From Social Responsibility to Flourishing, the Path Towards Business Sustainability[1]

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Abstract

Sustainability in business is a construct that has received much attention from scholars in the last few years. The inclusion of sustainability in a company's strategy and operations is becoming almost imperative due to various internal and external pressures. Much less, however, is known about the pathways of companies and the implementation of sustainable principles into their daily business. The study is based on the review of existing concepts and models. This paper offers a conceptual pathway model that extends the existing models for different stages with a gradual environmental impact and profitability that companies can follow. Notably, it has been argued that sustainability can have both a social and environmental impact and a positive impact on companies' competitiveness and profitability. However, developing and integrating sustainable practices in a company can be challenging, and its implementation is risky. Sustainability is also not a leap, but it must be done gradually. Companies must plan their sustainability strategy properly, engage the stakeholders, assess and monitor their impact and develop transparent communication. The article notes the social interactions needed to advance and achieve sustainable business supply chains. The added value of the study is a five-stage gradual model, helping companies to realise the important steps towards making their business more sustainable.

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Introduction

In August 2022, after creating his company 50 years ago, Yvon Chouinard transferred all his shares of Patagonia Inc. (n.d.) to nonprofit organisations fighting climate change. This unusual event made the headlines of all business newspapers worldwide. As he personally wrote to describe: „Earth is now our only shareholder“.[2] While most companies at this stage would have gone public and sought to maximise their shareholders' value, Yvon Chouinard and his family chose to seek to minimise the company's harm to the planet (Kalyar et al., 2020; Eich, 2021). The engagement of Patagonia Inc. to reduce its environmental impact is not new. This has come as the continuation of Patagonia Inc.'s long journey towards sustainability. While we cannot say that transferring ownership to a non-governmental organisation (NGO) is an act of business sustainability, it is undoubtedly a very symbolic initiative that raised awareness around the world on business sustainability to the general public as well as to actors in the entire fashion industry. Today, all companies face increasing pressure to adopt sustainable business practices that meet their financial goals and address the needs of their stakeholders, the environment, and society at large. In fact, the increasing attention to climate change has put pressure on all stakeholders and forced businesses to consider shareholder value as well as sustainability values (Rattalino, 2018; Hála et al., 2022; Derdabi and Dvouletý, 2025).

An example of good practice is Patagonia Inc. (n.d.), a global outdoor clothing brand, that has successfully integrated sustainability into its operations throughout its life and engaged in different initiatives since its creation. Its mission statement is to build the best products, cause no unnecessary harm, and implement solutions to the environmental crisis (O'Rourke and Strand, 2017; Millar and Searcy, 2019). Patagonia Inc. (n.d.) has always put sustainability into the company's core. While designing its products, the main goal is to focus on durability, functionality, and long-lasting and timeless to minimise environmental harm (O'Rourke and Strand, 2017). One of the early initiatives was to replace the use of cotton with organic cotton in all of their products starting from 1996. Several practices were pursued to mitigate environmental impacts. These include the organic cultivation of cotton, which, rather than using pesticides and fungicides, relies upon trap crops designed to lure potential pests and use beneficial bugs, and also on cover crops that keep weeds down during early growth periods (Chouinard and Brown, 1997). The company has also included these concepts in its communication and strategies, aiming to build its customers' sustainability awareness. This was highlighted in their 'buy

[2] Website of the company, including this statement, is available at: <https://www.patagonia.com/ownership/>.

less' campaign, which successfully built awareness around sustainability and circularity and set a strong precedent in the apparel industry (Rattalino, 2018; Calvo-Porral, 2019; Eich, 2021; Maeenuddin et al., 2023; Muñoz et al., 2023).

Many theoretical concepts have been developed to highlight the role companies play in social and environmental issues, such as the concept of corporate social responsibility (CSR), which has evolved over the years, coming from a focus on philanthropy and expanding into the inclusion of environmental and social considerations. Other concepts have emerged, such as creating shared value (CSV) or corporate sustainability. While these concepts have some differences, they offer similar fundamentals, and companies can apply them during their growth. As we can see with the case of Patagonia Inc. (n.d.), sustainability can be used to increase the competitive advantage of the company, and the incorporation of sustainability into a business strategy is a continual and not a sequential process (Fowler, 2007; Porter and Kramer, 2014; Braton and Wachter, 2018; Latapí Agudelo et al., 2019; Javed et al., 2022).

This paper aims to explore companies' journey towards sustainability and offer a framework for companies looking to adopt sustainable business practices. The presented conceptual paper focuses mainly on the environmental aspects of business sustainability, and it does not have the ambition to address the social aspects completely. The framework presented in this paper is based on the idea of a gradual path to sustainability, focusing on gradual environmental impact and gradual profitability. The framework was built based on a review of the existing models and previous literature, and it was also inspired by Patagonia Inc. (n.d.), which serves as an example of good practice. By taking a gradual approach, companies can reduce the risks associated with sudden changes, while still creating long-term value for all stakeholders. The framework covers the process of setting environmental goals, implementing sustainable practices, and engaging stakeholders in the journey towards a thriving and responsible business. The contribution of the proposed model extends sustainability to the whole supply chain, compared to the existing literature, which focused mostly on a specific organization only.

1. Theoretical Background

1.1. CSR, CSV and other Sustainability-Similar Concepts

The corporate sector widely adopted the concept of Corporate social responsibility (CSR) worldwide. It emerged at the beginning of the 20th century, originating from the discussion between Adolf A. Berle and E. Merrick Dobb in the 1930s and later expanded by Howard Bowen, often referred to as the „father of CSR"

(Braton and Wachter, 2018). Companies started publishing their social responsibility reports to their shareholders to inform them about their social and environmental initiatives (Montiel, 2008). CSR represented mainly the initiatives taken by the companies to operate responsibly. These actions include philanthropy, engagement with the community and responsible practices. The concept aims to map the company's impact on its stakeholders, such as employees, customers, consumers, suppliers, shareholders, government and the community. CSR's importance has evolved throughout the years, and it went from a „why" in the 1950s to a „must" in the recent decade (Carroll and Brown, 2018; Caroll, 2021).

Another concept which has raised scholars' interest is sustainability in business or corporate sustainability. Sustainability is a broader concept than CSR, encompassing economic, social and environmental considerations. However, these two concepts are often associated together because they share the three dimensions of the so-called triple bottom line: social, economic and environmental. The triple bottom line recognises that the company should consider profit, people and the planet (Montiel, 2008). Because of the complexity of the two constructs, managers tend to confuse them (Sarvaiya and Wu, 2014). In fact, many constructs have been created and increased the level of confusion for practitioners after the adoption of CSR by companies: the development of Corporate citizenship or global citizenship, sustainability or sustainable development in replacement of CSR. This has shown a strategic shift towards longer-term concerns (Carroll and Brown, 2018; Caroll, 2021).

While CSR focuses on the internal and external relationships of the firm, sustainability focuses on the long-term impact of the company's initiatives on the planet and on the people. It seeks to find solutions to balance the company's environmental, social and economic challenges. An interesting comparison has been made by Baumgartner and Rauter (2017), explaining that CSR is a voluntary compromise to satisfy the needs of stakeholders and that sustainability has the long-term perspective to preserve the planet and the future generations (Baumgartner and Rauter, 2017). Thus, it is logical that CSR can be understood as a subset of sustainability and that sustainable practices are also responsible practices for society (Prieto-Sandoval et al., 2019).

As a response to the criticisms of CSR being focused on external pressure, another construct emerged: Creating Shared Value (CSV), which became very popular by Porter and Kramer (2011; 2014). The authors defined CSV as implementing policies and practices that establish a competitive advantage over the industry's rivals while advancing in both social and economic considerations (Porter and Kramer, 2011). CSV is a more recent approach than CSR, emphasising the connection between a company's social and environmental impact and its financial performance. It argues that creating shared value for the company and its stakeholders can improve its competitiveness. The concept emphasises companies' role in addressing social and environmental challenges through their core business rather than through separate initiatives (Motilewa et al., 2016). Even though the concept has been criticised and scholars have raised the tensions between the economic and social objectives (Beschorner and Hajduk, 2017), CSV remains popular and has got a lot of attention as it perceives social issues as potentially a source of profit-making for companies (Menghwar and Daood, 2021).

We can see, therefore, that CSV and sustainability share the integration of social and environmental considerations into the core business strategy of companies. The two concepts share a lot of similarities; however, they have some differences. Sustainability is a goal of an outcome, and CSV is a strategy or a process. Sustainability is about developing a better future for all stakeholders by addressing economic, social and environmental challenges, and CSV is a business strategy focusing on creating economic value for the company while addressing social and environmental issues at the same time.

1.2. Benefits of Sustainability in Business Practices

Several studies have analysed the benefits sustainable practices have on companies. These benefits can be on different aspects. As the concept explains, one of the three components is the creation of an economic value. Some investigations have shown that sustainability can enhance the economic performance of companies (Shahedul Quader et al., 2016; Whetman, 2018; Lombardi et al., 2020). For example, a study in the US financial markets concluded that investors reward companies with significant sustainability strategies and recognise their higher market value (Lo and Sheu, 2007). Lo and Sheu (2007) further found a significant correlation between corporate sustainability and market value. The study supports the assumption that sustainability orientation can increase firm value and financial performance. However, other studies have looked at the impact of sustainability on financial performance, and the results have been mixed, often due to tough measures of economic benefits and outcomes of sustainable projects (Shahedul Quader et al., 2016). The study led by Qiu has found no significant correlation between companies' environmental disclosures and profitability (Qiu et al., 2016). This study also concludes that firms with more extensive economic resources engage more with stakeholders and more disclosures, especially social disclosures, which yield positive economic benefits. Therefore, the literature is still inconclusive on the relationship between environmental performance and financial performance. Overall, not all companies seem to manage to convert their sustainability practices into economic value. Longitudinal empirical research highlighting the differences between profitable and non-profitable sustainable strategies would benefit the field.

Other studies explain the benefits of adopting sustainable practices and developing sustainable innovation. Sustainable innovation implies adopting a new model for the firm (Evans et al., 2017). It can be defined by the implementation of a new business model, the transformation of an existing model, the diversification, the acquisition of a new business model or even the construction of an entirely new model (Geissdoerfer et al., 2018). It can also be defined as the development of new products, processes, services or technologies that contribute to the well-being of humans and institutions while respecting natural resources and their regenerative capacity (Yoon and Tello, 2009).

By adopting sustainable practices, companies can unlock some unperceived value within the company. This is done by leveraging social and environmental aspects. For example, Patagonia Inc.(n.d.) has continuously increased the circularity of resources and generated a sustainable competitive advantage by creating and combining economic and environmental values (Rattalino, 2018). By understanding and implementing a circular business model, companies can introduce a sustainable innovation that can utilise overlapping lifecycles to save processed materials and reuse components (Slowak and Regenfelder, 2017). A high-potential value creation is possible when the whole supply chain is optimised through sustainability. Several researchhers (Mirghafoori et al., 2017; Brozović et al., 2020; Choudhary and Sangwan, 2022) observed a positive relationship between the company's performance and the innovation of the supply chain. The value creation that has been uncaptured by companies in the context of sustainability and waste valorisation can be summarised as the potential value that a business model fails to capture. It can be visible, such as waste in production and reusable components of discarded products, or invisible, such as underutilised expertise or workforce overcapacity (Yang et al., 2017). In summary, sustainability can bring a range of benefits to companies by creating value through increased efficiency, improved reputation, cost savings, increased competitiveness, innovation, and improved stakeholder relations.

1.3. Challenges and Risks of Sustainability

Sustainability in business has raised the growing attention of the scientific community over the years, and many scholars have studied its benefits. However, implementing sustainability practices has also been criticised because it is not without risks and has several dark sides, too (Bocken et al., 2014; Tura et al., 2019). The introduced theoretical concepts suggest that sustainability is supposed to build social, environmental and economic value, but in business practice, this has not always been the case for companies.

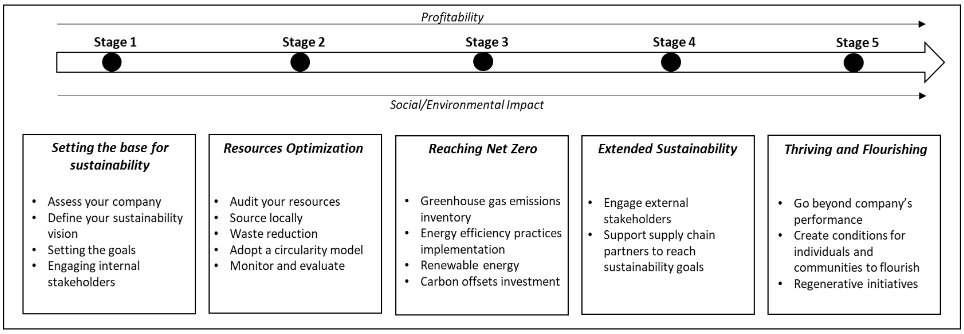
One of the main criticisms towards sustainability is greenwashing. Indeed some companies can communicate about sustainable practices and use them as a marketing tool without making real changes to the strategy or operations of the companies. Scholars (Seele and Gatti, 2017; de Freitas Netto et al., 2020) describe Greenwashing as a misleading and deceptive way to communicate about products/services of company practices to appeal to consumers' sensitivity to environmental issues without fully disclosing negative information about the company's practices. Another criticism of business sustainability is its lack of consensus on the definition of the concept, which is associated with several (misleading) interpretations of sustainability (Kuehr, 2007). Due to this issue, it can be difficult to measure and evaluate the companies' sustainability. Sharing a similar conceptual and methodological view on sustainability reporting with different stakeholders is also difficult. Several challenges are associated with sustainability reporting, including the need for companies to balance the interests of different stakeholders and the complexity of measuring and reporting on sustainability impacts (Christofi et al., 2012; Baumüller and Sopp, 2022).

On top of these challenges, scholars acknowledge (Leonidou et al., 2017) that implementing sustainable strategies can be challenging, especially for small companies with limited resources. Companies need to consider the costs related to putting sustainable practices in place. In their work, Epstein and Rejc Buhovac (2014) recognise that companies can have long-term financial benefits and increase shareholders' value by integrating sustainable practices into the companies' strategies, but the companies need to plan for the upfront costs related to adapting the supply chain to develop sustainable innovation, to put in place the carbon accounting and the efficiency measures and to engage the different stakeholders (Epstein and Rejc Buhovac, 2014). Finally, another aspect that must be raised is the relatively limited scope companies select to integrate into their sustainability practices (Srivastava, 2007). Often, companies focus on narrow issues or solutions to develop. For example, they would focus only on energy efficiency or recycling. Scholars are critical of this approach, which fails to address systemic environmental issues. Caldera et al. (2017) and Hoffman (2018) recognise that one of the key issues is that companies should adopt a more holistic approach to sustainability that recognises the interdependence of social, environmental, and economic systems.

2. Gradual Sustainability

We have seen in the literature that several constructs have been developed that capture a business's impact on society and the environment. We have also noticed that some of these constructs are more focused on the short term, and others can radically change the companies' strategy and operational practices. Integrating a long-lasting impact on the environment in a company's core cannot be done in one single leap and as a short-term strategy. Sustainability is also not a goal that a company can reach. Instead, sustainability is a journey that a company decides to take by adopting a strategy embedded in the core activities of the company. As Cici and D'Isanto (2017) define, integrating sustainability enables redesigning the strategy and operations to face the changes and the expectations of the market and society, aiming to increase competitiveness and have durable profitability. We also need to point out that the level of ambition towards sustainability is not the same for all companies, and they can determine at which stage their goals are (Baumgartner and Ebner, 2010). For it to succeed, it requires the organisation to have the „buy-in" of the internal stakeholders and the sustainable practices should be integrated gradually. This paper brings a framework for companies that describes the different stages the organisations can take in their path towards sustainability. These stages are defined here.

F i g u r e 1
The Gradual Sustainability Path for Companies



Source: Own contribution based on the existing state of knowledge and studies cited.

The literature is quite extensive in explaining how to implement a sustainability report and different ways in which companies can measure their sustainability; however, there are not many papers showing how companies can develop their sustainability strategy. One of those is a conceptual paper that defines specific profiles for sustainability strategies and helps companies verify whether they consistently implement instinct sustainability strategies (Baumgartner and Ebner, 2010). This paper describes very well the characteristics of the various sustainability strategies and what must be implemented to reach the sustainability goals. In comparison, the framework developed here describes the different stages a company can take on its path towards sustainability and how it can be gradual and not in one unique leap.

Stage 1: Setting the Base for Sustainability

Setting sustainable goals for the company can help ensure that the business operations are aligned with the values and priorities and contribute to a better future for stakeholders and the planet. First, the company must assess its current performance to set a base scenario: understanding the current impact on the environment and identifying areas for improvement. The company can use tools such as sustainability assessments and carbon footprint calculators. Once assessed, the company needs to define the sustainability vision, mission, and values. This will serve as a foundation for setting goals and guiding decision-making. After determining these, the company can decide whether to adopt an introverted strategy based mainly on risk mitigation and imposed legislation or an extroverted strategy seeking external stakeholders' approval to approach a conservative strategy. The options include deciding on clean production and eco-efficiency or implementing a holistic visionary strategyithin all the organisational aspects (Baumgartner and Ebner, 2010). As mentioned previously, each company can have a different ambition level, so it is important to have this clearly stated.

Involving the stakeholders is key to the success of the strategy. The companies must engage with employees, customers, suppliers, and other stakeholders to understand their sustainability concerns and preferences and ensure that the goals align with their values. However, this needs to start with the organisation's leadership as they are essential to the organisational change process. This shows how critical the top management and the board of directors are in the success of sustainability(Eccles et al., 2012).

Companies need to encourage their employees to be proactive in resource optimisation by providing training and promoting a culture of sustainability. Sustainability initiatives can start with the employees first, as they can be considered to be the first beneficiaries. That can show the firm's commitment and increase the employees' engagement towards sustainability. When employees are engaged, they proactively pursue opportunities to implement sustainability issues. For that to happen, they must understand and believe in the process(Eccles et al., 2012).

Stage 2: Resources Optimisation

Companies need to conduct a resource assessment, including materials, equipment, technology, and human resources. This will help you understand the current resource utilisation and identify areas for improvement. With this in mind, companies can implement processes to reduce waste and optimise resource usage, such as improving supply chain management and reducing consumable usage. Optimising the resources can be integrated into the product life cycle and developing a circular model that can become a strong competitive advantage. A few studies have analysed the competitive advantage developed through circularity. A study has shown how circularity can offer a cost advantage in the value chain (Pavel, 2018). In a recent research study from Slovakia, Musova et al. (2021) determined that circularity is a critical criterion of choice for consumers in the fashion industry, representing a competitive advantage for fashion companies implementing a circular model. Returning to the Patagonia company case, we saw that it integrated circularity in its products and communication: „Reduce what you buy, repair what you can reuse what you no longer need, recycle what's worn out". This famous campaign made Patagonia company a go-to brand for consumers that embraced these values (Stappmanns, 2016). Patagonia company continuously invests in sustainable innovation that increases the circularity of the resources (Rattalino, 2018).

Companies can shorten their supply chain to decrease their finished products' ecological footprint. If possible, the companies can source locally and try to reduce the distance for their procurement. For example, Patagonia company started using organic cotton produced in the United States. They also put a website in place so customers can trace the products through the supply chain. It reduced the footprint and built a higher trust, and customers were willing to pay a premium for it (Stappmanns, 2015).

One of the important initiatives to install in time is continuously monitoring resource utilisation (Henri and Journeault, 2010). While analysing the integration of sustainability in Italian companies, Cici and D'Isanto (2017) mentioned the need for sustainable value chain management and a successful measurement and monitoring of the economic, social and environmental impacts. By optimising the resources, the company can reduce costs, improve efficiency, and increase profitability while contributing to a more sustainable future for the business and the planet.

In order to monitor the environmental impact, Epstein and Rejc Buhovac (2014) recommend that the companies develop metrics that capture the environmental and economic impacts of sustainability initiatives. This involves selecting appropriate indicators, defining measurement methodologies, and establishing data collection processes. Then, they need to assess the impact, analyse the effectiveness of sustainability initiatives in achieving their goals, and finally, communicate these impacts to the stakeholders transparently (Epstein and Rejc Buhovac, 2014).

Stage 3: Reaching Net Zero

This stage is about focusing primarily on the company's carbon footprint and mitigating its climate impact. Reaching net zero for the company involves reducing greenhouse gas (GHG) emissions to a balanced level by removing an equivalent amount from the atmosphere. The company needs to start by conducting a thorough inventory of the company's greenhouse gas emissions, including direct emissions from operations and indirect emissions from energy usage in the supply chains (Becker et al., 2020; Han and Wang, 2022).

After clearly understanding where GHG emissions are emitted, the companies must implement energy efficiency measures to reduce energy consumption and GHG emissions. Companies that take a proactive approach to addressing carbon taxes and emissions regulations risks and setting emissions reduction targets can not only reduce their environmental impact but also gain a competitive advantage (Jia and Toffel, 2012).

To reach Net Zero, the company can also invest in carbon offsets to remove greenhouse gas emissions from the atmosphere, such as investing in renewable energy projects, reforestation, and soil carbon sequestration. For that, the company needs to identify projects with a clear and transparent positive impact on the environment and purchase carbon credit from them. For example, one of Patagonia's competitors, North Face, has a different vision from Patagonia, and its main sustainable initiative is carbon sequestration. The company purchased 1.5 million hectares in South America to regenerate, conserve and protect its forest, grasslands and wetlands. Through this initiative, they can store between 30 to 60 tons of carbon per hectare (Jones and Gettinger, 2016).

Stage 4: Extended Sustainability

This stage starts by identifying and engaging all relevant stakeholders, including customers, suppliers, employees, shareholders, governments and local communities. The company must communicate its sustainable goals and actions to achieve them transparently and clearly. In his book, „Making Sustainability Work", Epstein and Rejc Buhovac (2014) recommend communicating the impact of sustainability initiatives to stakeholders in a transparent and credible way. This involves reporting on sustainability performance using standardised frameworks such as the Global Reporting Initiative (GRI) and engaging stakeholders in dialogue about the company's sustainability goals and progress (Epstein and Rejc Buhovac, 2014; Aggarwal and Singh, 2019; Talyka et al., 2024).

The company should encourage collaboration and co-creation with stakeholders to align sustainability goals and find new and innovative solutions. The company can share sustainability plans with its partners and support them in adopting sustainability practices. This can help further reduce the products' carbon footprint and environmental impact and create an enhanced competitive advantage for the whole supply chain. It engages with suppliers and partners to reduce emissions in the supply chain, including working with suppliers to switch to renewable energy sources and reduce emissions from transportation. Jira and Toffel (2013) explain that companies must engage their supply chains in climate change mitigation efforts by setting clear expectations, providing incentives and support, and collaborating with suppliers.

The company can develop and implement plans to reach its sustainability goals and involve stakeholders. This includes tracking progress and making necessary adjustments. While collaborating with the stakeholders in the supply chain, the company can co-create sustainability performance measures with indicators that all the value chain members can apply to create value for all stakeholders (Antolín-López et al., 2016). Working with stakeholders can create a shared vision for sustainability and ensure that everyone is working towards a common goal. This also helps build trust and foster long-term relationships with stakeholders, which can positively impact the business's success (Horváthová, 2012; Maletič et al., 2014).

Stage 5: Thriving and Flourishing

In this ultimate stage, companies with necessarily sustainable ambition look beyond economic goals and are looking to develop a thriving or flourishing business model (Hoveskoq et al., 2018). These constructs are associated with positive psychology and well-being. Flourishing can be described as a state when people, as individuals or communities, can develop themselves and reach their full potential. The constructs of sustainability and flourishing are intertwined, as sustainable practices can help to create conditions for people to flourish (Winnard et al., 2014; Dentoni et al., 2021). For example, sustainable practices such as reducing pollution, optimizing the use of resources, and promoting social and economic growth can create healthier and more liveable environments for people to live in, which in turn can contribute to well-being and happiness. Similarly, the construct of thrivability focuses on stimulating a life-centric growth that supports our flourishing at the same time as our planetary life. This concept implies rethinking the ecosystems and integrating the respect the nature in which they are rooted while using the natural resources and thinking about their regeneration and prosperity (Moggi et al., 2022a; Sendawula et al., 2022). To develop a flourishing model, collaboration and co-creation are key. Furthermore, to create long-lasting value, all stakeholders need to be considered. Upward and Davies (2019) have developed a framework to design a flourishing business model. The authors note that to permit humans to flourish on the planet, it is necessary to collaborate authentically and learn and act together to co-achieve goals to realise a shared values-based aspirational purpose beyond self-interests (Upward and Davies, 2019).

Conclusion

As analysed in this paper, business sustainability is not only a goal that a company can reach with a standalone strategy. A company takes a journey to embed practices in its core that enable it to develop a triple-bottom-line approach and create economic, social and environmental value. Sustainability is also not a short-term initiative to respond to external pressure; instead, it is a long-term vision that requires the engagement of all stakeholders. This paper describes a framework to help companies develop a long-term strategy with different stages, gradual social and environmental benefits, and profitability growth. The main contribution of the presented model is in extending sustainability to the whole supply chain. The framework takes the companies from setting sustainability goals to reaching a thriving or flourishing business model. There is, however, a limitation in the framework as the thrivability and flourishing constructs are pretty recent. There is insufficient empirical evidence that these models bring additional economic value to the company. At this point, thrivability has been applied mainly to regenerative landscape and territory studies. The concept has focused primarily on agriculture, links ecological, social and cultural aspects and enhances the common growth of people, farms and places (Moggi et al., 2022b).

Future research would be beneficial for the field to define more precisely how to develop a flourishing or thriving business model for the company, the local communities, the environment and all stakeholders. Also, as seen in the paper, some aspects of the sustainability field still need to be investigated further. Scholars still report inconclusive findings regarding the relationship between environmental impact and profitability. The field would benefit from more quantitative research to understand the relationship between sustainability and profitability in different industries and different company sizes. Specifically, we encourage future researchers to study whole markets or industries from the supply chain perspective, monitoring the levels of greenhouse gas emissions and their development (decrease) over time by using the presented framework to show in which stages of the sustainable business model adoption the companies are. This would deliver relevant insights not only for the scholarly community but also for policymakers, informing them about the stage and development of the sustainable business model transformation across the industries.

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