

The Authenticity Business Model Canvas: A new tool applied to the Portuguese Way of St. James

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Abstract

The Authenticity Business Model Canvas is a tool to enhance the role of authenticity in business models. It was based on the combination of the Triple-Layered Business Model Canvas (TLBMC) proposed by Joyce and Paquin (2016) with the authenticity theory presented by Wang (1999). The model attempts to solve the challenge of helping companies identify sources for value creation by involving key stakeholders (particularly employees and customers) to improve the authenticity of the business. The research shows that the enhancement of object-based and existential authenticity, as well as relational value, contributes to increasing customer loyalty, customer lifetime value and word of mouth. This paper explains how the tool was developed through a case study applied to the Portuguese Way of St. James.

Keywords: Authenticity, Business Model, Canvas, Sustainable Tourism, The Way of St. James.

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1 Introduction

In the last decades, we have experienced an emphasis on the role of speed and productivity in society and organizations (Husemann and Eckhardt, 2019). The same authors argue that in a sped-up society, citizens have less time to reflect and evaluate what is bringing value to their lives. Corvo (2011) highlights that the most problematic issues of western society are the crisis of the subject and the difficulties of interpersonal relationships due to the strong focus on performance and productivity. The author suggests that a solution to the problem might be to enhance an individual's connection with family, friends, society and nature. Wang (1999) exposes that living inauthentic lives is the result of two forces, "Order" and "Chaos", being broken down in a way that rational factors overcontrol non-rational factors (emotion, bodily feelings and spontaneity). The inauthenticity is further highlighted when there is a sudden crisis caused by external and unpredictable forces. Recently, the world has been facing many crises caused by natural disasters such as tsunamis (South-East Asia), fires (Australia, California and Southern Europe) and COVID-19 (Scheidgen et al., 2021), but also caused by political unrest such as the refugee crisis in Middle East.

Crisis exposes the flaws of the current human-environment systems and create an urgent need for transformation (Kim, 2021). According to Becker (2014, Ch 6: pp 159), adaptation is an important ability in human-environment systems that aim to continuously develop along their preferred expected scenarios, while remaining within human and environmental boundaries. According to Kim (2021), current literature does not offer clear guidelines on how governments, organizations, companies and individuals should approach these crises. The author built a 22-month ethnography of a Detroit alternative incubator, GREEN, showcasing a process of frame restructuration after 2013 municipal bankruptcy. The research shows that change can come from orienting local businesses towards organic growth by following a community-centered process.

Social media and globalization enabled organizations to reach their customers more easily, offering a vast number of channels. Online channels represent new social places where reputations can be built but also destroyed (Malaterre and Rothbard, 2015). Malaterre and Rothbard (2015) stress the effect of social media on sustaining reputation. A significant amount of research has been dedicated to the management of brand reputation (Fombrun and Van Riel, 2004; Greyser, 2009; Tieman, 2018; Van den Bosch et al., 2005; Yin et al., 2008). Fombrun and Van Riel (2004) proposed a reputation model which defines reputation in five dimensions: visibility, distinctiveness, transparency, consistency and authenticity. Visibility can be defined as the exposure of a brand or organization to possible customers (Van den Bosch et al., 2005). The greater the visibility, the higher it is its brand awareness, which also demands more attention on how to control the spread of complaints and bad publicity that may damage the reputation (Greyser, 2009). Distinctiveness is related to the unique position of the organization as it is perceived by customers and stakeholders (Van den Bosch et al. 2005). Transparency means being true to the customers and stakeholders, by highlighting what the company is good at, providing any required information, and compromising about social responsibility and workplace environment (Van den Bosch et al., 2005). Consistency means to present similar performance across time (Van den Bosch et al., 2005) and can help to build a reputation reservoir as suggested by Greyser (2009). Regarding authenticity, Van den Bosch et al. (2005) take a perspective defined by Wang as a constructive view. The authors define authenticity as a process of discovery in order to create a convincing constructed identity, followed by the process of expression of that identity. Authenticity is usually linked to what is real, genuine, accurate, reliable and trustworthy.

Marketing strategies are inseparably linked to the management of identity and the organization reputation (Van den Bosch et al., 2005). Denicolai et al. (2010) argued that in order for companies to provide an authentic and unique experience to their customer, they must work together with the network of value. Baumeister (2019) emphasized the importance of specifying the desired reputation and acting in accordance with that defined aim, to achieve the perception of authenticity. The world is progressively becoming more dynamic, complex and uncertain. It is mandatory for organizations and companies to define a strategy that takes into consideration the different trends in the political, environmental, social, cultural and technological landscape (Fernandes, 2017). The author stresses the importance of company strategy to (1) understand and use resources and capabilities in the environment it operates, (2) to launch new products and services that bring value to the clients, (3) to satisfy the needs of the market and (4) to manage expectations and influence stakeholders and the ethic and cultural questions related to that. There are many tools to help managers design and adapt their strategy and business model (Gassmann et al., 2013; Osterwalder and Pigneur, 2010; Joyce and Paquin, 2016).

A business model describes how an organisation, company or business creates, delivers and captures values (Osterwalder and Pigneur, 2011). It is a conceptual tool that identifies a set of elements and how they interact with each other to express the company's logic of creating value

and capturing money (Osterwalder, 2004). The Business Model Canvas proposed by Osterwalder and Pigneur (2010) is one of the most popular tools, consisting of 9 blocks: Customer Segment, Value Proposition, Customer Relationships, Channels, Revenue Stream, Key Resources, Key Activities, Key Actors and Cost Structure. However, it has been argued extensively in the literature that the Business Model Canvas can be improved as its main focus is on value delivery and profit generation (Coes, 2014). One of the limitations is the absence of acknowledging external forces (Coes, 2014), being the St. Gallen Business Model Navigator an improvement in that particular matter. Joyce and Paquin (2016) also argue that organisations that are seeking a more positive social and environmental impact have difficulties designing their business model using the tool proposed by Osterwalder and Pigneur (2010). In that sense, Joyce and Paquin (2016) propose the Triple-Layered Business Model Canvas (TLBMC). The TLBMC focus on sustainability, as it extends and complements the Business Model Canvas by adding an environmental and a social layer to the original economically oriented canvas. Despite the improvements, there is still a need for tools that can assist managers to identify sources and opportunities for value creation through the enhancement of authenticity within the business model (Coes, 2014). The researchers found that there was a lack of knowledge regarding the role that authenticity plays in the business model concerning the management of brands and how it might be linked to culture and sustainability.

The primary goal of this research is to develop and define a tool to help managers identify opportunities for the enhancement of authenticity of their business models. The study aims at solving the question: “How does authenticity benefit business models and contribute to sustainable development?” The secondary goal is to explain how the tool can be used to increase customer loyalty and fuel growth. At last, it is the purpose of this research to show how the tool can be used by entrepreneurs and leaders to design business models that can create value in the midst of crisis and contribute to resilient societies.

This article is the result of a research conducted as part of the development of the master’s thesis in innovation and technological entrepreneurship. This article is divided into five different sections. In the introduction, it is highlighted the goals of the research and it is explained the identified gap in the knowledge. Section 2 gives a description of the different steps of the methodology. In section 3, the relevant knowledge on which the research is built is presented. The Authenticity Business Model Canvas is clarified in section 4 and it is explained the main attributes responsible for enhancing authenticity in business models. Finally, section 5 includes the main conclusions of this research.

2 Methodology

The Design Science Approach (Hevner et al., 2004) was followed in order to proceed in the research. The research framework was built through adaptation of the framework model suggested by Hevner et al. (2004) and is represented in Fig. 1. The work already done when developing the Business Model Canvas (Osterwalder and Pigneur, 2010) and the TLBMC (Joyce and Paquin, 2016) was combined with existent knowledge on authenticity (Kolar and Zabkar, 2010; Taheri et al., 2018; Wang, 1999) and sustainable tourism (Castellani and Sala, 2010; Clarke, 1997; Denicolai et al., 2010; Husemann and Eckhardt, 2019; Kato and Prozano, 2017). Several constructs such as *Objective Authenticity*, *Constructive Authenticity*, *Existential Authenticity* and *Customer Loyalty* are evaluated and incorporated in the model to be built.

After having established the key elements that characterize the design-science research, the knowledge base and the environment, the different stages of development of the *Authenticity Business Model Canvas* can be described.

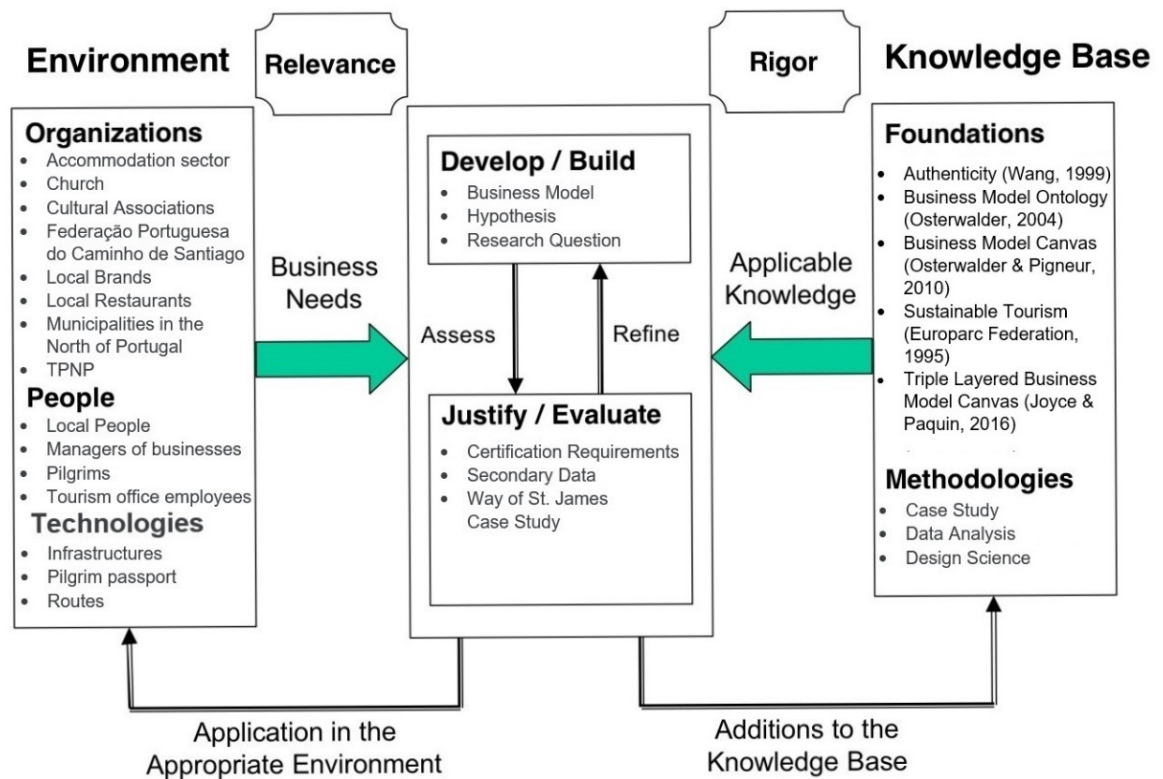


Figure 1. Research Framework (adapted from Hevner et al. (2004,pp. 80)).

Opportunities for improvement of business models within the scope of sustainable tourism, most specifically the tourist product, *Portuguese Way of St. James*, were selected from the literature review, evaluated and analyzed. The literature review followed a systematic approach, PRISMA (Moher et al., 2010). In the first phase, the goal was to find opportunities for the improvement of business models within the scope of sustainable tourism. This exploration phase was around three main concepts: *tourism*, *Way of St. James* and *local development*. The combination of the keywords returned 1293 articles. By applying the PRISMA methodology (Moher et al. 2010) to filter the most relevant articles, the number of articles in the database was reduced to 327. Twenty-five articles were selected, by reading the titles and the abstracts. The first phase of the literature review allowed for the identification of 18 opportunities for improvement (Carbone et al., 2016; Costa et al., 2017; Husemann and Eckhardt, 2018; Kato and Prozano, 2017; Smith, 2018; Taheri et al., 2018). The selected opportunities were considered to enhance the sustainability and the quality of tourist experiences.

In the second phase of the literature review, the focus was more on the role of reputation and authenticity in the sustainability of business models. By using different combinations of the keywords “authenticity”, “reputation” and “sustainability”, it was found 73 articles from which 14 were analysed. The knowledge about authenticity found in the literature (Fombrun and Van Riel, 2004; Kolar and Zabkar, 2010; Wang, 1999) allowed the building of an authenticity framework based mainly on the typology defined by Wang (1999). The authenticity framework was then used to characterize and evaluate the opportunities for improvement identified in the first phase. The selection of opportunities for authenticity enhancement was predicated on whether the activity was graded with at least half the points for one type of authenticity (objective, constructive and

existential). This step allowed for the arrangement of the opportunities for improvement in 5 different groups and for 2 opportunities to be discarded.

In the third step of the development of the tool, the certification requirements published by the Portuguese government in the DL 51 (2019) were used to further filter the opportunities for improvement. The goal of the law decree is to protect, value and promote the Way of St. James through the certification of itineraries. Tieman (2019) highlights the importance of certification processes to ensure the authenticity of products and experiences. The certification requirements were organized into 6 different categories: identity, conservation, safety, continuous improvement, promotion and stakeholders. At the end of the process, 8 opportunities were validated as measures that would contribute to enhancing the authenticity of business models. In the same way, it was possible to understand which were the certification requirements that were more linked to the enhancement of authenticity.

The first three steps enabled the identification and categorization of 8 opportunities for authenticity enhancement in business models in 5 different types. In the fourth step, one opportunity for each different type was described and analysed using the blocks of the Triple-Layered Business Model Canvas (Joyce and Paquin, 2016). The goal was to identify similar patterns between the 5 instantiations in order to better understand what the key aspects are, to take into consideration and how they connect with each other to create a positive impact on the business model.

3 Environment

3.1 Pilgrimage

Tourist activity has seen a growth in the need for more spiritual and restorative activities such as maintaining silence and reflecting on one's own life without access to modern technologies (Husemann and Eckhardt, 2019). An example of such activity is pilgrimage, defined as "*an extended geographic journey away from everyday life and detached from one's jobs, family and comfort to a sacred site in search of personal, social or spiritual well-being*" (Husemann and Eckhardt, 2019, p. 1142). Murray and Graham (1997) admitted that pilgrimage is also a social construct and cultural product due to it being a manifestation of knowledge. Digance (2003) studied the interaction between pilgrims and the goal of their journey. The author observed that pilgrimage experiences are, most of the times, associated with the journey one undertakes until he reaches a valued and sacred site. This sacred site is, in accordance with the individual's belief system, where he has access to God or the divine. The sacred space is usually linked to temples, cathedrals, palaces, synagogues or burial places, but it can also be natural landscapes such as mountains. These types of activities are not new. According to Digance (2003) and Moufahim and Lichrou (2019), pilgrimage is frequent in many major world religions. Examples of pilgrimage experiences are the Hajj and Ziyara-t-Arba'een (Muslim pilgrimage), the Holy Land, Rome and the Way of St. James (the three medieval Peregrinationes Maiores (Carbone et al., 2016)), other catholic pilgrimages such as Fátima, Lourdes and Medjugorje, and others such as Uluru and Kumano Kodo. Nowadays, there are only two pilgrimage routes across the globe that are registered as UNESCO World Heritage: The Way of St. James and Kumano Kodo. They both have been the subject of many studies, sharing close collaboration partnerships in tourism development (Kato and Prozano, 2017). Although many pilgrims come under the banner of religious tourism, it is also attracting many other types of tourists (sport, culture, etc.). In particular, the Way of St. James has been attracting pilgrims an experience that can satisfy their needs of leisure and recreation, increase their historical and cultural knowledge, while practising

sports, contributing to reach higher spiritual capital and connecting with “*Nature*”. The Way of St. James has gained a reputation as a sustainable tourism product where pilgrims look for deceleration from the sped-up rate of modern society (Husemann and Eckhardt, 2018). The focus of the study on the Way of St. James is due to its great and rising popularity and its nature that attracts all types of pilgrims with different motivation all over the year.

3.2 Way of St. James

The Way of St. James can be characterised as a religious phenomenon, in which an individual sets forth on a journey to “*Santiago de Compostela*” to seek the intercession of God and St. James in an array of concerns. In that sense, there’s no wrong or right route that shall be taken. However, over time pilgrims would pick the roads that had better infrastructures such as markets, churches, hospitals, hospices and bridges, as well as those which were considered safer (Murray and Graham, 1997). According to Murray and Graham, pilgrims would also opt to go through major sites of spiritual interest that had been developed along the road, such as other cathedral cities. The iconography of the Way of St. James has increased, and today there is a large international route network. The network includes a large number of different routes, and many countries are involved, such as Spain, France, Portugal and Italy.

Nowadays, the Way of St. James shifted from an exclusively religious phenomenon to an experience that attracts people with a variety of different motivations as shown in Table 1 (Fernandes et al., 2012; Lopez et al., 2017).

Although there are some differences in the results, it is possible to distinguish different segments that search for different experiences. Carbone et al. (2016) argue that regardless of their motivations, “*authenticity*” is the first value that pilgrims expect from the pilgrimage experience.

While making the pilgrimage on foot, pilgrims do one or more stage of approximately 20 km per day. Pilgrims leave early in the morning (usually between 5 a.m. and 8 a.m.) and arrive at the end of the stage by lunchtime. The second step of each stage occurs after the pilgrim would arrive at an “*Albergue*”. An “*Albergue*” is a special accommodation unit designed to give shelter to pilgrims. After a long walk that promotes introspection and spirituality, the rest of the day is spent socialising inside the “*Albergue*” exchanging experiences (Carbone et al., 2016; Lopez, Nicosia et al., 2018).

Table 1. Motivations to do the Way according to two different sources (Source: Fernandes et al. (2012) and Lopez et al. (2017))

Motivations	Fernandes et al. (2012)	Lopez et al. (2017)
Leisure/Fun	39%	17.1 %
Religious	35%	47.6%
Cultural/Heritage	33%	14.7%-31.3%
Sport	17%	19.7 %
Spiritual	5%	48.5 %
Other	23%	8.8 %

4 Knowledge Base

4.1 Authenticity

The term “authenticity” has been growing ambiguous from the various usages and contexts (Wang, 1999). According to Trilling (as cited in Wang (1999)), the original use was in the museum where experts tested whether objects of art are as they appear to be or worth the admiration. Wang distinguished between three types of authenticity: objective, constructive and existential. The author recognizes that both objective and constructive authenticities are based on the recognition of an object as authentic. Objective authenticity relates to the museum-linked evaluation of originals. If the objects are in fact false, it is considered a “staged authenticity” (MacCannel, 1973). The objective view is highly related to culture and how a certain object truly represents history (Wang, 1999). On the other hand, constructivists recognise that new ideas, knowledge, art and objects are always being created, and so “authenticity” is a result of social construction (Bruner, 1994; Wang, 1999). Büscher et al. (2017) admit the importance of scripts for the perception of authenticity during tourism activities. The authors highlight the importance of tourist marketing strategies to improve the experience. The fact that the perceived experience reflects a set of ideas and values which are being pursued by the tourists leads to feeling constructive authenticity. Existential authenticity can have nothing to do with objects (Wang, 1999). It is linked to a state of “*Being*” that can be activated through actions and experiences. The author distinguished between inter-personal and intra-personal existential authenticity. Within the intra-personal, experiences are divided between “bodily feelings” and self-making. “Bodily feelings” include relaxation, rehabilitation, recreation, entertainment and diversion. Self-making experiences include overcoming challenges and adventures. Inter-personal experiences include strengthening family ties and touristic communitas. According to Søren Kierkegaard (as cited in Peterson (2018, p. 214) “*an inauthentic person continues to perceive and act in ways his own experience has demonstrated false*”. Wang (1999) mentions that to feel authentic, one must be true to oneself. However, being authentic is not an excuse for sticking with what’s comfortable. Ibarra (2015) argues that feelings of “authenticity” come from moving away from what feels like comfort zones. The author argues that we should view ourselves as “*works in progress*” and evolve through trial and error.

4.2 Authenticity and Customer Loyalty

Kolar and Zabkar (2010) proposed a consumer-based model and concluded that the perception of “authenticity” is a key factor to increase customer loyalty. According to the study, managers should focus on how customers establish and perceive their connectedness with history, religion, nature and society. These authors found that cultural motivation has a positive effect on the perception of object-based authenticity. In addition, it was found that object-based authenticity can influence feelings of existential authenticity. Taheri et al. (2018) explored the importance of encouraging the co-creation of relational value between different stakeholders that interact with the product or service as a way to enhance their connection. The authors define relational value as the value derived from emotional bonds between customers and employees. Customer loyalty is something companies and managers should aspire for as it increases customer lifetime value and the chances of future referral, leading to growth.

4.3 Certification Requirements

Certification and authenticity are two concepts that usually go together. Certification processes can be described as processes to protect and enhance the reputation and authenticity of activities,

culture, religion and institutions (Tieman, 2018). At the same time, Tieman states out that a higher reputation of the certification body will improve the consumer perception of authenticity. The certification requirements for the itineraries of the Way of St. James are communicated in the Portuguese law decree DL 51 (2019) with the goal to protect, value and promote the touristic and religious product. The existence of a law decree means that the government acknowledges the need for convergence and coordination between all the stakeholders involved in this religious ritual and touristic product. Two main organizations are responsible for the promotion and valorisation of the Way of St. James in Portugal: *Direção Geral do Património Cultural* (Directorate-General for Cultural Heritage) and *Turismo de Portugal*.

Table 2. Certification requirements for the itineraries of the Way of St. James (Portuguese law decree DL 51 (2019))

Category	Certification Requirements
Identity	Use of itinerary proven by historical sources, the material remains or documented tradition
	Relevant patrimonial concern (“ <i>authenticity</i> ”, originality, rare)
	Symbolic and religious concern
	Cartographic characterization of itinerary, stages and right of passage
	Aesthetic value
Conservation	Maintenance of infrastructures (support equipment and cultural heritage)
	Maintenance of signalling
	Cleanliness
	Protection of high-value patrimonial heritage
Safety	Accessible and uninterrupted
	Ensure safety conditions
	Safety recommendations available
	Contact of hospital, firefighters and police
Continuous Improvement	Enhancement of heritage value
	Development of new services aimed at improving the experience
Promotion	Improving and reinforcing support equipment for pilgrims (sleeping, eating, bath and rest)
	Consistent use of signalling
	Identification of cultural and natural heritage associated with the Way
	Availability of information in physical and digital about the itinerary, the stages and support infrastructures.
Stakeholders	Production of new information content
	Agreement of all municipalities crossed by the itinerary on the certification process
	Articulation with local and regional partners

The law decree specifies a set of conditions. In order to facilitate the analysis of the certification requirements, they were classified according to 6 different categories (Table 2): identity,

conservation, safety, improvement, promotion and stakeholders.

As mentioned before in section 2, the certification requirements were used in the third step of the methodology to guarantee that the opportunities identified by the researcher in the literature comply with what was defined by the government.

4.4 Triple-Layered Business Model Canvas

The Triple-Layered Business Model Canvas (TLBMC) (Joyce and Paquin, 2016) extends and complements the original economically oriented Business Model Canvas (Osterwalder and Pigneur, 2010), by adding a social and an environmental layer.

The building blocks of the TLBMC were used to analyse the different opportunities for authenticity enhancement after those opportunities were selected using the methodology described in section 2. The goal was to find similar patterns between the instantiations and how the different parts connect to enable and strengthen the perception and feeling of authenticity by the customers. The concept of “authenticity” extends the concept of coherence, as it expresses the need for the business model to be consistent and connected to the belief system and culture of the environment surrounding all stakeholders. “Culture consists of patterns, explicit and implicit, of and for behavior acquired and transmitted by symbols, constituting the distinctive achievements of human groups, including their embodiments in artifacts” (Kroeber and Kluckhohn, 1952, pp 181). In other words, culture can be described as the set of patterns that are manifested through human groups action. As presented by the authors, the core of society’s culture consists of traditional ideas and the attached values. Culture can involve ideas that are not yet completely understood, but are, nevertheless, implicitly part of human action. In addition, culture can be changed through the adaptation of human societies to changes in the external environment.

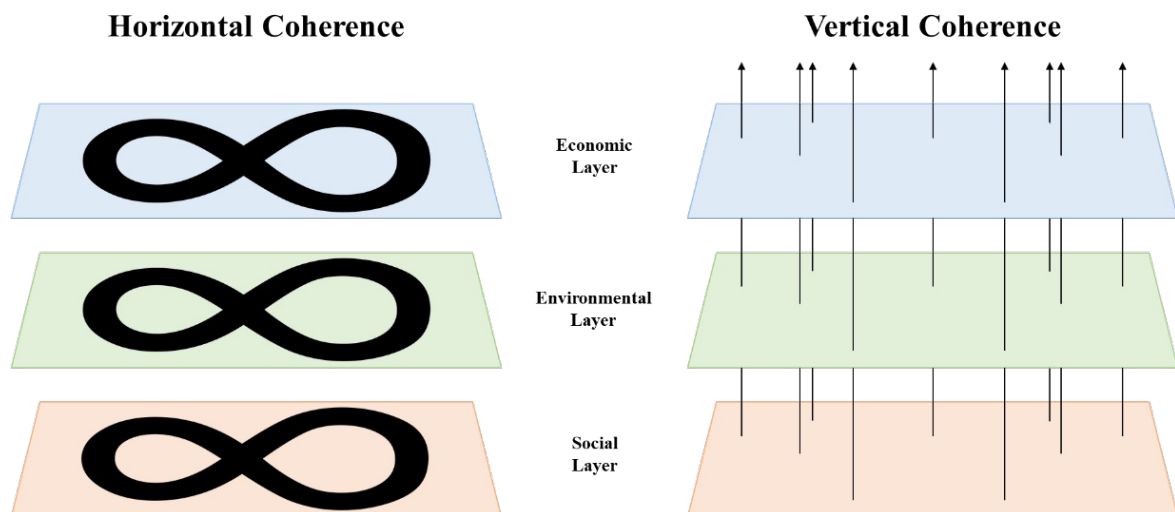


Figure 2. TLBMC coherence (Adapted from Joyce and Paquin (2016)).

5 Results and Discussion

5.1 Opportunities for Authenticity Improvement

The application of the three initial steps described in section 2 enabled the identification of 5 different opportunities for authenticity improvement:

1. Conservation walks

2. Enhancing interactivity
3. Authenticity stamp
4. Monitor customer perception and satisfaction
5. Events and fairs

Conservation Walks is an activity organized in the Kumano-Kodo pilgrimage which attracts more than 2000 participants each year (Kato and Prozano, 2017). According to the authors, the activity can involve tourists and local people in the religious ritual while it raises attention to the environmental impact of the activity. Customer relationships are enhanced by increasing the involvement of tourists with local people, contributing to building stronger connections. This is also an example of how customers can be engaged in the processes of maintenance, turning it into an advantage.

Enhancing interactivity can be done through digital apps or hands-on experiences as suggested by Taheri et al. (2018). Taheri et al. stress how it can help to enhance relational value and object-based authenticity. According to the authors, this is more relevant for business models where the connection between customer and product is not evident. The goal of these types of activities is to encourage the customer to learn and interact with natural and cultural heritage, history and religion, as well as to reduce the gap between the customers and the organization.

An authenticity stamp is a tool that can help an organization protect their reputation, especially when it is highly dependent on the external environment. In the particular case of tourism, Costa et al, (2017) noticed that cities change and start to lose their authentic identity as a consequence of the increase in tourists' flows. The main goal of the authenticity stamp is to enhance and promote local resources and heritage through the certification of businesses.

Monitor the perception and satisfaction of customers should be a priority, according to Costa et al. (2017). Fombrun and Van Riel (2004) highlight the importance of measuring the maintenance of quality levels and the desired progress of new implementations. The coordination between what is offered, what is communicated by all stakeholders and what customer needs and perceives is of paramount importance for the feelings of authenticity.

Events and fairs are an opportunity to involve all stakeholders and for organizations to engage with their customers. Moufahim and Lichrou (2019) argue that narratives and stories can help to transport customers in time and help them to emotionally connect with historical and cultural characters. In this activity, the focus is on the enhancement of the connection between the customer and local communities with history and culture. However, events and fairs are also an opportunity for customers to learn or relax which can foster existential authenticity.

5.2 Authenticity Business Model Canvas

The five different instantiations analysed before show that to guarantee the perceived authenticity, attention must be taken across the business model. The analysed opportunities for improvement allow recognizing certain patterns that are crucial to enhance the authenticity of business models. The patterns identified can be described by the "Authenticity Business Model Canvas" which is organized in five different areas (Figure 3): "Heritage", "Core Value", "Stakeholders", "Organization" and "Viability".

Heritage

Heritage includes the "Key Resources" and "Key Activities" of an organization, as proposed by Osterwalder and Pigneur (2010). The blocks "Production" and "Materials", proposed by Joyce and Paquin (2016) are also considered. In the Heritage area of the canvas, managers must identify what are the objects or activities, on which the business model is based, how it reflects the

Organization⁴ Channels Governance Customer Relationships		
Heritage¹ Key Resources Key Activities Materials Production	Core Value² Value Proposition Societal Culture	Stakeholders³ End-User Local Communities Key Partners Employees
Viability⁵ Cost Structure Revenue Stream Environmental Benefits Social Benefits		

Figure 3. Authenticity Business Model Canvas: Areas (author).

belief system and culture of society and what type of connection is going to be developed. It is also imperative to be transparent about the environmental impacts of the organization and the bio-physical materials that are being consumed. To define this area of the business model, managers should begin by asking:

“What is the history, traditions, symbolism, imagery, expectations, and beliefs projected onto the objects on which the business model is based?”

Core Value

The Core Value area is meant to define what is offered to the customer and other stakeholders, much in the same way as the original business model canvas (Osterwalder and Pigneur, 2010). The “societal culture” is also defined within this area, recognizing the values and culture that an organization stands for. It is acknowledged that the customer is not only looking for a service but also to associate himself/herself with the brand. Managers should ask themselves:

“What are the needs of the customers and stakeholders, and what are they willing to stand for?”

Stakeholders

Wenger (2009) defines community as a social configuration that designates what is worth pursuing and what types of participation and competences are valuable. When an individual wish to engage in new practices and join new communities, learning intensifies as the sense of familiarity is challenged. As we pay attention to what we expect to see (Wenger, 2009), when we have a certain goal and a difficulty, we will more easily learn what is needed for achieving that goal. In that sense active participation (Wenger, 2009), in a certain activity where knowledge must be applied, will accelerate the learning process.

Stakeholders’ engagement in the delivery of the value proposition is a key aspect to the success of business models (Büscher et al., 2017). Authenticity theory draws attention to the importance of

the involvement of local communities, end-users and partners (Büscher et al., 2017; Wang, 1999). Stakeholders are crucial sources of relational value (Taheri et al., 2018). Relational value is defined by the authors as the value derived from emotional bonds between customers and employees. Taheri et al. argue that the quality of connections between stakeholders can significantly improve the perceived authenticity. Authenticity is also dependent on how homogeneously the message is delivered by all stakeholders involved in the business model (Büscher et al., 2017). Some important blocks to be defined in this area of the Authenticity Business Model Canvas are “Key Partners” (Osterwalder and Pigneur, 2010), “End-User”, “Local Communities” and “Employees” (Joyce and Paquin, 2016). Managers must answer the question:

“Who is part of the environment which the business model impacts and how are the interaction between the different stakeholders?”

Organization

“Organization” is the area where it is defined how the business model implementation is managed. It includes the blocks “Channels” and “Customer Relationships”, proposed by Osterwalder and Pigneur (2010), and “Governance” proposed by Joyce and Paquin (2016). It defines the structure and decision-making policies of the company, as well as the metrics to measure the success of initiatives and actions. The block “Channels” help to ensure the balance between customer expectations and perceived experience. It is also important to understand that “Stakeholders” can be considered channels to other key actors.

The performance of a company can be linked to this area of the business model. It is important that managers ask themselves:

“How can performance and perceptions of stakeholders be measured and improved?”

Viability

The viability of a business depends on the ability to capture enough value to keep the business profitable (Osterwalder and Pigneur, 2011). It is important to define all estimated costs needed to execute the business model and how the costs may be shared across all stakeholders. On the other hand, to define the revenue stream, it is important that companies ask themselves “What value is each customer segment willing to pay?”.

There is a crucial link between sustainability and “authenticity” (Taheri et al., 2018; Cohen, 2002). According to the authors, there has been a shift in customer attitudes that benefits the growth of sustainable businesses. This shift can be characterized by the search for existential authenticity or the need to connect with culture and nature (Wang, 1999). Here, it is proposed that designing business models that have a positive environmental and social impact can enhance the perception of “authenticity” by both customers and employees. Managers should ask themselves:

“How can we improve the ecological and the social environment which influences the business?”

Overview

The Authenticity Business Model Canvas is represented by blocks in Figure 4. The use of this model benefits the enhancement of both the object-based and existential authenticity of a business. The blocks with colour blue capture the economic side of the business, while the red blocks represent the social contribution and the green blocks the environmental layer.

The first step is to guarantee object-based “authenticity” by identifying the key objects and activities, as well as the main values and beliefs associated with the heritage. It is recommended

Channels		Governance		Customer Relationships	
Key Activities	Production	Value Proposition	End-User	Employees	
Key Resources	Materials	Societal Culture	Local Communities	Key Partners	
Cost Structure		Environmental Benefits	Social Benefits	Revenue Stream	

Figure 4. Authenticity Business Model Canvas – Blocks (Author).

to focus on how the stakeholders engage in the execution and the delivery of the value proposition. In relation to this, the concept of relational value emerges as an important precursor of existential authenticity. Companies will benefit from designing value propositions that enable customers to interact with key objects, employees, local communities, and other customers. In addition, it is important to foster intrapersonal growth and well-being among customers.

Reputation and brand image measure the desire for customers and other stakeholders to associate with the offered products and services. Customers evaluate whether the products and services reflect the expected and transmitted values through the communication channels.

At last, the main goal of a business model is to generate revenue and profit. This research suggests that “authenticity” can increase the revenue of an organization. Building on Kolar and Zabkar (2010) and Taheri et al. (2018), it is proposed that authenticity and relational value have a positive effect on customer satisfaction and customer loyalty, which contributes to the increase of customer lifetime value and growth to potential referrals.

5.3 Role of Authenticity in Entrepreneurial Opportunities in a time of Crisis

Crisis are characterised by uncertainty and reduction of available resources (Scheidgen et al., 2021). According to the authors, it is a difficult time to start and grow new ventures. During COVID-19 pandemic, it was found that entrepreneurs tried new business models (Scheidgen et al., 2021). Recent studies show the need to orient entrepreneurship for social value in order to decrease societal consequences (Joyce and Paquin, 2018; Kim, 2021; Scheidgen et al., 2021; Taheri et al., 2018). Scheidgen et al. (2021) investigating the role of digital social innovation such as digital brokering and digitized services. The authors offered a great contribution for understanding how entrepreneurship practice and policy play a key role on recovering from crisis.

Kim (2021) has drawn from a 22-month ethnography of a Detroit business incubator, GREEN. The research shows the importance of alternative approach from incubators. GREEN oriented local businesses towards organic growth by focusing on co-creation and stewardship and by involving the local community in the incubation process. The author describes how the incubator asks

entrepreneurs to think of the business as a living organism which cannot be accelerated by funds, is open to the community and has its own niche market and identity.

The proposed Authenticity Business Model Canvas is a tool that can be used during crisis to help entrepreneurs to create new ventures or reshape existing ones. It can also be used by organizations such as GREEN to provide better counselling to new businesses. Authenticity is a key factor for the sustainability of a business and it can be enhanced by designing a community centred business model.

6 Conclusions

The proposed model attempts to solve the challenge of helping companies identify opportunities for value creation and design business models aimed at improving “authenticity”. The “Authenticity Business Model Canvas” is a tool that can help managers and entrepreneurs design business models to enhance the “authenticity” perceived by their customers and stakeholders. The model was developed and validated based on the analysis of opportunities for authenticity improvement proposed in the literature on sustainable tourism and the Way of St. James. The opportunities for authenticity improvement were selected using a framework that contemplated the authenticity theory (Wang, 1999) and the certification requirements for the Way of St. James published in Portuguese law decree. The analysis of the opportunities for authenticity improvement using the TLBMC (Joyce and Paquin, 2016) allowed to identify similar key patterns. The identified patterns were the foundation for the development of the Authenticity Business Model Canvas. The use of an informed argument approach allows for supporting every aspect of the model in the literature.

The present research connects the quest for authenticity (Cohen, 1979; Wang, 1999) with the human need to build a meaningful connection with history, culture, nature and society. The model constitutes a valuable asset for managers, marketeers and entrepreneurs devoted to enhancing the perceived “authenticity” of their business models in order to increase customer loyalty and foster growth.

The model proposed constitutes a stepping point for more complex models to be built. Further development can be accomplished through empirical validation using in-depth interviews and quantitative methods. A better understanding of human and environmental factors can be attained through input from entrepreneurs, managers and marketeers. Another possible experiment would be to help organizations apply the “Authenticity Business Model Canvas” to their business model, assist them in implementing the identified changes, and measure the results.

This study was the result of a master’s dissertation. The dissertation included the application of the model to the business model of three organizations operating along the Way of St. James at different levels.

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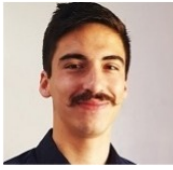
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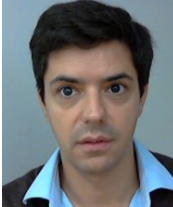
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