

The Impact of Digitalization on Business Models

— Bouwman et al. (Digital Policy, Regulation & Governance)

Summary

Empirical study of 338 European SMEs investigating how digital technologies (social media, big data) drive business model innovation (BMI), what motivates BMI, and how BMI affects innovativeness and performance (mixed methods + 4 case studies).

Key insights

- Internal strategic/innovation motives primarily drive social-media and big-data–driven BMI; external technology turbulence also matters. Big data plays a stronger role than social media in driving BMI.
- BMI experimentation (teams/budgets for experimenting) translates into BM practices (operationalizing strategy) which improve innovativeness and performance.

Practical implications

- SMEs should invest in structured BMI experimentation (dedicated teams and budgets) to harness big data's potential for novel BM components.
- Managers need to pay attention to human and organizational aspects of BMI — tech alone isn't sufficient.

Limitations / future work

- Sample limited to European SMEs and subjective measurement of outcomes; authors call for more objective performance measures, cross-regional studies, and deeper study of organizational factors.