is discussed to identify how the variability of business models emerges.

2.3.1. Contingency perspective

The digital environment is characterized by disruptive and minor transformations and a velocity of changes. To cope with this turbulence, firms should be in line with this environment. The contingency theory assumes that an organization should fit with the environment. Thus, the organization should modify its configuration depending on the context. The organization's structure depends on this context and contingent factors (internal and external) and supports the firm's performance. Regarding the internal factors, J. Woodward (1965) conceived technology as a contingent factor of the production organization. Firm's performance is determined by the alignment of the structure with the production process regarding the task (Woodward, 1965). Similarly, Zott and Amit (2018) considered the business model design as "*the structure, content, and governance of transactions between the focal firm and its exchange partners* » (Zott and Amit, 2007, p. 3; Amit and Zott, 2001, p. 511) as a contingency factor. They asserted the contingency between business model and product strategy (Zott and Amit, 2007). Based on the contingency principle, the firm's performance is supported by the coherence between the contingency factors - Zott and Amit defined the combination of a business model design (*novelty* and *efficiency*) and a market strategy (*differentiation* and *cost leadership*). They conclude that the business model is a contingency factor (Zott and Amit, 2007).

To go further, the organizational structure depends on the environment as an external factor. A firm adopts different designs according to the complexity and the uncertainty of the environment (Bruns and Stalker, 1961; Lawrence and Lorsch, 1967). We bridge this approach

with the business model literature. First, the link between the business model transformation and the environment is raised. The digital environment disrupts the business model configuration and fosters a necessity to adapt. The uncertainty and complexity of this environment challenge the determinant of the firm's performance and the capacity to adapt. Scholars discuss the link between the dynamic business model and firm's performance in an uncertain environment (Saebi, 2015). The business model design should be aligned with the environment. Saebi (2015) defined a contingency framework of the business model dynamic. Notably, she suggests the contingency between environment dynamic (*Regular environmental change, environmental shifts, and environmental competitiveness*), the business model dynamic of change (*business model evolution, business model adaptation, and business model innovation,*) and dynamic capabilities (*operational capabilities, dynamic capabilities, and meta capabilities*) are the determinants of the firm performance.

Indeed, environmental changes call for a response by the firm. This response depends on the ability of the firm to adapt to a new environment which is determined by its flexibility to respond to environmental changes (Teece, Peteraf, and Leih, 2016). In a disruptive environment, an organization should be flexible and able to adapt to the new environment. Thus, the firm should innovate to respond to the new environment (Chesbrough, 2010).

2.3.2. Strategy process: Punctuated equilibrium

The environmental dynamic encompasses punctuated disruption and incremental evolution (Saebi, 2015; Tushman and Anderson, 1986). Ergo, an organization continuously adapts its business model to shift with the environment (Saebi, 2015; Saebi, Lien, and Foss, 2017). The digital environment triggers uncertainty and instability regarding its evolution. This context implies difficulties in forecasting the evolution of the environment because it is not linear and encompasses rupture. The transformation movements could be defined in three dynamic types: disruptive, consolidation, and "basis motion". They represent how the organization performs a process of adaptation. The change dynamic is supported by two main literature fields: Change theory (punctuated equilibrium) and Strategy-as-practice (SAP) in a processual approach.

The two first assume a short period of drastic change that imbalances organizational transformation and fosters a reorientation (or re-creation) of the organization, then a convergence reached by a long period of incremental changes that generate the co-alignment of organizations (Tushman, Newman, and Romanelli, 1986; Tushman and Romanelli, 1985). This punctuated equilibrium approach could be interpreted as a path combining phases of

changes and stages of consolidation. This combination between changes and consolidation is the response mechanism to environmental jolts. The punctuated equilibrium approach, related to the research of Tushman, assumes that the dynamic of changes occurs in states of equilibrium and disequilibrium. The evolution cycle encompasses periods of disturbance and periods of stability. The former refers to the environmental disruption that fosters fundamental changes. More precisely, the period of reorientation disrupts the strategy, structure, control, and system of the power of the organization (Tushman et al., 1986). If the changes imply the core values and beliefs transformation, it propels the organization's recreation (Tushman et al., 1986). Recreation and reorientation emerge from the innovation and/or the reconfiguration of the activity system. After the disruption, organizations proceed to incremental changes to improve their performance and reach convergence. An organization performs incremental changes to achieve coherence in its internal activities (Tushman et al., 1986).

Technology is the main factor that generates disruption and fosters the firm's need to adapt to be in line with the environment (Tushman and Anderson, 1986). During the stability period, the firm conducts incremental innovations. Thus, this dynamic encompasses changes and consolidations. Therefore, a firm should be able to respond to environmental jolts (disruption episodes). However, this capacity is threatened by the inertia that could appear during a long period of convergence. The convergence toward social and structural processes is a threat to the organization's flexibility, meaning the ability to respond to change (Romanelli and Tushman, 1994; Tushman and Romanelli, 1985).

The ambidexterity approach has overcome this threat. As this approach teaches us, a company should continuously adapt by implementing improvements and innovations (O'Reilly and Tushman, 2004). A firm continuously adjusts its strategy to remain flexible and to be able to respond to environmental changes (Agarwal and Helfat, 2009; Schmitt, Raisch, and Volberda, 2018). As O'Reilly and Tushman (2004) presented through the example of an American newspaper, the combination of 1. exploitation of activities by incremental improvement to increase the efficiency of the company and 2. exploration of new activities by innovation to enhance the organization's growth supports the firm's performance. They assert the necessity for a firm to continuously perform exploration by incremental improvement and disruptive innovation. An organization should exploit current activities by incremental and adaptive dynamics to align with the environment, explore opportunities, and support disruption (Villi and Picard, 2019).

The punctuated equilibrium and ambidexterity assert that a firm performs incremental and innovative adaptation. We assume that the adaptation emerges from continuously disruptive changes and incremental adaptations. Thus, these two dynamics are interweaved and conduct adaptation paths.

2.3.3. Strategy process: Strategy as practices

The punctuated equilibrium, such as ambidexterity, uses the processual approach's value to understand the organizational transformation. This approach is mainly linked with the strategy-as-practices. This perspective encompasses several main themes derived from the SAP perspective, considering the strategy as a dynamic phenomenon (see (Burgelman et al., 2018)). The fundamental principle of the SAP is based on the sociology theories and proposes understanding the strategic content and process from the inside (the "black box"). The strategy-as-practice asserts that the strategic changes could be understood through interactions and practices. This approach considers the micro-activities and their consequences and processes. In this sense, strategy-as-practice brings to light the process related to the strategy inside the "black box". The strategy concerns the organization and the internal dynamics through interactions and social actions (Johnson, Melin, and Whittington, 2003). This approach reveals the process that supports the strategic renewal. The strategy is enforced by the practices of the actors to strategize. This approach assumes that the strategy should be integrated into the internal dynamic (Johnson et al., 2003). The strategic decisions are conducted and influenced by routines and interactions depending on the institutional and organizational context (Rouleau, 2013).

The SAP theories are wide and provide different perspectives. Leading common trade is related to the role of the actors and the strategic practices based on sociology such as Bourdieu (Burgelman et al., 2018). Thus, actors are subjected to the external determination of the action context. Based on Bourdieu, actors, such as the organization, evolve following social norms and specific cultural contexts. Scholars regarding the change process assume the effect of culture and the prevailing organization on the strategic change and the business model reconfiguration. Teece argues that the previous business model configuration's flexibility impacts the capacity of the firm to adapt (Teece et al., 2016).

Culture, practices, and beliefs hinder or foster the process of decision-making. Kirtley and O'Mahony's (2018) research provided evidence regarding decision processes. They explored how strategic decisions are affected by beliefs. The latter triggers or fosters decision-making:

depending on how the information is perceived, the decision could conduct into strategic addition or strategic exit (Chesbrough and Rosenbloom, 2002; Kirtley and O'Mahony, 2018). In this view, the perception of information as an opportunity or a threat determines the strategic decision as explorative or exploitative (Osiyevskyy and Dewald, 2015). Furthermore, Kirtley and O'Mahony (2018) assume that strategic shifts emerge from a sequence of changes and not from one decision. Ergo, it is a process.

Thereby, the reconfiguration of the business model is confronted with several barriers to the prevailing business model configuration (Chesbrough, 2010). To overcome these barriers, an organization should innovate by trial-and-error processes, that is to say, perform experiments to define its new business model (Chesbrough, 2010; Doz and Kosonen, 2010). The business model evolves by experimentation and trial-and-error processes (Ahokangas and Myllykoski, 2014). The business model is unclear during this process, and strategic decisions (defining main strategic axes) could be inconsistent with the prevailing configuration (Morris, Schindehutte, and Allen, 2005). Furthermore, the uncertainty avoids predicting which new business model reconfiguration could develop an advantage; thus, an organization performs experimentation to learn and renew its business model (McGrath, 2010). Innovation is based on little information and uncertainty. Hence, the experiment allows the collection of information such as consumer needs (Salvador, Simon, and Benghozi, 2019). The trial-and-error process is a primary driver of adaptation. Consequently, to transform its business model, a firm mainly applies a trial-and-error approach to collect information (Chesbrough, 2010).

Thus, we defined the “basis motion” as the effects of the activities that encounter the implementation of strategic decisions. This motion depends on the firm's culture that influences the perception and thus the discourse and the representation of firms' activities (Burgelman et al., 2018). Therefore, the “basis motion” is related to the interpretation of the decision and the implementation that impact the how a change is conceived and established.

To sum up the theoretical background, organizational transformation issues from several disequilibria and equilibria. After the other, the strategic decisions define the strategic orientation and the business model reconfiguration. Following the emergent strategy approach, a firm's transformation appears through an inductive process occurring by the concrete strategic actions in response to change (Mintzberg and Westley, 1992). The difference emerges by modifying strategic elements through consecutive strategic changes (Kirtley and O'Mahony,

2018). This process is supported by continuous incremental transformations that contribute to the organization's agility (Agarwal and Helfat, 2009). Consequently, the transformation of the organization is processual. The constant accumulation of the changes generates the organization's change (Orlikowski, 1996, 2000). Thus, the change process is not linear and static but presents dynamics by the environmental context and the necessity for the firm to adapt to these changes. The transformation process is continuous, and the strategy evolves accordingly, such as the business model configuration.

The adaptation process combines three dynamic types: disruptive (critical point of transformation), incremental (continuous consolidation after a disruptive period), and "basis motion" (based on how the change is addressed, the global way in which the changes are handled and its consequences). The three types of dynamics are drivers of organizational transformation. This perceptive allows understanding of how a firm responds to the environment and how adaptation is performed. The strategic change and the business model reconfiguration evolve depending on these factors.

3. METHOD

3.1. CASES

The research aims to understand how adaptation processes conduct to the multiplication of business model configurations. We assume that the digital environment and the three dynamics foster the diversity of business models. This combination of factors (unpredictable environment, the micro-activities, and the punctuated equilibrium) impacts adaptation and produces diversified transformation paths.

To provide evidence, the creative industry is considered. As a critical case, the creative industry is still confronted by digital transformations. This industry has been - is still - highly disrupted by the change in value chain dimensions, consumer behavior, competitors, etc. Environmental jolts have disrupted all the business model dimensions. To maintain its performance, the firm had – still has - to adapt its activity systems to fit the new environment. As a leading case, the digital area has disrupted the press. These media have handled production, distribution, and consumption renewing. Most of all, the press is still confronted with two main threats. The first one is related to the threat of the competitors (mainly Google and Facebook) that capture a part of its advertising revenue stream. The second regards the digital environment that has generated

a massive consumer behavior change. The subscription rate has decreased or remained stable without renewing itself. The readership uses free information and shows resistance to paying for news. This inconsistency with the digital environment has propelled media adaptation because their prevailing business model became obsolete.

The analysis is focused on the French-speaking press case. A small market characterizes the Swiss press due to four national languages, cultural diversity, and federalism. Additionally, the size of the market restricts the impact of the Swiss press on the environment, e.g., negotiating with Google and Facebook, such as in Australia.

Based on this case, two media monographies have been conducted. These media are selected based on previous analysis. A cluster analysis was performed to define the dominant strategy occurring in the French-speaking press. Two media belonging to the same class, *exploring leaders*, have been selected to define the adaptation process that conducts to this variability. The class *exploring leader* was chosen because it includes incumbent media that maintain their previous business models and adapt to remain performant in the new environment.

3.2. DATA COLLECTION AND ANALYSIS

The theoretical background supports that the three main factors could explain the emergence of business model variability. This research aims to understand how the adaptation process is conducted to business model variability. Thus, we selected the case study method because this method provides evidence regarding the process and the adaptation schema. The case study is appropriate to analyze a longitudinal process of adaptation. This method is used to comprehend an operation in its context. The case study focuses on a central phenomenon. The evolution of the strategy in a firm is understood in sequential states in which the current state depends partly on the previous conditions (Dumez, 2021). The aim is to understand the process of business model reconstruction by successive strategic decisions. The analysis focuses on the determinants of the business model reconfiguration and the actions and the decisions that occurred to that end.

The data is related to interviews and documents: reports, press releases, articles, public interviews, direct observation, and data provided by the media. Internal and external streams constitute the data. Interviews: The six semi-structured interviews regarding adaptation processes (Table 1). The interviewees are editors in chief and the digital team officer. The interview questions were articulated around the critical dimensions of the business model. The interview guide pointed out the evolution of the definition of the media and the changes in monetization, production, distribution, and consumer relationship. The primary dimensions of

the interview guide have been based on literature (leading researches: (Benghozi and Lyubareva, 2013; Eisenegger, 2018; Newman, Fletcher, Schulz, Andi, and Nielsen, 2020; Salerno, 2018) and sharing information with Lyubareva and Benghozi which define the main dimensions of the press business model. The interviews regard the processes of decisions and the actors' perceptions of this change and their establishment. The interviews are complete by article public interviews from actors of the media. These data provide information regarding the perception of the changes that occurred and allow us to understand the culture and the organization's logic.

Documents: To understand the activity changes and capture the decisions and their effects, annual reports, data provided by the media, and press releases (from 2010 to 2021) have been collected. The reports and press releases provide essential information regarding the activity modifications' succession and aim. These data provide information about the course of decisions and their results. This information supports the definition of the sequence of events and their effects.

Table 1: Interviews

Case	Interviewee	Duration in minutes	Date
Case 1	Chief editor 2	97	2020
	Chief editor 1	64	2020
	Chief editor 1	40	2021
	Digital Team officer	46	2020
Case 2	Chief editor 1	53	2020
	Chief editor 1	60	2021

The two cases were analyzed systematically. The aim is to identify the chain of decisions and the change perception. We proceeded to a sequential dynamic analysis: successive change points were identified in both cases (Dumez, 2021; Yin, 2009). The study of the adaptation mechanism allows for defining the link between the phenomenon (the configuration of the business model) and the factors or processes linked to the context (Dumez, 2021). In this research, the aim is to highlight the decision chain and to comprehend this chain in a narrative approach.

The study had defined events (decisions and changes) over 11 years chronologically and identified the links between the changes (Yip, 2004). Two chronologies of the decisions were

defined in a timeline and revealed the breaking points and the adjustment points. They show the continuity and the discontinuity of the decisions and the nature of the transformations. This analysis provides insights to comprehend how a media performs adaptation.

4. RESULTS

Evolution timelines (Figures 1 and 2) support the presentation of the results. The sequential analysis revealed the main breaking points and the minor changes occurring from 2010 to 2021. A square indicates actions related to the organizational change on the timelines. A circle characterizes actions concerning the content (production and distribution). A triangle indicates actions regarding monetization. Black-filled shapes highlight the drastic changes. The results present the chain of the adaptation process of each anonymized media considering the strategic shifts and business model reconfiguration. They show the variety of paths and business model reconfiguration. In the context of this article, we chose to focus on critical elements and did not fully develop the monographies. This structure facilitates the reading of the main factors.

Figure 1. Case 1 timeline of selected actions

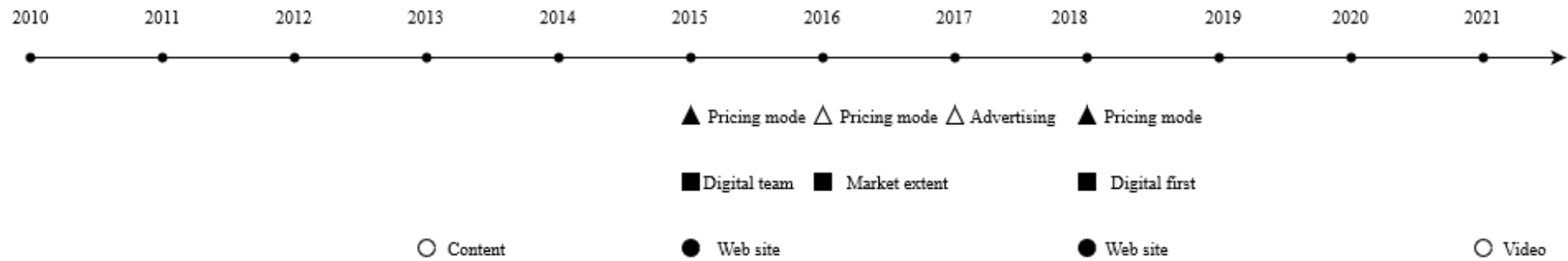
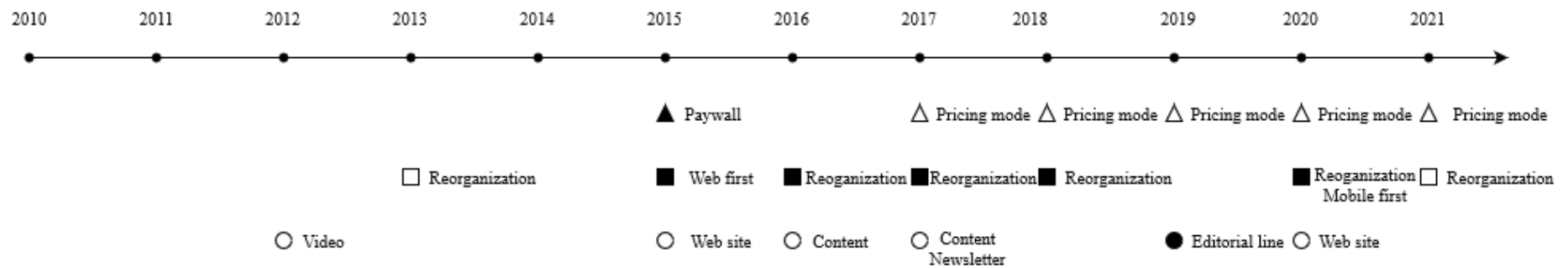


Figure 2. Case 2 timeline of selected actions



4.1. CASE 1

The case is an incumbent. Its economic model was and is still based on subscription revenue (the advertising revenue is minor). It is an association with few financial resources. It presents a tough editorial line and a niche readership.

Chronology of the events: As presented in the timeline (figure 1), the main events regarding the adaptation occurred between 2015 and 2018. The main ones are the establishment of a digital team and its reinforcement to support the digital-first strategy and the extension of the market that impacted the content production and diffusion. The main actions occurred sequentially and are accompanied by incremental modifications related to the consolidation of the major change (e.g., the pricing modes adjustment).

The content had evolved through the development of the website, video, and adjustments of the pages in the newspaper (to reduce costs and extend the market).

Despite the establishment of a digital team, the organization structure remains stable.

The offer stays stable and has mainly evolved through the actions to increase the online subscription revenue. The pricing modes have been adjusted to consumer behavior and the costs of information production.

Process: The first case presents sequential breaking points. The transformations are more incremental, and drastic changes occur punctually.

The interviews and the reports reveal that the activity transformations are performed to respond to the environmental evolution. For example, the media develops a new offer for digital information and subscription. The activity system is relatively inflexible by the dominant beliefs and the media culture linked to the traditional profession.

The small and associative structure impacts the adaptation process regarding perception of the change and path dependency. Thus, imitation behavior and a few trial-and-error processes seem to support the adaptation. The media evaluates the decisions and the consumer's needs before establishing change to avoid risk-taking. The change impulse is related to market analysis. Also, the information based on the experimentation seems to be perceived through the culture. The decision-making follows administrative processes and collective agreement due to the association structure. This factor hinders the adaptation process velocity and constrains the flexibility of the media despite its small size.

Key points: The case presents an adaptation process in stages. A change is at first discussed and then implemented. Drastic changes such as the web first strategy is followed by activities adjustments such as price mode modifications. The perception, the establishment, and the decision process are impacted by the culture and tend to reinforce the specific position of the media in a niche market.

4.2. CASE 2

The second case is an incumbent too. It belongs to a group. Its economic model was in the majority based on the advertisement and in the minority on subscriptions. The digital environment has decreased its primary revenue and fostered the necessity to adapt its business model. The media is a generalist that covers a large and diversified market.

Chronology of the events: The timeline presents frequent breaking points. The drastic changes have been taking place since 2013. This path of transformation has intensified since 2015. The significant changes are accompanied and followed by incremental changes.

Regarding the organization structure, the reorganizations are fostered at the group level toward uniformization of each media of the group and impact the media by, e.g., the establishment of new production processes. These transformations support digital development by integrating and expanding the digital team (in the media) and centralizing competencies to reach synergies between the group's media.

The content has mainly evolved by changing the editorial line and supports (video, audio, and app) to provide different added value to the readership to reinforce the media position.

The main actions regarding the offer are the establishment of a paywall, the diversification of the activities, and the adjustment and multiplication of the subscription form and price.

Process: The second case shows more changes over the last period. The main breaking points are recurrent. The dynamic of change combined continuous drastic changes and adjustments. The reorganization affects several activities of the firm.

The top management mainly decides the changes at the group level. The decision-making is centralized and follows a top-down process. The several reorganizations generate the centralization of competencies at the group or superregional level.

The firm presents more flexibility: The recurrence of the changes, incremental or radical, supports the agility of the media. Furthermore, the trial-and-error process is well established.

Indeed, other gradual changes have been implemented and abandoned. Also, the proactive response is more prominent and is reflected through the willingness to develop the activities to catch the opportunities. The decision power at the media level is limited. The activity changes are to some extent impacted by the media culture through the room of maneuver.

Key points: The case presents an adaptation process on continuous transformation. The drastic and incremental changes are frequent such as the incremental changes. In some extent the “basis motion” impact the establishment of the changes and seems to generate tensions by the difference in environment interpretation at the media level and the group level.

5. DISCUSSION

5.1.SAME CLASS AND VARIOUS PATHS

Our previous analysis of the isomorphism occurring in the press industry gathered these two media analyzed in the same class, *exploring leaders*. They share similar endpoints regarding the business model reconfiguration, meaning congruent strategy. However, the results indicate two different paths of adaptation. This revealed a type of convergence based on distinctive adaptation schemes.

They have faced major environmental disruptions that have propelled a decrease in their revenue (advertisement and subscriptions). The media were – are still - under threat and had - still have - to adapt their activities. They have converged toward a similar dominant strategy. Both tend to increase the subscription rate by providing quality content. They articulate traditional activities (the print newspaper) and the development of new ones (only information). Thus, various paths conduct similar results. The two cases reached similar strategy and business model configuration. However, the two media have entirely different dynamics of adaptation by their nature. Based on the theoretical background regarding the three dynamics of change, the results provide insights into the adaptation path dissimilarity. The discussion aims to understand how the two cases with different adaptation dynamics present identical results.

Why do they present different adaptation paths? What are the key elements of this divergence? The two media have been and are still confronted with the three dynamics presented: disruptive change, consolidation (regarding the punctuated equilibrium), and “basis motion” (regarding the strategy-as-practice). The results show different articulations of the three dynamics between the two cases. They present two ways to balance these three dynamics of transformation.

However, it is not the main factor. We pointed out the effect of the prevailing activity system as a factor in the variability of adaptation processes. Consequently, we defined three paths that generate dissimilarities: the prevailing state that impacts the nature of the first response to fit with the environment, the variety of the articulation of the three dynamics, and the firm's culture. These free "scenari" of the adaptation schemes are discussed.

5.1.1. Adaptation schema 1: prevailing state and nature of the first response to fit with the environment

The initial situation is different and impacts the path of adaptation. The results show that the two cases had an idiosyncratic starting point. The two cases present different starting points. This schema supposes that the variability had emerged and could be explained by the different prevailing states of the media. Thus, their previous configuration has influenced the response to the change. We discussed three main characteristics of the starting points: economical model, content, and organization.

Economic model: Case 1 presented an economic model mainly oriented to subscription and donation and, in the minority, based on advertisement. Case 2 had a prevailing economic model based on advertising and minority on the subscription. Regarding case 1, its economic model remains stable, but the economic model of case 2 presents a reversal of the balance between the subscription and the advertisement.

Value proposition: Case 1 had and still has an editorial line oriented to a niche market. It offers a distinctive added value by the content specificities. Case 2 refined its editorial line to present a specific added value.

Organization: The organization of case 1 changed by establishing a digital team. Case 2 performed several organizational transformations toward centralizing the decisions and creating and reinforcing its digital unit. Thus, the two cases present organizational changes that impact the process of content creation, but they differ in the degree and the nature of the transformations.

The prevailing business model could engender different paths to reconfiguring a similar business model. The response to the environmental change is diverse due to the predominant business model configurations. Based on this evidence, we suppose that the convergence originates mainly from the transformation of case 2. Indeed, case 1 shows a prevailing configuration similar to the dominant design. We could bridge this phenomenon with the

ecology of the population. This approach assumes that configurations that correspond with the environment survive. We could suppose that the business model of case 1 was and is in line with the environment by its optimal fitness (Hannan and Freeman, 1977).

This media seems to remain performant due to its link with the readership and market position. Indeed, case 1 addresses a niche market and responds to a specific need. This case is the main media in this market. Also, the association structure and the relation with the subscribers react to the new tendencies in the press regarding the need for transparency and the inclusion of the consumer in the adaptation process. Thus, the media is oriented toward its readership. Furthermore, the rigid culture of the media toward professional journalism is in line with the press sector evolution. Indeed, the press has shifted toward added value, quality content, and differentiation.

5.1.2. Adaptation schema 2: a variety of articulation of the three dynamics

The balance between the three adaptation dynamics is dissimilar in how they are performed and articulated to fit the environment. This schema supposes that variety emerges from how the media have balanced the three dynamics.

As the results revealed, the two cases do not present the same adaptation dynamic in terms of pace, frequencies, degree, and the nature of changes.

The first case executed a few drastic changes. The nature of these transformations regards the organization and the production and distribution processes. The shifts have little impact on the firm's core activities (and the beliefs of the media). The adaptation process is mainly related to incremental transformations. The media has performed frequent minor adaptations and a few drastic decisions. In the same way, the nature of the response is more reactive than proactive. The modifications are fostered by the necessity to fit with the digital environment. The risk-taking is limited.

The second case poses an adaptation path with more jolts. The drastic changes are common, and the degree is higher. The changes impacted the content, the organization (also regarding the decisions process), and the production and distribution processes. The change of owner and the organizational transformation inferred a shift in the core activities of the media. Incremental changes accompany the frequency of the drastic changes. The three dynamics appear to co-occur rather than sequentially. The dynamic of change presents a proactive response to the environment.

The two cases allow seeing two varieties of the three dynamics articulation in terms of balance by the predominance of the incremental and “basis motion” for one case and the predominance of drastic and incremental changes for the other one.

5.1.3. Adaptation schema 3: firm’s culture as main driver

The last “scenario” supposes that the culture explains the variability of adaptation paths. The culture impacts the decision process and thus influences the nature of the changes established. The effect of the culture on the two cases is different.

In the first case, the culture is ubiquitous, and the coherence with the culture highly influences all changes. Regarding the first case, the transformations are based on the media culture, but the isomorphism behavior is not so apparent. The evolution of the media suggests that the decisions are not formed only on the dominant design. The interpretation of the information, such as dominant design, is primarily influenced by the media culture and beliefs. Furthermore, culture hinders the flexibility of the firm and limits the transformation.

The second case shows complexity by the interweaving of culture at the group and the media level. Mainly the transformations are decided by the top management of the group. However, the case exploits a room of maneuvers in the establishment. Also, the information perception supposes a mismatch between the cultural difference between the group and the media. The firm’s culture is less pronounced and tends to support the firm's flexibility and the strategic decision's diversity.

The two cases present two different effects on their culture that interfere with adaptation processes. The robustness of the culture impacts the flexibility of the media and the trial-and-error processes by the treatment of the information resulting in the strategic decision. This schema mainly explains how decisions are taken and how transformations are established.

5.1.4. Which one?

The three schemas of transformation are different ways to balance or emphasize one aspect to explain how the two cases perform adaptation. The tree schemas provide insights to explain the variability of the adaptation paths. Indeed, the results revealed the impact of the culture on the nature of the changes performed, and the starting point influences the chain of responses.

However, these schemes only provide insights regarding aspects of adaptation paths. We assume that each dynamic supports the change process, but not all contribute to understanding in the same ways.

However, one of these schemes is a leading factor in comprehending the variety of adaptation paths: the articulations of the three dynamics (drastic changes, incremental change, and “basis motion”). Indeed, the cases present dissimilarity regarding how these dynamics are balanced. One of the cases performs a more reactive response and the other one primarily proactive response. Indeed, the first case is characterized by dominant incremental changes continually. Thus, the changes never engender a redefinition of the core activities in this case. However, it could tend to a reinforcement of the activities system. The second case is characterized by a combination of disruptive and incremental changes supported by trial-and-error processes. It presents several changes that engender a modification of the core activities.

The idiosyncratic interweaving of these dynamics implies the dissimilarity of the adaptation process and how changes are performed. The transformation pace, nature, and effect on the firm configuration foster the emergence of specific paths. The business model results from disruptive, incremental transformation and basis motion. This supports those various courses could reach the same result. This supposes a disconnection between the strategy and the outcome.

5.2. THE DYNAMIC OF THE BUSINESS MODEL

The punctuated equilibrium approach argues that the internal organization avoids the accumulation process of the change due to the unit interdependence. The units are interdependent; thus, one unit’s change affects other units linked with it. Radical change is possible only by transforming these interdependences (Romanelli and Tushman, 1994; Tushman, Virany, and Romanelli, 1985).

This perception joins the recent approach to the business model as a dynamic system. Regarding this perception, the business model evolves depending on internal (choices and their consequences) and external (the environment) factors (Demil and Lecocq, 2010). Demil and Lecocq define the business model in core components (*Resources and competencies; organization and value proposition*) which are interdepend and interactive. The change of one component will impact another core component and the elements in a core component. For example, the first case suggests an effect of this dynamic. The hiring of an intern led to the development of video and a new financial model (collaborative revenue), and the development of a new activity.

Furthermore, the Demil and Lecoq introduced the dynamic consistency principle. This principle suggests that in a constant disequilibrium and the (dynamic) consistency is not related to the appropriate configuration linked to the component environment but refers to a permanent state of business model transformation (Demil and Lecocq, 2010). The scholars conclude that the firm's performance is linked to the capability to understand the effect of the changes in the business model due to the component interactions. The business model reconfiguration emerges from the strategic choices and the consequences of these choices (Demil and Lecocq, 2010; Massa, Viscusi, and Tucci, 2018). This perception suggests that the strategy and the results (the business model reconfiguration) are disconnected. The adaptation process depends on the strategy, decisions, business model configuration, and component interdependence. In a continuously changing environment, the factors propel various dynamics that foster variability in the business model. Furthermore, the velocity of the context changes tends to continuous disequilibrium that continually creates a ubiquitous instability and necessity for business model reconfiguration. These results suggest that the variability of the business model will increase. Further research should be conducted to evaluate this phenomenon.

6. CONCLUSION

The press cases support the variability of adaptation paths. We propose to comprehend how transformations are concretized and articulated. They occur depending on how a firm performs reconfigurations of its business model. The monographic and longitudinal vision capture how concretely a chain of decisions happens. We argue that an interweaving of three dynamics of changes produces various adaptation paths.

The press case provides insights and is revealed to be a critical case for understanding the transformation in a digital area. First, the cultural case is characterized by a direct link between the business model and the results (the content produced) (Benghozi, 1990; Benghozi and Paris, 2013). Consequently, the change in the activity system directly impacts the nature of the content. The results of the transformation are rapidly and directly observable.

Furthermore, the research revealed issues regarding the digital environment. The digital area fosters the velocity of the transformation of the service and the organization. Also, the velocity and the discontinuity of the digital development challenge more than before the adaptation capacity of the organization. The results show the interdependence between strategy, business

model, and transformation as central to understanding firms' evolution. However, this issue is not fully explored despite its interest.

Furthermore, a limit regards the methodology. It challenges the systemic analysis of the adaptation processes by monographies. Further research on formalizing the study of the decisions chain on the adaptation process over a long period is encouraged.

7. REFERENCES

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